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Readers' Guide: Global Redesign Initiative

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Introduction to the Readers' Guide

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Introduction to the Readers' Guide

This is an online Readers Guide to the outcome of the World Economic Forum's 18 month Global Redesign Initiative (GRI) project. The report was released as *Everybody's Business: Strengthening International Cooperation in a More Interdependent World*¹.

Prompted by world financial crisis that started in 2007/2008, the three most senior leaders of the World Economic Forum (WEF) - Klaus Schwab,² its Executive Chairman; Mark Malloch-Brown,³ then its Vice-Chairman; and Richard Samans,⁴ its Managing Director – initiated and led a major re-think of global governance.⁵ They used the annual sessions of Davos and the regional sessions in Asia, Europe, Africa, South-east Asia, and Latin America as platforms to develop ideas. They brought the challenges of this undertaking to a series of WEF-sponsored Global Agenda Action Councils, industry workgroups, and academic researchers and policy conferences. WEF chose Doha, Qatar in May of 2010 to launch the final report from their Global Redesign Initiative.

Undertaking this re-think was a brave and significant challenge. WEF's leadership felt that its organization was up to the task.

The 600 page comprehensive framework seeks to expand the scope of what global governance means; integrate elements of the informal governance system into the formal governance system; and re-position the roles of the nation-state, the international private sector, and international civil society organizations in governance.

To build acceptance of their ideas, WEF summarized their proposals in a creative marketing fashion. WEF groups their structural recommendations as Five Steps, Three Tools, Three Building Blocks and Two Special Mechanisms. Following this introduction, *Everybody's Business* presents their 'can-do actions' from the quasi-independent taskforces almost as an à la carte selection.⁶ This Readers' Guide follows a similar structure.

The Readers Guide first examines the demographics of the participants in the process and introduces the surrounding context for the GRI project. The first Readers Guide introductory essay is an effort to synthesize WEF's principles for the next iteration of global governance, one that both seeks to incorporate new actors into the global governance system and to remake the post-WWII institutional arrangements for global governance.

The second essay situates WEF's new perspective within the context of traditional international relations and national governance frameworks. The third introductory essay appraises the assumptions inherent in WEF's new proposals and presents a critique of its approach. The final introductory essay has the Readers Guide's concluding observations. The longest section of the Reader Guide contains extracts of key passages from the full report with detailed line by line commentary.

Each page of the online Readers' Guide has a comment feature intended to encourage an open dialogue on WEF's proposals and to engage Government officials, academic scholars, and students to present their own analysis and alternative strategies for a next set of global institutions.

1. The Global Redesign Initiative report, *Everybody's Business: Strengthening International Cooperation in a More Interdependent World*, was launched in Doha, Qatar in late 2009. This report is subsequently cited as GRI. The page references in the Readers Guide follows the text of the report of the project, *Everybody's Business*. This is the version that is provided on World Economic Forum's Global Redesign Initiative website. On November 1, 2010 WEF then issued a shortened

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book version under the title, Global Redesign: Strengthening International Cooperation in a More Interdependent World.. The two versions of the text have slightly different layouts, slightly different presentations of the taskforce reports and therefore different paginations. Both versions of the document can be accessed in pdf form via the WEF website. The GRI project website links to the report http://www3.weforum.org/docs/WEF_GRI_EverybodysBusiness_Report_2010.pdf. The book is also on available on the WEF site at: http://www3.weforum.org/docs/WEF_GRI_StrengtheningInternationalCooperation_Book_2010.pdf. The book form can also be found on www.scribd.com.

2. Klaus Schwab is the founder and Executive Chairman of the WEF. He was born in Ravensburg, Germany in 1938. He holds two Doctorates, the first in Economics from the University of Fribourg; the second is in Engineering from the Swiss Federal Institute of Technology. Additionally, he holds a Master of Public Administration from the John F. Kennedy School of Government at Harvard University. Aside from his work at the WEF, he has served as a Professor of Business Policy at the University of Geneva (1972-2002), and has held several posts at the United Nations regarding development (Vice-chairman of the UN Committee for Development Planning, 1996-1998; member of the UN High-Level Advisory Board on Sustainable Development, 1993-1995).

