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World Economic Forum Global Redesign Summit

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Report

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Preface



“We will catalyse the work of the GRI into an ongoing Global Agenda Partnership. We all have to work together. We have to be ambassadors of the GRI and what has been achieved here in Qatar.”

Klaus Schwab

Founder and Executive Chairman, World Economic Forum

At its Annual Meeting in January 2009, the World Economic Forum initiated a two-year, multistakeholder deliberative process to address the wider implications of inadequate international governance in a more interdependent world. Global Agenda Councils comprising more than 1,200 experts from academia, government, business and civil society were convened and challenged to develop concrete proposals for improving international cooperative structures and arrangements in their respective areas of expertise. Other Forum communities, notably Industry Partners, Young Global Leaders and Social Entrepreneurs, were also challenged to contribute ideas. These discussions ran through all of the Forum’s Regional and other Summits in 2009-2010.

The Forum’s Annual Meeting 2010 devoted a large part of both its public and private sessions to testing these emerging proposals with ministers, CEOs, heads of NGOs and trade unions, leading academics and other members of the uniquely high-level, multistakeholder Davos community. Some were very specifically explored in so-called Ideas Labs, others were debated in public meetings, and still others were the subject of detailed discussion in different industry groups.

Supporting the GRI process have been four patron governments – Qatar, Singapore, Switzerland and Tanzania. Each has hosted special discussions on different aspects of global governance.

These deliberations have resulted in a report, entitled *Everybody’s Business*:

Strengthening International Cooperation in a More Interdependent World, encompassing 58 specific proposals and nine thematic essays by distinguished rapporteurs. The Forum and the patron governments convened a special summit on the future of international cooperation, the Global Redesign Summit in Doha, Qatar, to begin the process of engaging the intergovernmental community and other stakeholders in a discussion about these recommendations. Over 450 participants from more than 60 countries explored these ideas and others in a series of sessions that allowed not only general discussions of critical issues and challenges but also “deep dives” into how to turn proposals into real policies, programmes or new institutions and mechanisms to facilitate collaboration.

The Summit provided the authors of these proposals an opportunity to engage with senior officials of Finance, Trade, Energy, Environment, Foreign, Labour and Development ministries of 50 governments from every region of the world, as well as with over 20 international organizations. As the Forum had challenged its communities to develop proposals that were structural rather than merely incremental in nature, it also challenged governmental representatives to present their strategic vision of the structural upgrades in international institutions and arrangements that would enable stronger, more sustainable and more inclusive economic growth.

Through its Global Redesign process, the Forum has aspired to help broaden the focus of international governance discussions beyond the important work being done in the G20 on financial supervision and macroeconomic cooperation, encouraging the wider international community to take more pre-emptive and coordinated action on the full range of risks that have been accumulating in the international system. The objective has been to facilitate greater collective engagement by as many countries and stakeholders as possible in order to update and upgrade international cooperative structures, both formal and informal, so they are more fully in line with 21st Century circumstances.

To ensure this important work is continued after the Summit and integrated into a sustained process, the Forum is creating the Global Agenda Partnership (GAP), a new interactive electronic platform dedicated to facilitating real-time, self-organizing interaction of networks of expertise and decision-makers across

a myriad of intellectual disciplines, industries, governments and civil society institutions. The Forum plans to integrate into this platform its multistakeholder and interdisciplinary Global Agenda Councils, Industry Communities and Young Global Leader Task Forces, which have served as the backbone of the Global Redesign process. In addition, it will invite governments, international organizations, companies, NGOs, unions, universities, think tanks, religious organizations, media and other institutions that can contribute to a better understanding of and response to global risks to register some of their top experts and decision-makers on the platform. The goal is to develop a new piece of information infrastructure to support the kind of wider, increasingly bottom-up global cooperation system envisioned by the communities that have contributed proposals and ideas to the Global Redesign Initiative.

The Global Redesign process and this Summit were an attempt to widen perspectives and deepen commitment about international cooperation. They form part of a work in progress. The Forum counts on Summit participants and the wider Forum community to advance this work and help disseminate the proposals and ideas put forth. We take this opportunity to thank everyone involved in this valuable process for their continued engagement.

In particular, we wish to thank the State of Qatar for its gracious and generous support in hosting the Global Redesign Summit as well as the three other patrons of the process, the governments of Singapore, Switzerland and Tanzania.

Mark Malloch-Brown
Vice-Chairman

Richard Samans
Managing Director

Global Redesign Summit Discussion Highlights

The presence at the World Economic Forum Global Redesign Summit in Doha of key government leaders, including senior representatives from the Republic of Korea, the current G20 chair, and from Mexico, the current chair of the UN climate negotiating process, reflected the Summit's essential purpose as a "marketplace of ideas" for strengthening global systems of cooperation.

The Forum set the stage for these discussions by publishing on the first day of the Summit one of the most extensive sets of recommendations to strengthen international cooperation and governance ever assembled. The Global Redesign Initiative report contains 58 specific proposals and nine thematic essays by some of the international community's leading authorities on international economic, environmental and security cooperation.

Entitled *Everybody's Business: Strengthening International Cooperation in a More Interdependent World*, it warns that serious global risks and challenges are accumulating in many areas, and international institutions and arrangements are often ill-equipped to provide a proactive response. Reminding the international community that in the midst of the financial crisis in late 2008 and early 2009 it "was seized with the transformational nature of our times", the report calls upon it to "hold on to that moment of possibility, consolidate

its considerable accomplishment in containing the crisis, and renew its earlier commitment to renovate the international system."

Drawing a parallel to the 1944 Dumbarton Oaks and Bretton Woods conferences that designed much of the post-war international security and economic architecture over a year before World War II ended, the report concludes that the time has come for governments, companies and other civil society institutions to "rise above their immediate, parochial interests and consider more seriously their long-term stake in a properly structured and resourced global cooperation system for the 21st Century."

Writing in the report's overview chapter, Forum Managing Director Richard Samans, Executive Chairman and Founder Klaus Schwab and Vice-Chairman Lord Malloch-Brown conclude: "Even as governments develop their exit strategies from fiscal and monetary stimulus measures applied during the crisis, they should engage in an effort to absorb the larger meaning of the changes that have transformed the international community during the past generation and rendered much of its cooperative architecture not fully fit for purpose."



"We ask all stakeholders to cooperate and unite their efforts to translate their efforts into reality. We want a global design that would give equal opportunities to all."

H.H. Sheikh Hamad Bin Khalifa Al Thani

Emir of the State of Qatar



"It is a question of how. We have to always think about how."

Tarja Halonen

President of the Republic of Finland

The Forum report proposes a “blueprint for renovating international cooperation in an era of increasingly complex interdependence, rendering it both more effective and legitimate” based on the many proposals that have emerged from the Global Redesign process.

In particular, it proposes a **more results-oriented “multidimensional” approach** to international governance and cooperation that encompasses but goes beyond multilateralism. Arguing that the international community’s increasing interconnectedness and interdependence creates new modes and means of accelerating progress on many global challenges, it demonstrates how pragmatic strategies that take advantage of these additional tools and capacities can be combined to achieve breakthroughs on such issues as climate change, fisheries depletion, unemployment and poverty, public health, the proliferation of weapons of mass destruction and educational access and illiteracy, even when new multilateral agreements appear to be diplomatically beyond reach.

The report calls for the “state-based core of the international system to be adapted to our more complex, bottom-up world in which non-governmental actors have become a more significant force”. To this end, it urges governments and international organizations to conceive of themselves more explicitly as constituting part of “a **much wider global cooperation system** that has the potential to overcome the limitations of scale, information and coherence from which they currently suffer by anchoring the preparation and implementation of their decisions more deeply in processes of interaction with interdisciplinary and multistakeholder networks of relevant experts and actors”.

In parallel, the report calls for a stronger sense of ownership and responsibility – a **shift in values** – on the part of these very non-governmental institutions and their leaders regarding the underlying health of the international system. Criticizing the “severe price the international community has paid for its complacency about systemic financial and macroeconomic risks that were well publicized but nevertheless allowed to accumulate for too long,” it calls on “those who educate and select business, scientific, academic,

religious, media as well as political leaders – particularly graduate education programmes and boards of directors and human resources departments – to redesign their curricula and senior talent development and promotion policies to reflect that they are cultivating not only leaders of functional organizations but also stewards of the international system and the contribution of their professional disciplines thereto”.

