## COMMENTARY



# MULTILATERAL VALUES: EUROPEAN IDEALS UNDER PRESSURE

#### **Richard Gowan**

May 2023

The West no longer has a monopoly on values at the UN. But Europeans can shape a new narrative in the changing multilateral system by emphasising their commitment to sovereignty, development, and openness

After a recent trip to India, EU foreign policy chief Josep Borrell <u>blogged</u> that while he understood "in a multipolar world everyone wants to express his or her own truth," this needs to be underpinned by "a common base of values and principles on which we agree." From a European perspective, at least in the context of Russia's aggression against Ukraine, it seems self-evident that such a "common base" would include respect for national sovereignty and international law.

Yet, European representatives at the United Nations and their US counterparts have been unable to persuade big non-Western democracies, such as India and South Africa, to back Western positions over Ukraine. Brazil has also begun to tilt towards Russia, <u>offering</u> to mediate peace while <u>blaming</u> NATO members for fuelling the war by arming Kyiv.

Many other Asian, African, and Latin American states have backed Ukraine. But diplomats from these regions are <u>demanding</u> that richer countries invest more in the developing world's economic growth and response to climate change. Although these demands are not new, Western officials are suddenly listening more attentively as they aim to rally the rest of the world against Moscow. And non-Western officials insist that their countries' <u>economic needs</u> – and their broader conceptions of economic and social rights – require at least as much attention as Ukraine.

There are several possible explanations for this new era of friction at the UN. Many members

are waiting for a stronger indication of the trajectory of the war before they decide how to deal with Russia and the West. Short-term crises, such as inflation and last year's spike in global food prices, have also motivated non-Western nations to unite in demanding more attention from the West. Moreover, these nations have not forgotten Western countries' decision to hoard covid-19 vaccines when they first became available.

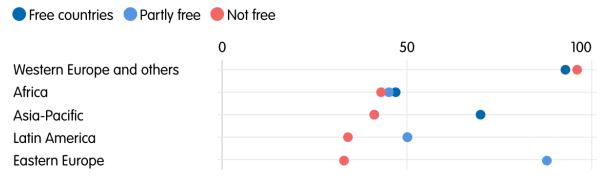
Even so, deeper questions of 'values' still underpin debates about the specific dimensions of multilateralism. European countries have promoted a liberal vision of political and civil rights through frameworks such as the UN – and should continue to do so. But they also need to develop a narrative about the "common base" of international cooperation with broad international appeal. Such a narrative could rest on three commitments: defending states' sovereignty; advancing international economic development; and embracing a pluralistic multilateral system in which states with differing value systems can still work together.

#### Contested values in a changing multilateral system

Since the beginning of Russia's all-out war, many Western observers have <u>framed</u> the conflict as a clash between democracy and autocracy on a global scale. By contrast, non-Western observers have tended to frame frictions over development and climate change in "<u>north-</u> <u>south</u>" terms.

Neither of these framings is sufficient on its own to explain the international response to Russia's war. In major votes on the war at the UN General Assembly, democracies from all regions mainly side with Kyiv against Moscow. Yet, roughly 20 of the 55 countries that Freedom House <u>classed</u> as "Not Free" in 2022 (such as the Gulf Arab monarchies) have also <u>sided</u> with Ukraine in key votes – even if they have not imposed sanctions on Russia and their votes have little substantive impact. Meanwhile, some major non-Western G20 democracies such as Brazil and Indonesia have offered only tepid support to the West over Ukraine, and South Africa and India have striven to stay neutral. But, given that majorities of countries from all regions have sided with Ukraine, there is no inevitable north-south split at work either. These features of diplomacy echo <u>longer-standing patterns</u> in multilateral debates over values at the UN. Human rights-related voting patterns covering both regional and thematic issues in the UN General Assembly in 2021-22 reveal that democracies from outside Europe tended to have higher "voting coincidence" (that is, common voting records) with EU member states than with autocracies. But countries' regional loyalties also play a big part in their voting behaviour. African democracies are, for example, more likely to vote with African autocracies on human rights issues than side with the West.