3. Lord Mark Malloch-Brown was the Vice-Chair of the WEF in 2011. He is a British-born journalist and development professional. He holds a Master's Degree in Political Science from the University of Michigan. He started his career as a political correspondent for The Economist newspaper. From there, he moved into working for the United Nations High Commissioner for Refugees under Kofi Annan. He has also held the post of Administrator of the United Nations Development Programme, Deputy Secretary-General of the United Nations, and Minister of State at the Foreign and Commonwealth Office (U.K. Government).

4. Richard Samans was the Managing Director of the WEF until March 2011 and is currently a senior advisor for the organization. He holds a Master's Degree in International Affairs from the Columbia University School of International and Public Affairs. Professionally, he has served as Special Assistant to the President for International Economic Policy (USA), as Senior Director of the National Security Council's International Economic Affairs Directorate, and has occupied a number of other roles in governmental affairs. He currently serves as the Executive Director of the Global Green Growth Institute in Seoul, South Korea.

5. Schwab also thanks Director Michele Petochi in his introductory letter, pg 2.

6. Helsinki Process on Globalization and Democracy (2004-2005) also grappled with a very broad range of global policy issues, yet it produced far fewer recommendations and had no effective follow-up. "In its four meetings . . . , the Helsinki Group discussed issues ranging from security to human rights and from development to environmental issues.", Helsinki, pg 5. Final Report of the Helsinki Process on Globalization and Democracy: A Case for Multistakeholder Cooperation, Finnish Ministry for Foreign Affairs, 2008 subsequently cited as *Helsinki Process*

Dysfunctional Governance Today

Clearly, the current system of global governance is not working properly. At the very least the financial crisis exposed a troubling problem: the current governance structures could not contain the transmission of the financial crisis from one sector of the US economy to the rest of the world. And the failure of the Copenhagen climate conference in 2009 highlighted global difficulties with fashioning meaningful responses to transboundary ecological issues. The combination of these gaps has exposed a level of disillusionment within the international elite regarding the legitimacy and effectiveness of the current macro governance system.

The elite disillusionment is matched by wide-spread anxiety and frustration by billions of other citizens.

For decades, people around the world have been told that globalization and the international market would in one way or another rescue them from poverty. The "Great Recession" demonstrated that the existing international infrastructure is seriously flawed, undermining in many situations the social and economic advances of the past twenty-five years. It neither produced solutions for truly global problems nor established meaningful and ethical rules for the global marketplace. In addition, the on-going Iraq and Afghanistan wars remind people that there are still no effective constraints on NATO or other powerful militaries. As a result, the World Social Forum, born in opposition to the World Economic Forum, galvanized participants in their annual meetings to develop their own people-focused governance systems.

The lack of response to the climate crisis, seen by many as an ecological tripping point in waiting, has spurred thoughtful leaders to look for a new form of ecological governance. The financial crisis opened a door for even traditional political and economic leaders to say, for the first time since the Bretton Wood Institutions¹ were founded, that a new global economic governance system is needed.

Related Ideas: [Arrangements out of step](#); [Historic error to revert to complacency](#)

1. The International Monetary Fund and the World Bank group are collectively called the BWIs (Bretton Woods Institutions) after the New Hampshire town where their founding documents were agreed upon.

Calls for a New International Governance System

In late 2008, global leaders, including then British Prime Minister Gordon Brown and French President Nicolas Sarkozy, called for an overhaul of the “international financial architecture” in a manner akin to the 1944 Bretton Woods process.¹ Their suggestion prompted serious macro-economic discussions at the G20 meetings in Washington (2008) and London (2009) and ultimately resulted in agreements to pursue coordinated fiscal stimulus activities, enhanced economic policy coordination, and a refinancing of the IMF. Public talk about a “Bretton Woods II” (BWII) in the G20 context subsided but re-appeared within the broader UN context.

In early 2009, the General Assembly considered proposals to create an Economic Security Council as a way to reconstruct the Bretton Woods institutions inside the UN system.² This proposal, which would have been a de facto revision of the UN Charter, was quietly set aside by June 2009. The Copenhagen climate Conference of the Parties (COP) in December 2009 was seen by some as an opportunity to devise a system of climate governance which would reorient the international market toward a low-carbon economy. In the end, governments avoided, amongst other things, undertaking this systemic task under the UNFCCC umbrella.