Many of these proposals were presented and discussed in the Summit’s sessions. In addition, senior officials of 50 governments and over 20 international organizations were invited to offer their perspectives on the priorities for strengthening international cooperative structures and arrangements.

Key points to emerge from the Global Redesign Summit:

- The global redesign efforts must aim to make institutions and mechanisms of international cooperation more representative, legitimate, efficient and effective. To do this, initiatives must be multidimensional in approach, taking into account the multiple stakeholders and sectors that cut across issues.
- There is widespread frustration that existing institutions of international cooperation are inherently conservative and naturally timid and will not be able to break out from decades of inertia to push forward the transformational changes needed today. This critical period during which the international community must balance short-term responses to the global economic crisis with coordinated action to push forward long-term reforms must be a time for innovation and boldness in policy-making.
- In the search for workable models of collaboration, it may be more useful to think small and then to scale up and replicate successes rather than at once to create global frameworks that are flawed and likely to fail before they can be refined. In cooperation for development and sustainability in particular, the best models may be ones that are succeeding on the ground – in communities, municipalities, regions or countries.



“We now have the G20 but the rules of the game are the same old ones. It is high time to change the rules.”

Amani Abeid Karume

President of Zanzibar and Chairman of the Revolutionary Council of Zanzibar



“We can address issues of the environment, inequality and poverty if we have the political will to compromise.”

Patricia Espinosa Cantellano

Secretary of Foreign Affairs of Mexico

- The value of current institutions and mechanisms of global governance such as the United Nations should be recognized. Redesign efforts should not be aimed solely at discarding everything that is old and creating something fresh – or setting up a new institution or framework merely because one did not previously exist. In many cases, what is needed is a redefinition of roles and responsibilities or a reconfiguration of membership. There must be clear aims to the redesign such as strengthening accountability, raising transparency standards, boosting effectiveness, or broadening participation to increase representativeness and include all stakeholders.
- Across many issues and global challenges, there was a common plea to improve metrics to come up with more accurate existing measures as well as new indices that better reflect conditions and trends.
- The global economic crisis has exposed a dangerous values gap. Values in both the private and public sectors must be part of the discussion. The global redesign of institutions and mechanisms of international cooperation have to be underpinned by values and a commitment to reconcile national goals with collective interests. Only systems of cooperation that are supported by core values will have the legitimacy, stability and effectiveness needed to address the challenges of global governance.

The agenda of the Global Redesign Summit was organized along four tracks – Development, Economy, Security and Sustainability. The following is a summary of some of the main points to emerge from the sessions in each track:

Development

- Global redesign efforts are not meant to discard existing institutions and mechanism of global governance such as the United Nations but should be focused on finding innovative ways to build on existing resources to redesign and rebuild development and humanitarian assistance paradigms.
- Partnership and multidimensional strategies are the foundation of new business models for development.
- Today's global challenges cannot be addressed solely at the state level. New institutions and frameworks for international development cooperation should be based on the networked organizational approach, supported by sustainable funding and delivered by integrated cooperation among all stakeholders.



Economy

- The world needs to produce uniform and reliable data to establish benchmarks against which governments and regulators can evaluate the impact of their policies. There is no one-size-fits-all economic policy. By creating better information, standards of best practice could be created.
- A major challenge is how to imbue a new transnational body with the authority to impose decisions on any government. New independent policy watchdogs could use the power of moral suasion or more punitive tools for applying pressure. The mandates of existing international bodies such as the International Labour Organization (ILO), the World Trade Organization (WTO) and the International Monetary Fund (IMF) could be redefined to give them more powers of surveillance and enforcement.
- Efforts to reform the IMF are already under way. Further measures should be considered, including the sharpening of the Fund's policing role and powers to intervene, as well as making its monitoring of large developed economies stricter and expanding its ability to serve as a source of emergency liquidity in times of financial distress.

Security

- Current institutions and mechanisms of security cooperation are widely regarded as outdated and unable to meet many of today's more complex and non-traditional security threats, such as climate change, terrorism and cyber attacks.

- Any new security architecture for the 21st Century needs to be shaped by creative solutions that are inclusive, not exclusive. It needs to build on values and have strong institutions to safeguard those values. Redesigning governance mechanisms that address contemporary security risks must take the complex systemic interconnections that result from globalization into account. Multistakeholder cooperation is essential.
- Traditional hard power has its limits in solving security risks. Development lies at the heart of the security problem in an interconnected world. In rethinking security cooperation, the international community has fundamentally moved away from traditional notions of war and conflict to human security and should aim to advance innovative yet essential concepts such as preventive diplomacy and the responsibility to protect (R2P).

Sustainability

- To catalyse action on improving cooperation to promote sustainability, groups of nations, provincial or municipal governments and other willing actors should devise innovative cooperative arrangements that may later be scaled up or replicated.
- Sustainability initiatives must inherently be multidimensional in approach, including stakeholders from business, government and civil society.
- Innovative approaches are also required in the sourcing of funding for cooperative initiatives to promote sustainability. Essential too is the need to strengthen accountability and transparency.





Development

In rethinking and redesigning development and humanitarian assistance, participants in the World Economic Forum Global Redesign Summit debated how to bring about long-overdue structural change in international institutions and create new models for cooperation. There was unanimous agreement that today's development architecture is antiquated and inadequate to meet the complex challenges ahead.

Participants agreed that the Global Redesign Initiative (GRI) proposals are not meant to replace existing institutions and mechanisms of global governance such as the United Nations system. What is needed are innovative ways to build on existing resources to redesign and rebuild development and humanitarian assistance paradigms.

The ultimate goal of development cooperation and humanitarian assistance is to create effective, decent states. But uncoordinated interventions can undermine local talent, erode state capacity and paralyse the international system. A new business model is needed that is based on mutual accountability and focuses on building citizen-led local resilience and reinforcing local capacity.

The foundation of this business model are partnership and multidimensional approaches. Tri-sector national and regional partnerships at all levels, involving the public sector, business and civil society, will increase development

aid effectiveness, strengthen disaster preparedness, reduce disaster-related risk and boost disaster response capabilities.

Existing institutions and mechanisms of global governance must be reshaped to reflect emerging new ways of cooperation. Multistakeholder networks have often proved to be more effective than international organizations because as complex adaptive systems, they bring multilateral and bilateral actors together with representatives from government, the private sector, NGOs and civil society. This combination of practical mechanisms and diverse coalitions to address select issues is the way forward.

This multidimensional approach has a proven track record. Successes in the health sector, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Global Alliance for Vaccines and Immunisation (GAVI) demonstrate the viability of pluralistic approaches. There is no reason why this model, which melds the dimensions of public policy, innovation and private capital, cannot be applied systematically across all action areas for development cooperation and humanitarian assistance, as well as in the education sector.

The private sector is a key player, however. In many instances, businesses act alone, driven by corporate social responsibility targets and community responsibility. At the same time, private sector market instruments are extremely under-leveraged

in terms of freeing up new types of capital. Venture capital models of cooperation could prove extremely effective, particularly as innovation is driven by risk, which public institutions typically shy away from.

An innovative initiative to expand access to intellectual property (IP) for technologies for humanitarian uses was proposed by the Forum's Young Global Leaders and the Global Agenda Council on the Intellectual Property System. A Global Responsibility Licensing scheme could be a tool for business to assert global responsibility. This could create more open access to IP and increase engagement from the research community.

The private sector must be engaged as a self-interested partner rather than as a philanthropist. However, many participants stressed that the focus must be on "pro-poor" growth because economic growth and progress are ultimately in the hands of the people. The four critical areas are food security, health and water, knowledge and shelter.

To address effectively these areas, country ownership of development is paramount. Donors and recipients alike have to rethink their relationships in face of a vast array of development priorities. National authorities, swamped by initiatives and offers, must crystallize the drivers of change and develop a package of initiatives.

In the last decade, health has made it to the top of the political agenda with major increases in funding and significant



"We have to see what kind of reforms we really need in the international system."