# Voting coincidence with the EU on human rights votes in the UN General Assembly, 2021–2022. In per cent



Source: ECFR for the Munich Security Conference, 2023 ECFR  $\cdot$  ecfr.eu

Overall, states' positioning on values issues at the UN cannot be explained in simple democracy-autocracy or north-south terms. To take one example, the United States and European members of the Security Council have recently set up an <u>informal coordination</u> <u>mechanism</u> with a broad slate of other members – ranging from Brazil and Mexico to Ghana and the United Arab Emirates – to push for more regular discussions on "Women, Peace, and Security", despite Chinese and Russian scepticism towards the agenda. The European Union was also able to <u>work</u> with the Organisation of the Islamic Conference (OIC) to raise concerns about the abuse of Muslims in Myanmar, even though EU and OIC members often disagree profoundly on human rights in UN debates.

States thus continue to juggle their commitments, interests, and principles case-by-case rather than cleave to common ideological positions, allowing for selective forms of cooperation in multilateral institutions between states with differing value systems. This sort of thin cooperation is imperfect, but it gives the EU space to build coalitions on a variety of issues.

> European diplomats and their allies need to adapt to some fundamental challenges to their vision of political and civil rights at the UN

Beyond case-by-case cooperation, European diplomats and their allies need to adapt to some fundamental challenges to their vision of political and civil rights at the UN. A range of non-Western members articulate stances on basic multilateral values and principles, with an emphasis on economics. Most notably, <u>China</u> has tabled resolutions in the Human Rights Council setting out a vision of 'rights' that centres on state sovereignty and development rather than individual freedoms. These resolutions are part of a broader Chinese effort to use the UN as platform to promote its Belt and Road initiative and more recent <u>Global</u> <u>Development Initiative</u>, positioning itself at the centre of multilateral discussions about navigating global turbulence. By contrast, many non-Western states assume that the EU will <u>cut</u> its development assistance in the years ahead. In private, European officials are frustrated by the difficulty of explaining the bloc's continued aid expenditure to their non-Western counterparts.

Small states are in the game too. Mia Mottley, the prime minister of Barbados, has been especially effective in pushing for reforms to International Financial Institutions (IFIs) and Western reparations for slavery and global warming, <u>using</u> values-heavy language: "When citizens in the developed world believe that they have no obligation to help developing nations," Mottley told a UN audience last September, "it is because they do not know and may not wish not to know that it was the slave trade and the gun that built empires, it was empires that financed industrialisation, and that colonisation allowed their countries to thrive and become wealthy." This focus on social and economic rights puts the EU on the spot by challenging its traditional emphasis on political rights. Non-Western observers reach back into history to reframe European countries as sources of <u>international problems</u> – slavery, deprivation, climate change – rather than leaders on values issues.

#### How Europeans can shape a new narrative

European officials form case-specific coalitions to pursue values issues in specific UN forums. But, in continuing to advance international law and universal rights, they should try to find an effective counter-narrative that can answer the <u>various critiques</u> that these are tools of Western domination. The narrative of global competition between democracy and autocracy can backfire. The EU and its friends should therefore focus on three issues in ways that engage with critiques from the global south:

The first of these issues is sovereignty.

In the past, non-Western countries have often <u>suspected</u> that European countries want to use multilateral forums as platforms to interfere in the affairs of their former colonies. Sentiments like these are still strong in regions such as the Sahel. But the US and the EU have quite effectively cast their support for Ukraine as the defence of a sovereign state against imperialism. It would be smart to expand this narrative, emphasising Western countries' commitment to defending the sovereign rights of developing states. This means not only rejecting wars of aggression and annexation, but also helping poorer countries deal with nonmilitary threats to their ability to exercise their sovereignty, for instance, overwhelming international debt and foreign actors' efforts to harvest citizens' data.

The second issue to emphasise is development.

European governments need to reassert (and perhaps better communicate) their continued commitment to assisting developing nations. They should not only to maintain aid spending as far as possible, but also identify ways to accelerate development – such as by helping poor countries raise finance climate adaptation projects – that may be more useful than classic aid. France is attempting to lead this debate with a "<u>Summit for a New Global Financial Pact</u>" this June, with a focus on unlocking new financing streams for needy states. Paris made a point of asking Mia Mottley and other critics of existing arrangements to headline this event.

The final issue to embrace is openness.