The World Economic Forum's Global Redesign Initiative comes out of this same period.³ WEF's engagement with global governance, however, has two significant differences. First, it comes on the heels of these high level government efforts, which looked at the reality of the imminent collapse of the international governance system and moved on when the immediate threat receded. Second, it comes after nearly five decades of experience with the annual gatherings of World Economic Forum in Davos Klosters and two decades of regional meetings in four continents. These WEF events have nurtured an informal environment between the invited leaders from governments, international business, professional bodies, the scientific community, international civil society, and popular culture.⁴ As the GRI's report states, it was time to take the corporate approach of Davos⁵ to a new level.

1. Hillary Rodman Clinton, then the “US First Lady”, made a similar recommendation to Davos in 1998, “I know there has been a great deal of useful conversation here about what needs to be done to help manage crisis such as ... how to better provide technical assistance for banking supervision and the regulation of markets in many countries around the world, even suggestions as to what could be done to create more of a global regulator atmosphere along the lines of perhaps of a new Bretton Woods.” *The First 40 Years*, pg 158.

2. The 'UN system' is a technical expression that encompasses the UN proper, its funds and programmes (like UNDP), legally separate specialized agencies (like WHO), the World Bank, and the International Monetary Fund. While the WTO is the only major international organization that is not part of the UN system, its Director-General attends the biannual meeting of the heads of the UN system, called the Chief Executives Board for Coordination (CEB).

3. “It is fitting that in this anniversary year, as people around the world continue to feel the impact of the global economic crisis, the Forum will be deeply engaged in the Global Redesign Initiative (GRI). This is a wide-ranging review of the institutions and practices of global governance and the management of the global economy aimed at determining how the world should restructure the international system to better tackle the multiple challenges of globalization.” *The First 40 Years*, pg 2.

4. At the 2011 annual meeting, “Over 1,400 business leaders from the Forum's 1,000 Member companies will take part in the Annual Meeting. Participants also include over 35 heads of state or government, with 19 of the G20 governments represented at ministerial level or higher. They are joined by government ministers, central bankers, top officials from international organizations, labour leaders, religious leaders, representatives of civil society, media and leading academics.” Press Release, World Economic Forum Annual Meeting to Focus on Shared Norms for the New Reality, 19 January 2011.

5. GRI, pg 4.

Two Earlier Commissions

The WEF process also drew on two earlier special commissions: the 1991-1994 Commission on Global Governance and the 2003-2007 Helsinki Process on Globalization and Democracy. The Commission on Global Governance, under the leadership of Ingvar Carlsson of Sweden and Shridath Ramphal of Guyana, issued its recommendations in the report "Our Global Neighbourhood" in 1995.¹ The Helsinki Process, under the leadership of the Foreign Ministers of Finland and Tanzania,² issued their final report under the title "A Case for Multi-Stakeholder Cooperation" in 2008.³

The GRI final report drew quite heavily on the report from the Helsinki Process on Globalization and Democracy and far less from the report of the Commission on Global Governance. Rick Samons, a member of the Helsinki Process, the Managing Director of WEF and a co-chair of the Global Redesign Initiative, noted the connection between the GRI and Helsinki Process in his contribution to the Helsinki report:

...[A]lthough formal structures of international governance have been failing to keep pace with global economic and social integration, informal, multi-stakeholder structures are taking root and finding greater acceptance than ever before. In the past five years, there has been a proliferation of multi-stakeholder partnerships on a wide range of problems... - indeed on nearly every global challenge. My institution, the World Economic Forum, is a good barometer of this development. We have witnessed firsthand a steady expansion in the interest of governments, businesses, non-governmental organizations and academic institutions to work together on concrete projects. The number of these initiatives at the Forum as tripled during this period⁴

The WEF process also occurred during an intellectually and politically fertile period in the development of new governance proposals within specific policy communities. Within the finance community, there were new proposals to change the voting arrangements at the International Monetary Fund and the constituencies in the Financial Stability Board. In the academic world there were new studies on the G20,⁵ new research on global ecological governance,⁶ and a growing number of academic programs on global governance. In the environmental world, UNEP had been sponsoring a Ministerial-level series of meetings to devise a new structure for international environmental governance.⁷

At the UN in New York there were ongoing negotiations on the revitalization of the General Assembly, the restructuring of the Security Council, and the enhancement of the Economic and Social Council (ECOSOC). In other forums, there were also ongoing negotiations on food governance, biodiversity governance, health governance, energy governance, and internet governance, to mention a few.