Mohammed Abdulla M. Al Rumaihi

Assistant Foreign Minister of Follow-Up Affairs of Qatar



Among the Development Track Proposals

- A Partnership for Health Risk Accountability
- A Global Food, Agriculture and Nutrition Redesign Initiative (GFANRI)
- Strengthening International Institutions to Address the Neglected Issue of Population Growth
- Cash on Delivery Aid
- A Global Aid Partnership for Innovation
- A Redesign of the International Development Architecture for Education
- A New Institutional Arrangement to Help Manage Our Future Water Needs
- High Performing Tri-Sector Partnerships to Push Forward a New Business Model for Humanitarian Assistance
- A Global Multistakeholder Partnership to Scale the Supply-Side Response to Corruption
- A Global Responsibility Licensing initiative
- A Global Social Competitiveness Index

progress in the run-up to the 2015 Millennium Development Goal targets. But there remains a major unfinished agenda, which includes the population time bomb and the impending chronic disease epidemic.

Education is one of the most important ways in which countries have succeeded in broadening social participation in a growing national economy. However, despite impressive increases in primary school enrolment rates in many developing countries, more than 72 million children remain out of school. A major transformation of the global education architecture is needed.

The solution is the networked organizational approach, similar to the Global Fund and GAVI, supported by sustainable funding and delivered by integrated cooperation among stakeholders. The first step would be a hard-hitting multistakeholder review by an international committee tasked with developing a blueprint by the end of 2011 and enlisting the G20 leaders to endorse concrete proposals during a ministerial meeting in 2012.

Development and humanitarian challenges in fragile states also call for this new approach to partnership. Because natural and man-made disasters have become much more complex, various risk factors combine and combust to create “vicious feedback loops”. The traditional silo programme approaches no longer work to fulfil the objective of “building back better”. To move beyond identified pockets of excellence will require active innovation and pragmatism. As one participant

advised: “Try things out, nourish initiatives, replicate them when they are successful and throw them out when they do not work.”

In fragile states, accountability is limited or lacking altogether. In the early recovery stages, following a natural disaster or conflict, robust systems are needed to deliver services. However, where there is conflict or disaster, invariably there are corrupt actors. There must be accountability built in across the entire supply chain and response network. National accountability systems should be set up with standards that could become a platform for expenditures while strengthening the capacity of the state. A dual oversight agency where responsibility is shared between state authorities and external funders to meet the urgent needs of the population in fragile states would help to build sustainable and accountable systems of public authority.

A global multistakeholder partnership is also needed to scale the “supply side” (business) commitment to a zero-tolerance policy with respect to bribery. This initiative would complement official “demand side” efforts by governments to strengthen policy.

There is growing recognition that many of today’s challenges cannot be resolved at the state level because global issues are both multisectoral and multidimensional. For this reason, responses across all dimensions of engagement with developing, emerging and least developed countries must be driven locally, coordinated nationally and supported internationally.

Selected Proposals

Development Cooperation

- The Health Cluster Rapporteurs and Council on Global Healthcare Systems & Cooperation have put forward a set of proposals to **strengthen global health governance**, including an annual multi-actor Global Health Summit adjacent to the World Health Organization's intergovernmental World Health Assembly; a Partnership for Health Risk Accountability and Health Data Charter to create a more rigorous analytical foundation for such planning; a strengthening of the normative and coordinating role of the WHO and clearer division of labour among health agencies; and coalitions on specific challenges, including on the malnutrition of under-two children, chronic diseases, and health workforce shortages.
- The Council on Education Systems has proposed to **reformulate the governance and supporting institutional architecture of the Education for All effort** through a multistakeholder review of its governance, financing and institutional capacity, including a call to action to G20 leaders to engage education, development and finance ministries in the review, as well as a first set of targeted initiatives in the areas of teacher training, North-South university cooperation, and informal learning.
- The Council on Humanitarian Assistance has proposed the creation of a **new humanitarian business model** that emphasizes tri-sector national and regional partnerships to pre-emptively reduce disaster-related risks and strengthen disaster response capabilities.
- The Councils on Nutrition and Food Security have proposed the creation of a **Global Food, Agriculture and Nutrition Redesign Initiative** to provide an action-oriented strategy and set of high profile partnerships to increase the diet quality of the poor and particularly the nutritional status of children under the age of two.
- The Forum's Partnering Against Corruption Initiative (PACI) has proposed the creation of a new **global multistakeholder partnership to scale the "supply side" (i.e., business) commitment to a zero tolerance policy with respect to bribery** as a complement to official "demand side" efforts by governments to strengthen policy in this respect.
- The Council on Fragile States has proposed creation of a **dual-oversight agency** where responsibility is shared between state authorities and external funders in order to meet the urgent needs of the population in fragile states through the delivery of essential social and economic services, while building sustainable and accountable systems of public authority.





“If we do not swim together, we will sink together.”

Ahn Ho-Young

Deputy Minister of Foreign Affairs and Trade of the Republic of Korea; Ambassador at Large for G20

The Global Redesign Summit was held against the backdrop of a renewed financial crisis in Europe that some fear could plunge the global economy back into recession. For this reason, in Doha, optimism was hardly abundant. Yet as they discussed how to strengthen the international monetary system, labour flows and trade links to set the world on a more sustainable economic growth path, participants generally took the longer view and noted that, however difficult our current problems may seem, we have overcome similarly daunting hurdles in the past.

Recent history would warrant such a perspective. Sixty years ago, Europe and much of Asia were still struggling in the wake of a world war. China has in the past 20 years emerged to achieve what its leaders could hardly have imagined possible. And Africa has in only the past decade shaken off years of turmoil and hardship to become a promising centre of growth. Around the world, fewer people live in poverty, hunger or the darkness of illiteracy than ever before. Humankind is blessed with more choices than ever. And we now stand on the threshold of what many believe is a revolution in health, thanks to advances in bioengineering and nanotechnology.

We must be doing something right. At the same time, there is no doubt that we have more work to do. The world’s population is swelling, along with the ranks of young people without jobs. The flow of global labour remains exploitative and inefficient. And we have yet to reduce the massive global imbalances in savings and trade that set the stage for the crisis.

Several of the proposals in the Global Redesign Initiative’s report emphasized the need to create new, independent, international institutions that could monitor the global economy, identify weak points and put adequate pressure on governments to fix them.

A common element in these proposals is a recognition that the world needs to produce uniform and reliable data to establish benchmarks against which governments and regulators can evaluate the impact of their policies. The crisis revealed that there is no one-size-fits-all economic policy. What works in one economy at one point in its development

may not be suitable in another. But by creating better information, standards of best practice could be created.

Where discussions tended to bog down, though, was over how to empower any such organizations to enforce such standards. While it is clear that the policies of any one sovereign nation can adversely affect the welfare of another, there was little agreement on how to imbue a new transnational body with the authority to impose decisions on any government.

Instead, advocates of creating new independent policy watchdogs stressed the potential power of moral suasion. They suggested that by publicizing their recommendations and warnings in open letters, these organizations could convince nations to amend their policies by threatening them with adverse treatment and even punitive action from fellow governments.

Other participants focused on proposals to expand and improve the ability of existing international bodies to influence policy, including the International Labour Organization (ILO), the World Trade Organization (WTO), the Financial Stability Board (FSB) and most especially the International Monetary Fund (IMF).

Indeed, the most significant global governance reform since the outbreak of the crisis was the recognition that the G20 should be the premier forum for coordination of the global economy. Yet even this landmark move to redress the G7/8’s diminished legitimacy has raised further questions about fairness and representation. The recent establishment of an informal Global Governance Group, known as “3G”, of about 30 countries is meant to strengthen the channels of communications between the G20 and the other members of the United Nations.

One example of a proposal to reform an existing global governance institution is the suggestion of the Global Agenda Council on Employment & Social Protection for a major expansion of the capacity of the ILO to help developing nations strengthen domestic institutions related to investment climate, job creation and wage improvement. Participants saw the ILO as key to making the global labour market more efficient, particularly when it comes to facilitating cross-border labour flows.



“The hope that we have is the emergence of a global governance system that can effectively enforce rules of fairness.”

