Emerging Powers and Emerging Trends in Global Governance

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In the 1990s, liberal optimism permeated the study and practice of international politics. International institutions were strengthened and the discourse and practice of global governance consolidated as a new approach to world affairs. Today, new powers are emerging in this institutionalized order. New powers have changed the power relations that underpinned global governance and are also economically, politically, and culturally different from established powers. Against this backdrop, this article investigates the impacts emerging powers are having on global governance. It presents six major trends and outlines their implications for the new global governance currently taking shape. Because new powers are emerging in an already institutionalized order, the emerging global governance order is gradually growing out of the existing one. Emerging powers are rendering parts of global governance dysfunctional, layering onto it, complicating it, but not overthrowing it. Keywords: BRICS, emerging powers, fragmentation, global governance, international institutions, international politics.

In the 1990s, the global system entered a new phase. The United States reigned supreme after the collapse of the Soviet Union discredited alternatives to liberal capitalism and removed the only global counterweight to Western influence. Attention turned to international institutions, human rights, democracy promotion, and economic liberalization. Infused with the liberal zeitgeist of the time, “global governance” began to emerge as a perspective on world politics as well as a new approach to managing international affairs.1 It represented an ambition to manage the world by collaboratively “solving problems,” the major political questions having already been resolved in the West’s favor.

Today, this project appears to be in trouble. In Crimea and Syria, in the corridors of the World Trade Organization (WTO) in Geneva, in the backrooms of the United Nations in New York, universal multilateralism has taken a hit and power politics appears to be on the rise. China, India, and the three other BRICS countries (Brazil, Russia, South Africa) have experienced rapid economic growth and are increasingly challenging Western dominance. The legitimacy of the rules and leadership roles of global governance is in dispute. China and Russia appear to offer political alternatives to liberal democracy while economic growth in the developing world has been greatest not under neoliberal regimes, but under varieties
of state capitalism. In developed democracies, new right-wing political movements have emerged that challenge outward-oriented pro-globalization policies. Meanwhile, the BRICS criticize the biases of the existing order and have begun to build their own international institutions. What is the impact of emerging powers on the constellation of multilateral institutions, norms, and rules that guide and constrain behavior at the global level? What remains of the ambition to govern the globe?

In this article, I argue that as a result of the rise of new powers, the heterogeneity of preferences weighted by power in the international system has increased over the past two decades. The great-power club of systemically significant countries has become more diverse. But international institutions are sticky, and existing institutions privilege established powers and largely reflect their preferences and ideas. As a result, new conflicts are emerging that are generating novel forms of institutional adaptation and change. I survey the nature and extent of these conflicts and outline the trends in global governance that are developing as a result. My main conclusion is that a combination of exacerbated collective action problems and divergent preferences means that the kinds of major achievements of global governance in the 1990s are unlikely to be repeated. Instead, a “new global governance” is materializing that is strongly contested, less universal, less liberal, and more fragmented.

The Emergence of Global Governance

When we look back at the 1990s, we see an explosion of liberal optimism that permeated the study and practice of international politics. In the context of a deepening world market and the denationalization of policy fields such as trade, investment, health, and the environment, global governance appeared as the only path “through which conflicting or diverse interests may be accommodated and cooperative action may be taken.” For the first time since the Russian Revolution, capitalism reigned practically unchallenged across the globe. Resources previously denied to the investor were integrated into the world market: in the former Soviet bloc under shock therapy, in China as a result of socialism with Chinese characteristics, and in Latin America under the tutelage of the International Monetary Fund (IMF) structural adjustment programs. Even a social democratic addendum to capitalism began to appear anachronistic, and “third way” social democracy, largely adapted to neoliberal economic prescriptions, emerged. This was the context for the emergence of a governance system that was, for the first time, truly global. Thus began a phase of multilateral institution building that is only comparable in its scope and ambition with the foundation of the UN system after World War II.

The pooling of economic clout enabled the United States and Europe during the Uruguay Round to push through the creation of the WTO,