These sector specific governance discussions were complemented by constituency governance discussions. The report of the Secretary-General's Panel of Eminent Persons on UN-Civil Society Relationship⁸, for example, sought to re-define the relationship between the United Nations, the private sector, and civil society.

While the intellectual ferment was strong, most of these undertakings resulted in little actual movement.⁹

1. Report of Commission on Global Governance, *Our GLOBAL Neighbourhood*, Oxford University Press, 1995 subsequently cited as Commission on Global Governance.

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2. The Helsinki Process on Globalization had two phases. For both phases, the Finnish Deputy Foreign Affairs Minister Teija Tiilikainen represented Finland. Tanzania was represented in the first phase by Prime Minister Mizengo Pinda Mtwara and in the second phase by Foreign Affairs Minister Bernard Membe.
3. Final Report of the Helsinki Process on Globalization and Democracy: A Case for Multi-Stakeholder Cooperation, Finnish Ministry for Foreign Affairs, 2008 cited as Helsinki Process.
4. Helsinki Process, page 18
5. [The G20 Information Centre at the Munk School of Global Affairs at the University of Toronto](http://www.g20info.org/).
6. Earth Systems Governance project, Earth System Science Partnership, <http://www.earthsystemgovernance.org/>
7. <http://www.unep.org/gc/gccs-xii/>
8. "We the Peoples: Civil Society, the United Nations and Global Governance" report of the Panel of Eminent Persons on UN-Civil Society Relations "Cardoso Commission" (2003 – June 2004).
9. The exception being the very rapid (one day) transformation of the Financial Stability Forum into the Financial Stability Board following the 2008 G20 meeting in London.

Strong Views

On a separate track, the United States National Intelligence Council (NIC) and the European Union's Institute for Security Studies (EUISS) joined forces in 2009 to produce a common assessment of the long-term prospects for global governance frameworks.¹ Like the GRI, this process involved experts from business, the academic world, government, civil society, and think tank leaders from all regions of the world. From the EU's side, the joint project built on its 2006 study that "stressed that a multipolar system is emerging and that matching the new distribution of power with new rules and institutions will be critical to preserving international peace and security."² From the US side, the common project drew on NIC's 2008 public report that "noted that momentous change was ahead, with the gap between increasing disorder and weakening governance structures widening."³

WEF's proposals to rethink global governance should be seen as a counter-development to proposals from within the international business community and the international media that sought to devalue international relations in favor of nationalistic positions. Over the past decade, strong voices from these communities have advocated the closure the United Nations, the withdrawal of the US from peacekeeping, the return of the gold standard, and the abandonment of selected international treaties and conventions.

The tenacity of these positions had narrowed the scope of action for governments at the United Nations and elsewhere to take on new (or to complete) multinational negotiations, and has scared international organizations from recommending new global programs on crucial contemporary issues. This narrowing of international activities is reflected in a three part diplomatic mantra: "No new conferences, no new organizations and no new money."⁴ WEF's initiative is a strong riposte to those in the corporate and international community who attack the rationale for any multilateral global institutions. The GRI project itself is an effort to re-position the necessity and legitimacy of the intergovernmental system in the wider corporate community.

1. Office of the Director of National Intelligence (US) and the European Union's Institute for Security Studies, "Global Governance 2025: At a Critical Juncture" available on the web at http://www.dni.gov/nic/PDF_2025/2025_Global_Governance.pdf

2. Global Governance 2025, preface

3. Global Governance 2025, preface

4. The organizational exception is 2011 founding of the United Nations Entity for Gender Equality and the Empowerment of Women, better known as UN Women.

Previous Preparatory Processes

The practice of a careful and extensive preparatory process for major transitions in international structures is rooted in the origins of all the major post-WWII institutions.

As early as January 1942, President Franklin Roosevelt publically acknowledged a "United Nations" and began planning a new post-World War governance system. During these negotiations, Roosevelt himself took a commanding role in creating the body intended to govern international security and forge global peace: the UN Security Council. The League of Nations, Roosevelt felt, lacked an enforcement mechanism and sufficient troop commitments to ensure international security. Consequently, he was intent on having a post-World War II institution with the ability to control military conflicts. In his view, the next international organization structure should not suffer the same failures as the League of Nations.