Benno Ndulu

Governor of the Bank of Tanzania

Though politically controversial, migrant labour can help offset skills shortages and hedge economic risks. Allowing migrant labour to play that role, however, will require more flexible labour rules and better protection for migrant workers. Labour agencies should be strengthened to prevent abuses, and countries that import labour should be obliged to implement UN conventions on workers' and human rights.

Similarly, the Global Agenda Council on Trade has proposed that the WTO broaden its aims to establish a protocol on plurilateral trade agreements and a review of regional free trade and preference agreements. The WTO could thus serve as a mediator for bilateral and regional agreements, adjudicating disputes and even advising countries on how to negotiate such deals.

Some participants said such a move would detract from efforts to reach a multilateral trade deal. But given the broad disillusionment with the lack of progress in global trade talks, many felt that embracing bilateral and regional agreements as potential stepping stones to universal free trade accords might be the most effective way to prevent the WTO from fading into irrelevance.

Perhaps the most dramatic reforms were reserved for the IMF. Efforts are already under way to make the Fund more representative, changing its quota system to reflect the growing economic influence of developing economies such as China and India. The Fund is also adapting the way it polices monetary and fiscal policies. It no longer waits until countries are in trouble, for example, before intervening, which enables countries to access its expertise and funds without having to first submit to onerous conditions.

In addition to offering a friendlier face to its less developed members, participants said, the Fund needs to be stricter with its largest, most advanced members, namely the US and Europe. Both resisted criticism from the Fund before the crisis; in future they should submit to its admonitions like any other economy, participants said.

To give the Fund better tools to stabilize the global economy, the Global Agenda Council on the International Monetary System has called for amending the IMF's Articles of Agreement to let it dramatically expand the number of Special Drawing Rights it can issue for providing emergency liquidity in times of financial distress. The hope is that by doing so, the Fund could not only serve as an important source of financial stability, but could also encourage exporting nations to stop accumulating such massive foreign exchange reserves to insure themselves against a currency crisis.

Among the Economic Track Proposals

- A Global Watchdog for Systemic Financial Risk and Imbalances
- A G20 Framework of Action to Mainstream Employment and Protection
- A Multistakeholder Dialogue Process to Redesign Talent Mobility Policies
- A Plurilateral "Club-of-Clubs" Approach to World Trade Organization Reform and New Issues
- A Sustainable Energy Free Trade Area (SEFTA)
- Better and Sounder Data for Improved Evidence-Based Decision-Making



"Only education will make the redesign a truly global initiative."

H.M. Queen Rania Al Abdullah of the Hashemite Kingdom of Jordan



"One of the defining features of the Young Global Leaders is our energy. There is a lot of energy among people who want to change the world for the better. The Global Redesign Initiative process has added to that energy."

H.R.H. Haakon of Norway

Crown Prince of Norway

Selected Proposals

Economic Cooperation

- The Council on the International Monetary System has proposed a significant **strengthening of the global financial safety net**, including through reforms of the International Monetary Fund's Articles of Agreement that would authorize the International Monetary and Financial Committee (IMFC) at the request of the Managing Director to issue Special Drawing Rights for the provision of emergency liquidity in times of financial distress.
- The Councils on Global Investment Flows and Systemic Financial Risk have proposed the creation of a **global systemic financial risk watchdog** with the necessary authority to sound and compel a response to alarm bells, while respecting the regulatory purview of national authorities and building on the institutional framework that has been constructed in the wake of the financial crisis.
- The Financial Services Industry Partner Rethinking Risk Management Project has proposed a new **public-private financial risk information repository** that would improve the aggregation of systemically relevant data across the global financial system for the benefit of regulators.
- The Council on Trade has proposed the establishment of a **World Trade Organization protocol on plurilateral trade agreements** and a **review of regional free trade and preference agreements** to strengthen guidelines ensuring their consistency with the long-term vitality of the multilateral trading system.
- The Council on Employment & Social Protection has proposed a **major expansion of the capacity of the International Labour Organization and multilateral development banks** to help developing countries strengthen domestic institutions relevant to employment generation and wage progress as well as the provision of basic retirement, health and unemployment insurance systems, as envisioned by the Decent Work Agenda.
- The Council on the Skills Gap, in consultation with the Councils on Migration and Talent & Diversity, has proposed a new, structured public-private process to identify and encourage the **replication of model national labour migration policies**.
- The Council on Benchmarking Progress in Society has proposed an international initiative to strengthen the quality and **broaden the application of benchmarking metrics and other evidence-based policy-making tools** as a means of improving the demand for and accountability of performance against economic reform objectives.



Security

In the aftermath of World War II, the global security structure – primarily the United Nations system – has been credited with preventing further global conflicts and improving the lives of millions of people. However, the UN as well as other international institutions are often seen as outdated and not having the capacity to meet many of today's more complex and non-traditional security threats, such as climate change, terrorism, cyber attacks and other potential global risks.

There are no silver bullet solutions for these new threats. Instead, the best approach appears to be incremental reform. Any new security architecture for the 21st Century needs to be shaped by creative solutions that are inclusive, not exclusive. It needs to build on values and have strong institutions to safeguard those values. Building consensus, clarifying common principles and overcoming gaps in perceptions are also key to tackling these threats.

The nature of risk has fundamentally changed in the past two decades, mainly due to globalization. Today, risks are not only more unpredictable and systemic than before but they now typically have widespread or global implications. They include environmental disasters, pandemics, illicit trade, migration and financial meltdowns. Some of these risks when they become real events can bring a region or even the world to a standstill. As long as there is a fragmented response to global risks, they cannot be addressed adequately and solutions will not be possible.

If the benefits of globalization are to continue to outweigh the risks that rapid integration exacerbates, understanding systemic interconnections and building multistakeholder responses are vital. Redesigning global risk governance mechanisms that take these interconnections into account and enable cooperation is a major but necessary undertaking.

The Global Agenda Council on Catastrophic Risks, consisting of high-level government, business and civil society leaders, has proposed the development of a comprehensive risk management system to support institutions and networks, share best practices and build leadership. The system has to be multidisciplinary and include all relevant sectors and stakeholders. While risk cannot be eliminated entirely, it can be minimized through coordinated management.

Achieving a world without nuclear weapons is also a goal considered next to impossible. There are positive developments, however, that suggest that momentum is slowly building in the right direction. These include the recent signing of the new Strategic Arms Reduction Treaty (START) between the US and Russia to cut the number of nuclear weapons and fresh calls for a nuclear-free zone in the Middle East.

While the number of nuclear warheads is generally on the decline, the number of countries possessing or wanting to possess nuclear weapons appears to be increasing. Finding ways to advance cooperation to reduce this trend and the threats that go with it are still needed.



“Because there is this multidimensional challenge, there is no other way than to have a multistakeholder approach.”

Alexandre Fasel

Ambassador, Federal Department of Foreign Affairs, Switzerland



“We need to accommodate the new realities in the world. We live in a new multipolar world. We need more effective mechanisms to facilitate international cooperation. We need the G20 to be more transparent and inclusive in its deliberations.”

Mah Bow-Tan

Minister of National Development of Singapore



Giving up nuclear weapons or ambitions inevitably entails a stricter verification regime. This can be achieved by reinforcing existing UN resolutions and standards to protect nuclear-related materials from getting into the wrong hands, and strengthening monitoring organizations like the International Atomic Energy Agency (IAEA).

Another way to persuade countries to give up their rights to nuclear weapons and pursue the peaceful use of nuclear energy is by “multilateralizing” the nuclear energy cycle, where countries, especially emerging nations, take responsibility for different parts of the cycle. This could create real interdependencies, making everyone a stakeholder and thus overcoming the gap between the haves and have-nots. There is general agreement in the international community that real nuclear security is not possible without nuclear energy security.

In rethinking security cooperation, the international community has fundamentally moved away from traditional notions of war and conflict to human security. Concern for human rights is a major part of this geopolitical shift. While there are major gaps between the UN’s aspirations and capabilities in preventing human rights violations, building the institutional capacity for human rights monitoring and crisis prevention is still a priority.