Roosevelt sought support for his concept of a Security Council from those countries with the greatest capacity to provide military force and ensure international peace. He initially tapped Great Britain, the Soviet Union, Nationalist China, and his own state as the "Four Policemen," capable of adding the armed forces that collective security under the League of Nations had been missing.¹ Roosevelt's vision succeeded in 1942 when the "Declaration by United Nations," pledging to establish an international organization, was signed in Washington by the US, USSR, Great Britain, Republic of China, five British Commonwealth countries (Australia, Canada, India, New Zealand, South Africa), nine Latin American and Caribbean countries (Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Panama), and eight governments in exile.

[In September, 1944](#), the United States, China, Great Britain, and the USSR convened in Dumbarton Oaks (Washington, D.C.) to draft the organizational charter for the United Nations. Negotiations centered on the Security Council, which originally had eleven members, five permanent and six that held two-year rotations. The Security Council was charged with making decisions about UN actions to prevent war and suppress acts of aggression, and providing sufficient and dedicated armed forces from member states to implement these Council decisions.²

In April 1945, Roosevelt died, leading to the inauguration of Harry Truman, one of Roosevelt's strongest supporters in the creation of a United Nations. Under Truman, the text of the UN Charter was agreed upon in San Francisco. The Charter obligated member countries to implement the decisions of the Security Council.³

It includes a distinctly American delimitation of the Security Council's power in Chapter VII, allowing the Security Council to authorize "such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security." Pressures from the USSR molded the first stated purpose of the United Nations in Article I, "To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace..."⁴

In contrast to the focus on the Security Council, the negotiation process for Economic and Social Council (ECOSOC) was given significantly less attention. The primary role of the new United Nations in economic and social matters was to act as a coordination body. Unlike the Security Council, the new Economic and Social Council would have no economic enforcement powers.⁵

In addition, separate organizations with leadership on economic, monetary and trade matters were created. These organizations were established to be independent of both the ECOSOC and the United Nations.⁶ Preparation for the creation of the Bretton Woods Institutions began with the signing of the Atlantic Charter in 1941. This Charter initiated a series of negotiations, resulting in the establishment of the International Monetary Fund and the World Bank in 1944, a year before the United Nations was formally launched. A second track of negotiations culminated in the Havana Charter in 1948 with the subsequent creation of the General Agreement on Tariffs and Trade (GATT). Not all the preparatory work resulted in exactly the recommended outcomes,⁷

Thirty years later the UN returned to the debate on governance and macroeconomics. In 1974, at the insistence of the newly de-colonized members of the UN, the General Assembly adopted the Charter of Economic Rights and Duties of States⁸ and the New International Economic Order.⁹

Related Ideas: [1994 process](#)

1. France was later added as the fifth policeman.
2. Although not represented at Yalta Conference in 1945, France began to push for its own inclusion in a Security Council based on its economic and political power in Europe.
3. Article 48 of UN Charter: "The action required to carry out the decisions of the Security Council for the maintenance of international peace and security shall be taken by all the Members of the United Nations or by some of them, as the Security Council may determine. Such decisions shall be carried out by the Members of the United Nations directly and through their action in the appropriate international agencies of which they are members." United Nations, Chapter VII: Action with Respect to Threats to the Peace, Breaches of the Peace, and Acts of Aggression, Charter of the United Nations, San Francisco: 1945.
4. United Nations. Chapter I: Purposes and Principles. Charter of the United Nations. San Francisco: 1945.
5. Article 62 of the UN Charter: The Economic and Social Council may make or initiate studies and reports with respect to international economic, social, cultural, educational, health, and related matters and may make recommendations with respect to any such matters to the General Assembly to the Members of the United Nations, and to the specialized agencies concerned. It may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all. It may prepare draft conventions for submission to the General Assembly, with respect to matters falling within its competence. It may call, in accordance with the rules prescribed by the United Nations, international conferences on matters falling within its competence. United Nations, Chapter VII.
6. Although the key planning meetings for the new economic, monetary, and trade organizations were convened under the umbrella of the new United Nations, the final institutions were established independently of the UN.
7. The Havana Charter in 1948 recommended an International Trade Organization (ITO), a financial institution called the International Clearing Union (ICU), and an international currency: the bancor. While negotiators signed the Havana Charter, it lacked domestic support in the US and was in the end ratified solely by Liberia. The informal General Agreement on Tariffs and Trade (GATT) was simply put in place to create a necessary framework for trade rules between the major economies of the day. A second example is the International Bank for Reconstruction and Development, which is today more often called by its nickname the World Bank. The International Bank for Reconstruction and Development's original European reconstruction role was abandoned in its first years and the development orientation became its exclusive focus.
8. <http://www.un-documents.net/a29r3281.htm> (accessed July 18, 2012)
9. <http://www.un-documents.net/s6r3201.htm> (accessed July 18, 2012)

Thematic Global Governance Campaigns

The next generation of disruptive forces was largely seen in theme-specific areas such as the food crisis, the debt crisis, a biodiversity crisis, the poverty crisis, the Asian financial crisis, the climate crisis, the health crisis, etc. Each of these crises has seen the development of widespread civil society efforts to prod governments and international organizations to adopt policies and programs to address the problem. These campaigns have often included efforts to restructure the governance of that sector.

The ferment of activity around thematic governance issues has expanded considerably in the past decade. Sometimes it was provoked by the lack of equity and the resulting poor functioning of an international governance organization (e.g. IMF governance); sometimes it evolved from a recognition that the multiple governance arrangements and the resulting fragmentation of work in an area has prevented effective work (e.g. the weak relationship between multilateral environment agreements and UNEP); sometimes the governance proposals have simply evolved from the core proposal for action within that sector (e.g. plant genetics governance); and sometimes governance debates were central to the formation of a new international activity (e.g. the transfer from the Pentagon to the private sector of internet governance).

The starting point for these proposals has been the perceived limitations of the existing governance arrangements, be they at the Bretton Woods Institutions, the FAO, UNEP, or ECOSOC. As most of these specific governance issues grew out dramatic crises within that sector, they developed – and are evolving -- quite independently of each other.

These sector governance proposals have been complemented by institutional debates on proper connection between the United Nations and the Bretton Woods Institutions and the United Nations and the specialized agencies.

The WEF Process

The WEF process marks a departure from the post-WWII planning process.¹ Whereas the 1940s process was government-led, the WEF process is a government/corporate hybrid undertaking with the corporate side in the driver's seat. While the post-WWII planning process was driven by the major concerns to avoid a repetition of WWII and the Great Depression, the WEF's starting point was solely in the economic sphere, not as a reaction to military engagements in Iraq or Afghanistan.

The WEF took on the task of opening up a dialogue on the next phase of global governance with enthusiasm. The World Economic Forum secured the necessary financing for this undertaking from the Governments of Qatar, Singapore, Switzerland, and Tanzania. It invited various specialized Davos-sponsored bodies, notably their Industry Partners, Young Global Leaders and Social Entrepreneurs sub-groups, to propose ideas.² They convened regional summits during 2009 and sponsored three country hearings³ on global and regional governance. All the while, WEF coordinated some 60 crisis-defined expert panels to come up with specific, thematically focused recommendations.⁴ The expert panels involved more than 700 experts completed their work in the fall of 2009. The final report was released in Doha on May 30-31, 2010.⁵ The World Economic Forum estimated that one-third of the 1500 participants in the process were from the private sector.⁶ WEF made the Global Redesign Initiative⁷ a significant theme of the 2010 and 2011 Annual Meetings in Davos. The annual Davos retreat and WEF's various regional meetings provided an opportunity to "test [ideas] with ministers, CEOs, heads of NGOs and trade unions, leading academics and other members of the Davos community."⁸

For the 2012 Annual retreat, the World Economic Forum released their seventh edition of Global Risks.⁹ In their measured Global Risk Landscape, the three most likely events were chronic fiscal imbalances, severe income inequality, and rising greenhouse gas emissions; the three most serious identified impact events were major systemic financial failure, the water supply crisis, and food shortage crisis. Reflecting this risk assessment, the agenda of the 2012 meeting included a continuing discussion about global governance and its many interrelated themes.

Related Ideas: [1994 process](#); [Informal gatherings](#)

1. VII A 1 – 1944 process

2. Samans, Schwab, and Malloch-Brown introduction, pg 13. The specific question that were posed [to the Forum's Global Agenda Councils, Industry Partner communities and Young Global Leader Task Forces] was: what would international cooperative structures look like in your field if they were designed today with contemporary circumstances and challenges in mind rather than those that prevailed in the mid-20th century?