Civil society, states, regional organizations and international institutions all have an important role to play, particularly in advancing the concept of responsibility to protect (R2P) as a means to prevent

genocide and crimes against humanity. Many actors would like to see R2P develop from a norm to a standard to international law. Despite the obstacles, the hope is that in a future world order “never again” will really mean “never again”.

Reforming institutions such as the UN Security Council and General Assembly are important priorities that should continue to be at the top of the international community’s agenda. Reform, however, needs to be based on active engagement beyond the five permanent Security Council members to include additional major and emerging regional powers, developing countries and other stakeholders.

Institutional reform must aim to rebalance representation to take into account major geopolitical power shifts from traditional status-quo powers to emerging powers. There must also be a refocus of priorities from those set by developed nations to a broader agenda that takes into account the needs of developing countries. In addition, institutions must harness new ways to collect and disseminate information and better collaborate with non-governmental actors, such as the private sector and NGOs. Reforms must also be directed at strengthening governance, which is indispensable to international security and decision-making.

There is a growing realization that traditional hard power and military force contain limits to solving security risks. Security is no longer a zero-sum game but is rather a situation that requires a broader, interconnected approach.

Among the Security Track Proposals

- A Global Movement of Citizen Election Monitors
- Global Citizen Engagement Initiative (GCEI)
- A Global Alliance Against Nuclear Terrorism
- A Comprehensive Risk Management System

Development lies at the heart of the security problem in an interconnected world. Any new security structure needs to focus increasingly on the security of people’s daily lives – the human security approach – and not be aimed solely at reacting to the outbreak of a threat. Leadership, political will, and political and judicial legitimacy must be part of the international security architecture discussion.

Selected Proposals

Security Cooperation

- The Council on Terrorism & Weapons of Mass Destruction has proposed the creation of a **Global Alliance Against Nuclear Terrorism** composed of states that commit to secure all nuclear weapons and materials to a “gold standard” – beyond the reach of terrorists or thieves – by embedding principles of “assured nuclear security” and “nuclear accountability”.
- The Council on Human Rights & Protection has proposed a series of steps to strengthen particularly the non-military **institutional capacity required for the effective prevention of mass atrocities** under the United Nations Responsibility to Protect framework.
- The Council on Energy Security has proposed the creation of a **global public-private partnership to manage the civilian nuclear fuel cycle** as a means of reducing the risk of nuclear weapons proliferation as additional countries engage in nuclear power generation.
- The Council on Energy Security has also proposed the creation of a **new intergovernmental energy security forum** encompassing producing and consuming nations and providing a platform for the identification of areas of potential cooperation on a wide range of energy challenges.
- The Council on Catastrophic Risks has proposed a high-level, inclusive dialogue including business, political and civil society leaders to develop better institutions and networks to support **global risk management**.
- The Council on the Future of the Internet has proposed new, **self-associating ways of mobilizing international cooperation to strengthen the resilience of the World Wide Web**.
- The YGL Civic Eyes Task Force has proposed a new organization to strengthen domestic capacity to replicate **mass citizen participation in the monitoring and reporting of election irregularities** through crowdsourcing technologies.



Sustainability

In the sustainability track, the consensus among participants at the Global Redesign Summit was that, while the UN process cannot be ignored, the failure of the United Nations Climate Change Summit in Copenhagen last December means that other initiatives must be pursued in parallel with similar vigour. There was also a sense that climate change, while important, should not be allowed to crowd out other important issues like environmental pollution, biodiversity, ocean recovery and clean energy development.

During the discussions in Doha, recurring themes included the need to build coalitions of nations and local governments, the power of the entrepreneurial spirit of the private sector and civil society, the role of incentives and subsidies, and the importance of strengthening accountability and boosting transparency.

To promote sustainability, groups of national, provincial or municipal governments should devise new cooperative arrangements such as the proposed low-carbon free-trade area. Participants identified several model initiatives such as Norway's decision to transfer US\$ 1 billion each to Indonesia and Brazil and smaller amounts to other nations in Latin America and Africa to help them protect their forests. Another example: South Korea is presenting its national "Low-Carbon, Green Growth" strategy to the G20 summit it is hosting in November in the hope that other member countries will follow its lead.

One proposed strategy to combat over-fishing falls into this realm of multidimensional, multistakeholder cooperation. The idea is to form a coalition to improve monitoring at ports around the globe. The number of ports where large fishing boats can dock is finite. However, assistance and incentives must be offered to poor countries to help them build the capacity and provide them with incentives to improve monitoring.

In creating cooperative frameworks for promoting sustainability, the private sector and civil society are expected to supply the entrepreneurial spirit to launch and drive pilot projects that can be replicated and adapted across the globe. This is particularly important given the growing fiscal woes of most governments. Ways must be found to leverage a limited amount of public money to spark more private sector investment. Tax breaks and green procurement procedures might prove especially effective.

One example in this vein is "DESERTEC", a multilateral effort involving several large companies to generate electricity from solar power in North Africa for transmission to Europe. At the grassroots level, market-based sustainable energy solutions are already available in places like India. They could be expanded if climate change finance were used to provide guarantees for loans to the poor, who generally have no collateral. At the same time, customized products are needed for different segments of the poor, but companies and banks shy away from

this because profit margins are small. Relatively small outlays from governments or multilateral institutions could help make a big difference.

Participants warned that many of today's subsidies perversely encourage the wrong kinds of behaviour. Merely eliminating subsidies for fossil fuels would make a huge contribution to encouraging renewable energy by allowing the latter to compete freely. By cutting subsidies to the fishing sector and investing in fisheries development, over-fishing could be reversed. Fewer boats could eventually bring in a greater catch if stocks can be replenished. By subsidizing solar lanterns instead of kerosene fuel, India could encourage solar power while reducing indoor pollution.

The discussion on climate financing focused on new ideas and initiatives for the developing world, which needs cash to invest in mitigation and adaptation measures. New public streams of financing, such as taxes on air travel or maritime fuel, need to be combined with greater contributions from the multilateral development banks.

Accountability must be ensured. To achieve this goal, institutions must have enforcement powers. While it may seem odd because of the troubles in the World Trade Organization talks, experts believe the WTO is the proper venue for addressing subsidies that encourage over-fishing in the world's oceans, mainly because that body possesses enforcement powers.



"What we have now in the global system with the UN and other bodies is still very relevant. We need to find ways to make these work better."

Ong Keng-Yong

Ambassador-at-Large, Ministry of Foreign Affairs, Singapore



One prerequisite for accountability is transparency. Watchdog NGOs, like the ones that monitor multilateral banks, can play a major role. Indicators are also important. A Well-Being Index could provide a new definition of prosperity and an Ocean Health Index might make citizens more aware of the deterioration of the seas and track improvements.

involved businesses, governments and consumers. New cooperative institutions will have to be similarly multidimensional if they are to be effective, representative and claim legitimacy at the same time.

Finally, there appeared to be progress at the Summit on the proposed founding of the Global Energy Forum (GEF), described as a meeting place for all actors in the energy sector rather than a permanent organization, an idea put forward by the Global Agenda Council on Energy Security. The consensus among participants was that the GEF would represent an important step forward in the effort to ensure sustainable and secure energy supplies in the future.



“There is frustration that existing institutional platforms cannot deliver the kind of transformational changes that are needed.”

Achim Steiner

Executive Director, United Nations Environment Programme (UNEP), Nairobi

Monitoring, reporting and verification (MRV) mechanisms are fundamental to the success of climate change financing. Yet the oversight of recipients is politically sensitive. Some participants recommended that initiatives should only receive funding if they can be replicated elsewhere and if the recipient country has the right regulatory framework. While controversial, one way to ensure this is with strict conditionality. At the same time, it was noted that donors should also be closely monitored.