3. One on United Nations reform in Switzerland, one on energy security governance in Qatar and a third one on Asia's role in global governance in Singapore

4. The GRI project report has all sixty taskforce reports; the book version has only the summary reports from only twenty-nine.

5. "The 700 participants in Dubai delivered a critical message: the world needed to examine the basic operating systems that drive its economies, markets, and societies and aim for a 'fundamental reboot' to establish a fresh platform based on renewed trust, confidence and commitment to sustainability, social responsibility and ethical principles. This call to action led to the launch at the World Economic Forum Annual Meeting 2009 of the Global Redesign Initiative (GRI), the Forum's wide-ranging effort to review the global economic and financial system and to look at current institutions and practices of global governance in light of the crisis to determine what should be done to achieve this reboot." *The First Forty Years*, pg 236.

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6. Samans, Schwab, and Malloch-Brown introduction, pg 31.

7. The acronym for the Global Redesign Initiative, GRI, is used frequently by the World Economic Forum. This is rather curious. Since 1997, the Global Reporting Initiative, a joint undertaking initiated by UNEP and Ceres, has been using GRI as their organizational acronym. The Ceres/UNEP project has been developing sustainability reporting standards. For WEF, whose members argue strongly for intellectual property rights, it is a bit surprising that they misappropriated the UNEP/Ceres GRI acronym for their project on global governance.

8. GRI, Pg 5

9. Global Risks 2012: Seventh Edition, A initiative of the Risk Response Network (World Economic Forum in collaboration with Marsh & McLennan Companies, Swiss Reinsurance Company, Wharton Center for Risk Management, University of Pennsylvania, and Zurich Financial Services, 2012, available on the web at <http://reports.weforum.org/global-risks-2012/> (seen June 2012)

Everybody's Business

The report of the Global Redesign Initiative, *Everybody's Business*, is really two reports in one. It is a proposal for a comprehensive reconstruction of the global governance system by the leadership of the World Economic Forum, and, separately, it is a complex package of hundreds of specific recommendations by independent taskforces. The comprehensive proposal seeks, amongst other ideas, to introduce voluntary multi-stakeholder governance as a replacement for part of the formal governance system; to enhance the G20 as a more effective global leadership body; and to re-cast the role of the United Nations in global governance matters.

Many of its major recommendations, including those dealing with the [G20](#), can be put into place without a formal decision by the intergovernmental system. The report's broad array of specific thematic proposals are designed to test the new governance approach and to elicit new thinking about how to address longstanding failures in the global community.

The challenge for WEF is that the political possibility of fundamental structural change in 2009 slipped away. Significant components of the international elite community have again become self-absorbed with their prosperity and want to pretend that the structural flaws exposed in the 2007/2008 crash will miraculously self-correct. Inertia is not only a concept in Newtonian physics but can equally apply to political systems. Some external shock or some internal conflict may well open the door again for change. In many parts of the OECD world, 2009 is as long ago as 1909, as firms, governments, and key institutions are pleased that they are back to business as usual.

The business-as-usual (BAU) scenario is clearly recognized by the WEF. It is, in another manner, a cornerstone of the work of the International Panel on Climate Change (IPPC). IPPC has a key message to the global community, that human induced climate change is a substantial global problem and that it is pushing the Earth's ecosystem in some very disruptive directions. For IPPC, the current business-as-usual scenario is extremely dangerous. However, many in the international elite, believing that the 2009 crisis 'has past', are very pleased to have even a partial return to a business-as-usual economic world and to continue to ignore the consequences of a business-as-usual climate trajectory.

WEF sees the current global governance system as if it were a globally failed state, and that this system cannot secure the future of globalization. Many in the financial and business world actually want to return to a BAU globalization model because it has brought them success in the past. Unfortunately, too many powerful elite actors now disagree with both WEF and the IPPC about the need to move dramatically away from the business-as-usual scenario. They are reluctant to move away from the current BAU governance system because big change scares those with invested resources in the present system. But 2012 and beyond is not going to be a flat, unchanging world. The speed of change and the drivers for change are going to continue to multiply. In the climate field, IPPC redefined the goal posts. In the area of global governance, WEF has the only comprehensive proposal on the table – ready when the business-as-usual economic world is shaken again.