Any new institutional frameworks must maintain a balance between legitimacy (which the UN enjoys) and efficiency and effectiveness. Some participants argued that it is time to favour the latter. For example, a Clean Development Mechanism (CDM) for carbon trading should work like a central bank. The World Bank could be given a clear mandate to address the environment alongside development. The successful international coalition to battle ozone layer depletion provides an interesting model because it

Among the Sustainability Track Proposals

- A Global Energy Forum
- Large Ocean Reserves on the High Seas
- An Ocean Health Index
- A Low-Carbon Free Trade Area
- A Well-Being Index

Selected Proposals

Sustainability Cooperation

- The Council on Ocean Governance and the YGL Task Force on Oceans have proposed a **significant expansion of Marine Protected Areas, including Large Ocean Reserves, as well as a formal review of the adequacy of the Law of the Sea Treaty and Fish Stocks Agreement** in view of the ongoing degradation of major fisheries around the world. They also propose new mechanisms to strengthen monitoring and enforcement and an **Ocean Health Index** to strengthen the information available for setting priorities and tracking progress with respect to the protection of marine life.
- The Council on Sustainable Energy has proposed the creation of a **sectoral free trade arrangement for sustainable energy products and services** that would eliminate tariffs and harmonize standards as well as begin to discipline domestic fossil fuel subsidies.
- The Industry Partner Low-Carbon Prosperity Task Force has proposed the creation of:
 - > **regional, public-private climate investment funds** that leverage large-scale private institutional capital flows into low-carbon energy systems in developing countries through the scaled application of the public finance and risk mitigation tools of development finance institutions.
 - > a **global platform for intra-industry cooperation on energy efficiency** via the addition of a private sector dimension to the International Partnership for Energy Efficiency Cooperation (IPEEC), potentially leading to a set of globally-accepted minimum energy efficiency standards on a limited but critical range of energy intensive industrial and consumer goods.
 - > **international public-private portfolios of up to 25 carbon capture and sequestration and 10 large-scale integrated smart grid demonstration projects** across different regulatory regimes to accelerate the development and commercial readiness of these promising technologies.
 - > **support for the low-carbon growth of developing countries**, including through the creation of a Consultative Group for International Energy Research and a process to ready an operational framework for large-scale avoided deforestation and land use change projects and programmes.
 - > a Joint Project of the International Accounting Standards Board (IASB) with the business-NGO Climate Disclosure Standards Board (CDSB) to develop a **principles-based international financial reporting standard for corporate climate disclosure** suitable for ultimate adoption by regulators as well as a similar public-private collaboration to create a **global standard for the labelling of emission footprints** on consumer products, building on work also already under way in the non-governmental community.
- The Industry Partner Water initiative and the Council on Water Security have proposed a **new international multistakeholder platform to help water-stressed countries and regions** transform the management of their water resources, supported by an unparalleled network of public, civil society and private expertise.

Report of the Global Redesign Initiative

Everybody's Business: Strengthening International Cooperation in a More Interdependent World

Executive Summary

Over the past two decades, the international community has become much more deeply interconnected and interdependent due in large part to its rapid technological progress and economic development and integration.

International institutions and arrangements are now out of step in important respects with a world in which economic strength and political influence are much more widely dispersed among countries and regions, national governments are no longer such dominant intermediaries of relations among nations, and socioeconomic and technological advancement has created a new set of interrelated risks and opportunities for progress.

For several months in 2008-09, when the full extent of the world economy's systemic weaknesses and cooperative deficits were laid bare, there was a popular and diplomatic consensus on the need to make fundamental changes. But as the world economy has begun to recover from recession and governments have begun to focus on fiscal and social strategies to exit from the crisis, the appetite for fundamental improvements in international governance and cooperation appears to have waned.

The international community has paid a severe price for its complacency about systemic financial and macroeconomic risks that were well publicized but nevertheless allowed to accumulate for too long. Other serious global risks are accumulating, awaiting a proactive cooperative response. It would be a serious, historic error to revert to complacency and return to business as usual in international relations.

How can the architecture of global cooperation be redesigned not only to accommodate our deeper interdependence but also to capitalize on it? That is the essence of the question the World Economic Forum posed to all of its communities over the past year, including particularly its 76 multistakeholder Global Agenda Councils. The Forum challenged them to respond with concrete proposals. This combined report – encompassing a systemic overview, a set of nine thematic summaries by distinguished rapporteurs, and 58 individual proposals developed by many Councils, Industry Partner communities and Young Global Leader (YGL) Task Forces – is the result of that global, multistakeholder thought process.

The ideas and proposals that have emerged from the Global Redesign process suggest that very substantial progress can be achieved by:

- 1) Redefining the international system as constituting a wider, multifaceted system of global cooperation in which intergovernmental legal frameworks and institutions are embedded as a core, but not the sole and sometimes not the most crucial, component**
- 2) Strengthening the state-based part of the system where its rules and capacities are inadequate, while expanding the geometry of cooperation to capitalize on the wider availability of non-state expertise and resources**
- 3) Deploying this augmented institutional geometry in a pragmatic, results-oriented push to accelerate progress on individual priority challenges**
- 4) Undertaking similarly practical, targeted initiatives to strengthen legitimacy, participation and accountability in the state-based core of the system**
- 5) Expanding the constituency for international cooperation by cultivating a shift in values within societies and professions grounded in a deeper appreciation of the implications of global interdependence for the achievement of their objectives**

These five steps constitute a blueprint for renovating international cooperation in an era of increasingly complex interdependence, rendering it both more effective and legitimate. The many concrete proposals made by the Forum's Global Agenda Councils, Industry Partner communities and Young Global Leader Task Forces span all of these areas and each of the domains of economic and social, environmental and security cooperation.

Multidimensional Cooperation

When states were the overwhelmingly dominant actors on the world stage and major policy decisions were commonly decided by a limited number of them, progress on international cooperation tended to be measured by the establishment of new intergovernmental legal frameworks and institutions. But the Global Redesign proposals suggest that efforts today to strengthen international cooperation will increasingly need to have a wider focus and apply multiple tools: creating new international law and institutions; upgrading the mandate and capacity of existing international institutions; integrating non-governmental expertise into the formulation of policy frameworks, be they formal (legal) or informal (voluntary or public-private); and integrating non-governmental resources into policy implementation.

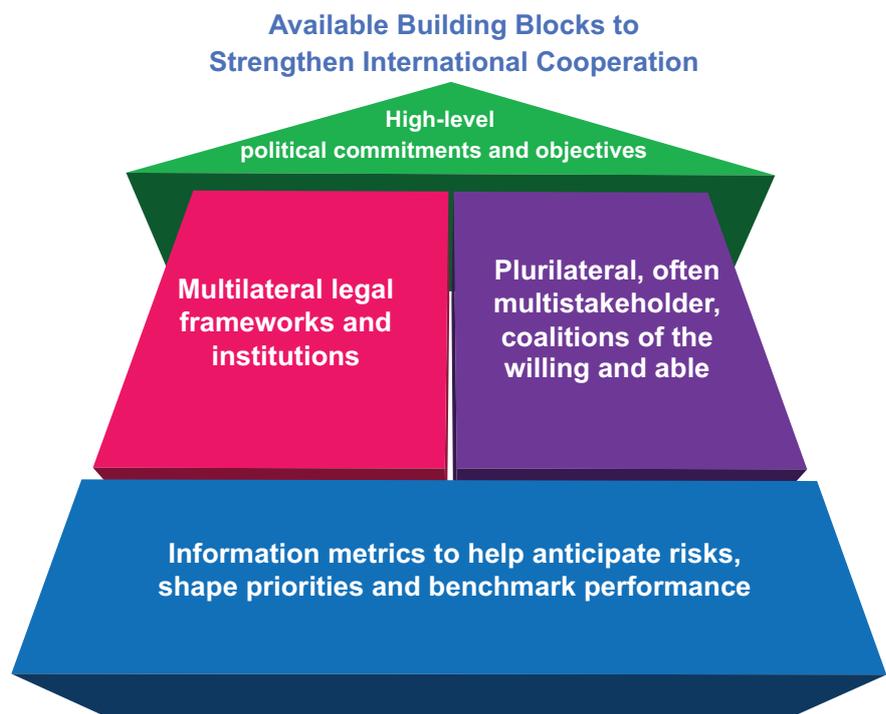
This is both because a larger cast of politically influential states makes it harder to attain multilateral agreement on universal frameworks, and because private and other civil society resources are needed to match the scale of many global challenges. While new international laws and institutions are often desirable – and indeed many have been proposed as part of this process – they are not always essential for major progress to be made. And even where they can be achieved, their effective implementation may well depend on whether they are linked with these other practical elements.

But having a bigger toolkit is not enough; we need to know how to use it. The wider global cooperation system that is available to strengthen progress on any given issue consists of four modular building blocks that can be applied in partial and different combinations to different problems:

- High-level political commitments and objectives
- Multilateral legal frameworks and institutions
- Plurilateral, often multistakeholder, coalitions of the willing and able
- Information metrics to assist with anticipating risks, shaping priorities and benchmarking performance

A key lesson of the Global Redesign process is that the way to strengthen results on a given problem is to explore the practical opportunities that exist to construct or strengthen building blocks in each of these dimensions, seeing them as a system and therefore seeking to cultivate a positive feedback loop of momentum among them. The challenges of scale, information and coherence inherent in deep interdependence imply that, if the international community focuses its cooperation on only one of these components of progress, it is much more likely to be disappointed with the results.

Particularly when the road to stronger multilateral rules is impracticable, a strategy to construct or strengthen a number of these building blocks in parallel is likely to be the most effective way to accelerate progress. By attacking problems pragmatically on several fronts, such a multidimensional (as opposed to purely multilateral) approach to international cooperation has the potential to generate both additional results on the ground and political momentum.



Multidimensionality, rather than multilateralism alone, is the strategy that emerges from the work of the Global Redesign process for achieving a breakthrough in progress on global warming. It is also the approach proposed to achieve much stronger results on several other critical global challenges, including Oceans, Education, Nuclear Proliferation, Health, and Employment and Social Protection.

A New Stakeholder Paradigm of International Governance

Strengthened international cooperation and governance is not just a matter of institutional arrangements and incentives. It is also a matter of values. The international system requires an upgrade not only in its functional institutional architecture but also in societal institutions that have the potential to inculcate values consistent with humanity's interconnectedness and interdependence within professional disciplines and communities.

The time has come for a new stakeholder paradigm of international governance analogous to that embodied in the stakeholder theory of corporate governance on which the World Economic Forum itself was founded. The 1945 UN Charter explicitly identifies people, or society at large, as the ultimate stakeholder of international governance, notwithstanding the role sovereign states play as the central actors in the international system. The state-based core of the system needs to be adapted to a more complex, bottom-up world in which non-governmental actors have become a more significant force. But what is also required is a corresponding sense of ownership in the health of the international system by these very non-state stakeholders, which until now have tended, with the notable exception of certain NGOs, to leave such matters entirely to their national governments.

Most importantly, these institutions should cultivate among their leaders before they become leaders a keener awareness of how the achievement of their objectives can be heavily influenced by conditions in various areas of the international system. Those who educate and select leaders of political, business, academic, religious, media and other social institutions, particularly graduate education programmes and boards of directors and human resources departments, have the greatest responsibility in this respect. Their curricula and senior talent development and promotion policies must reflect that they are cultivating not only leaders of functional organizations but also stewards of the international system and the contribution of their professional disciplines thereto. In support, societies should measure better what they value and use such information to stimulate ongoing dialogue among the leaders about the challenge of integrating such values into the decisions they respectively face. Several concrete proposals are made in this respect.

Achieving Systemic Improvement in International Cooperation

Renovating the international system in these five ways would enable the international community to accelerate progress on many individual global challenges, sometimes dramatically so. By widening our conception of the modes and means of cooperation available in our more complex, bottom-up world, and applying this expanded cooperative geometry in a pragmatic, targeted push for results, we can achieve transformational change even when an expansion of universal norms and legal obligations is not politically feasible. At the same time, by opening our international institutions to more direct interaction with citizens and their elected representatives, while cultivating a greater sense of personal and professional responsibility among them for the health of the international system, we can enlarge the political constituency for international cooperation around the globe.

But many of these individual challenges are deeply interrelated. Progress on one depends on progress on one or more of the others. It is therefore necessary but not sufficient to improve the system's capacity to boost performance on individual problems. We also need special mechanisms to mobilize systemwide progress, including:

The Ongoing Role of the G20 Leaders Process. The G20 represents the international community's best potential mechanism for mobilizing systemic leaps forward in international cooperation. It enjoys considerable goodwill due to the success of its crisis-response measures and greater diversity than the G8. However, there is a risk this goodwill will dissipate among the rest of the so-called G192 if its ongoing purpose and relationship with the United Nations and specialized international organizations are not clarified soon.

The G20 is an informal group and should remain so in order to preserve its intimacy, wherein lies much of its potential to enhance systemwide effectiveness. However, it needs to be embedded explicitly in the formal multilateral system in order to demonstrate more clearly its commitment to acting in the general interest and being accountable to the entire international community rather than simply to the national populations of its member countries. The report proposes a number of steps to anchor the G20 in the multilateral system as well as rationalize participation and inculcate a sense of systemic stewardship within it.

The best reason to continue the G20 Leader process is to create regular opportunities for political breakthroughs on issues that ministers are unable to resolve within the scope of their particular authority. But it will take more than principles and peer review discussions to rebalance the world economy and render global economic growth more sustainable and inclusive.

The UNFCCC climate change, WTO Doha Development Agenda, IMF and World Bank reform, Millennium Development Goal funding, and global macroeconomic rebalancing discussions are all apparently unable to progress much further within their respective ministerial processes. Yet in combination, they would yield major net benefits for developing, emerging and advanced countries alike.

It is therefore time for G20 leaders to muster the political imagination necessary to assemble a package deal providing each with the essential victory that permits additional flexibility to be shown in areas of comparable political importance for colleagues. Leaders should dedicate themselves in 2010-11 to taking such a synchronized, systemic leap forward in international cooperation.

The key to achieving such a win-win-win-win package of breakthroughs in international macroeconomic, trade, climate and development cooperation lies less in finding new formulations in negotiating text and more in constructing and properly resourcing a number of crucial, related institutional building blocks that can build diplomatic confidence by showing additional progress on the ground. Many of these have been proposed as part of the Global Redesign process. If G20 leaders are able to deliver an early harvest of multidimensional progress along these lines, then they will have done much to justify their institutionalization and legitimization as the *de facto* steering committee of the world economy and its principal institutions.

Upgrading Global Environmental Governance. There is a further opportunity to achieve a step change in global environmental governance by focusing not on the traditional agenda (UN structure, new legal frameworks) but on a new agenda to build the kind of practical, often public-private, mechanisms that can accelerate the transformation of energy and industrial systems even in the absence of agreement on new multilateral legal obligations. Various Global Agenda Councils, Industry Partner communities and YGL Task Forces have independently put forward significant proposals to build enabling institutions, install information systems, mobilize major coalitions and, in some cases, extend international law in such areas as marine life and coral conservation; energy efficiency; low-carbon technology development; deforestation; safe drinking water and sanitation; investor, corporate and consumer carbon metrics; sustainable consumption and energy security.

The next big opportunity for progress in global environmental governance is to create this wider global cooperation system – to construct major, new pieces of enabling architecture aimed at scaling public and private action on each of these interrelated environmental challenges. This, rather than negotiating new principles and legal instruments, should be the main objective of the Rio+20 Summit which the United Nations will organize in 2012. Such a strategy holds the prospect of producing tangible achievements comparable in significance to those agreed in Rio. As such, it would provide a justification for world leaders to attend in numbers not seen since that conference and the UN Millennium Summit in 2000.

Enabling More Proactive and Integrated Cooperation. Even as relevant sources of expertise and capacity have multiplied and global risks and challenges have become more interconnected, our methods for assessing and responding to them remain highly fragmented among different ministries, countries, industries, professional and academic disciplines, specialized international organizations, etc. This fragmentation makes it more difficult for all of these institutions to remain confident that the information on which they base decisions is comprehensive, consistent and current. It creates a bias within the international system for partial and reactive responses to global challenges that require a more integrated and proactive approach.

Better means of connecting insight around the world on an ongoing, self-organizing basis could enable more coherent and proactive responses to global challenges. Such multidimensional, real-time connectivity of expertise has been constrained by the natural limitations of physical meetings, dedicated e-mail lists and bilateral conversations requiring advance scheduling. No network exists that is sufficiently interdisciplinary, interactive and international to overcome these barriers to collective intelligence and action. However, communications technology has evolved to the point where this should now be feasible, and a potential framework is proposed for discussion.

Conclusion

In 1944, well before the end of the war but after the tide had turned, a series of international discussions were held at Dumbarton Oaks, Washington DC and Bretton Woods, New Hampshire to design the post-war international security and economic architecture. Governments assembled teams of people with governmental, academic and business backgrounds to engage in sustained discussions aimed at drawing fundamental lessons about the failures of the pre-war cooperation and designing new, more robust institutional arrangements.

Now that the tide appears to have turned in the global economic crisis, governments, companies and other civil society institutions should engage in an effort to absorb the larger meaning of the changes that have transformed the international community during the past generation and rendered much of its cooperative architecture not fully fit for the purpose of addressing risks that are accumulating in many domains.

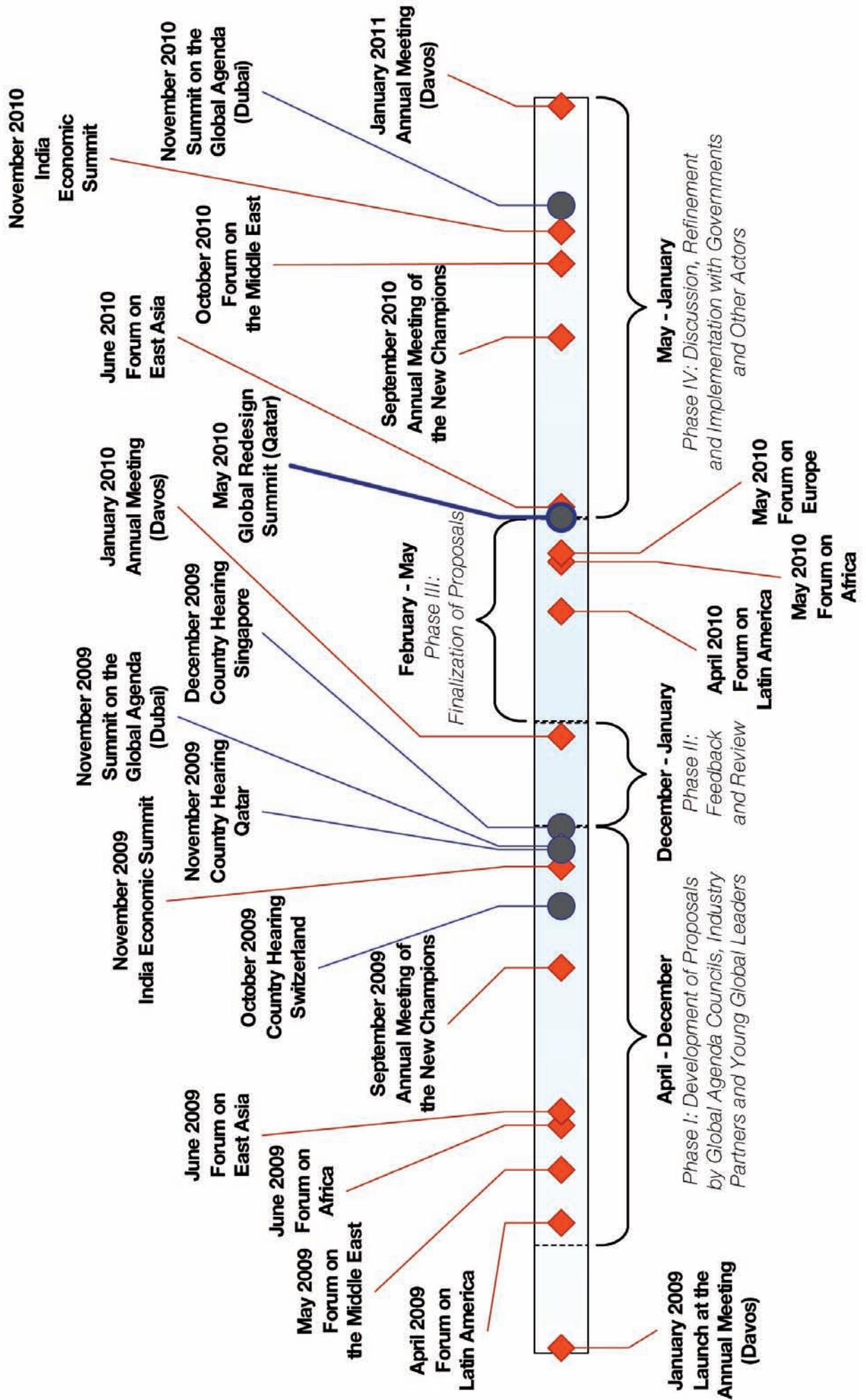
They are more likely to succeed in doing so if they take a practical, multidimensional approach, focusing on the “how” rather than merely the “what”. The international system requires a sustained process of innovation and institutional deepening that capitalizes on the full range of available modes and means of cooperation to make progress where it is most needed and feasible.

International cooperation is now everybody’s business. The efforts of all stakeholders are required to adapt the international system to our more interdependent world.

Rapporteurs

1. **Creating a Values Framework** – *John DeGioia, President, Georgetown University, USA*
2. **Building Sustained Economic Growth** – *Robert Lawrence, Albert L. Williams Professor of Trade and Investment, John F. Kennedy School of Government, Harvard University, USA*
3. **Strengthening the International Monetary and Financial System** – *David Daokui Li, Director and Mansfield Freeman Professor of Economics, Center for China in the World Economy (CCWE), Tsinghua University, People’s Republic of China; and Suzanne Nora Johnson, Trustee, Carnegie Institution for Science, USA*
4. **Creating Employment, Eradicating Poverty and Improving Social Welfare** – *John McArthur, Chief Executive Officer, Millennium Promise, USA; and Dennis Snower, President, Kiel Institute for the World Economy, Germany*
5. **Managing and Mitigating Global Risks** – *Ian Goldin, Director, James Martin 21st Century School, and Professorial Fellow, Balliol College, University of Oxford, United Kingdom*
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8. **Ensuring Sustainability** – *Ashok Khosla, Chairman, Development Alternatives, India; and Caio Koch-Weser, Vice-Chairman, Deutsche Bank Group, Deutsche Bank, United Kingdom*
9. **Building Effective Institutions in an Empowered Society** – *Ngairé Woods, Professor of International Political Economy, University of Oxford, United Kingdom; and Kishore Mahbubani, Dean, Lee Kuan Yew School of Public Policy, Singapore*

Global Redesign Process Timeline





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In partnership with the State of Qatar and the Ministry of Foreign Affairs, the World Economic Forum held the Global Redesign Summit on 30-31 May 2010 in Doha.

The vision set by H.H. the Emir of Qatar, Sheikh Hamad Bin Khalifa Al Thani, for the State of Qatar has been the key driver behind the significant increase of Qatar's economic and political cooperation with the nations of the world, while maintaining the traditional and cultural values of an Arab and Islamic nation.

This vision as implemented by H.E. the Prime Minister and Minister of Foreign Affairs, Sheikh Hamad Bin Jassim Bin Jabor Al Thani, has secured a leadership role for Qatar in international diplomacy. Qatar sees itself as a positive force in mitigating some of the most challenging regional and global conflicts.

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The World Economic Forum acknowledges the Qatar Foundation on the occasion of the Global Redesign Summit.

The Qatar Foundation is dedicated to developing human capital in Qatar. Through its threefold mission of education, scientific research and community development, Qatar Foundation is helping build a sustainable society where the sharing and creation of knowledge will enhance the quality of life for all.

A private, non-profit organization founded in 1995 by H.H. Sheikh Hamad Bin Khalifa Al Thani, the Emir of the State of Qatar, Qatar Foundation supports centres of excellence that develop people's abilities through investments in human capital, innovative technology, state-of-the-art facilities and partnerships with elite organizations, thus raising the competency of people and the quality of life.

Her Highness Sheikha Mozah Bint Nasser Al Missned, Consort of His Highness, serves as the chairperson, personally guiding Qatar Foundation with passion, vision and enthusiasm.

Please visit www.qf.org.qa for more information about Qatar Foundation.

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www.weforum.org/pdf/summitreports/globalredesign2010.pdf

Other specific information on the Global Redesign Summit in Doha held on 30-31 May 2010 can be found at the following links:

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