Many African, Asian, and Latin American diplomats now worry less about European neocolonialism and more about the idea that China could dominate multilateralism (reducing their own freedom of manoeuvre) or that Sino-American competition will paralyse the international system. Europeans should engage with countries from other regions on options – including governance reforms to the UN and IFIs – that could reduce the risks of these outcomes. This does not mean that European and non-Western counterparts will easily agree on either values or the mechanisms underpinning multilateral cooperation. But it is in Europe's interest to encourage a pluralist multilateral system that one or two major powers cannot dominate.

Recent experiences at the UN imply that the new multipolar world will have a more pluralistic concept of values, with different factions emphasising different categories of rights. This presents a challenge for Europeans who are comfortable with a narrow focus on political rights. It would be morally and politically inadmissible for European states to give up on promoting the liberal values rooted in the Universal Declaration of Human Rights – which reaches its seventy-fifth birthday this year. Although advancing political and civil rights is often an uphill struggle, that should not stop European states from emphasising their commitment to the concepts of sovereignty, development, and openness – ideals that appeal to UN members with differing conceptions of right but a common interest in a workable international system.

## COMMENTARY



# MULTILATERAL SPACE: A EUROPEAN SPACE ODDITY

#### Rafael Loss, Silvia Samorè

April 2023

Competition among major space powers hinders multilateral action to protect access to outer space. The EU has a key role to play in promoting responsible behaviours and securing the use of space for all

In 2021, Russia <u>blew up</u> one of its own satellites, producing 1,500 pieces of unpredictable orbital debris. The peculiarities of the space domain mean that even a weapons test such as this by a country against one of its own satellites could endanger other nations' space assets. In a worst-case scenario, it could even set off a cascade of ever more space debris colliding with ever more satellites – rendering orbit inhospitable and denying the use of space to all.

Russia's war against Ukraine has only deepened the need to confront risks of this nature. Ukrainian satellite communications were early victims of Russia's cyber-aggression (which also <u>damaged</u> hundreds of satellite terminals in EU member states). SpaceX's Starlink has since become a <u>lifeline</u> – and a critical vulnerability – for Ukraine's frontline forces. Satellite imagery also supports investigations by <u>UN bodies</u> and <u>human rights organisations</u> into alleged Russian war crimes. Indeed, the use of commercial satellites has frustrated the Kremlin's war aims to such an extent that a senior Russian official <u>warned</u> in October last year that they could become "legitimate targets for retaliation". Information sharing and scientific multilateral cooperation have long enabled the peaceful exploration of outer space. But multilateral action is now needed to address the significant threats and risks in that domain. The EU and its member states can play a key role in this by marrying their multilateral impulses with a strategy for long-term competition to shape the emergent space order.

#### Europe ad astra

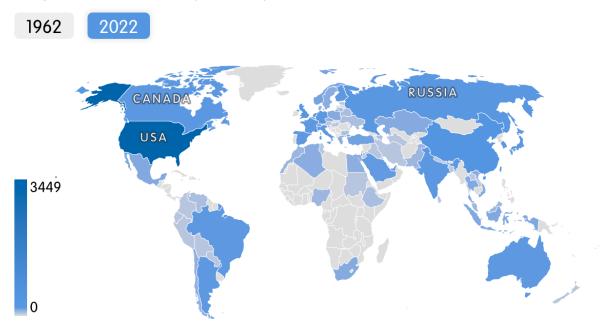
The EU's March 2023 <u>Space Strategy for Security and Defence</u> marks the EU's arrival in space as a security actor. With this strategy, the bloc aims to reduce threats and promote responsible behaviours in outer space, including through a European space law. This important step reflects an evolution in European thinking that began to emerge around seven years ago.

For much of the post-cold war era, Europeans had not prioritised either security in general or the military uses of space. But the increasingly tense geopolitical climate over the past decade, coupled with the potential of a less Europe-oriented United States, prompted a resurgence of security considerations – and with that their connection to outer space. The EU's 2016 <u>Global Strategy</u> contained early indicators of this shift, notably in its assertion that the multilateral rules-based order is the bedrock for sustaining access to space. The <u>Strategic Compass</u> in 2022 went further, highlighting the need to address irresponsible behaviour in space from the EU's strategic competitors. This was a hint at Russia's test of its direct-ascent, kinetic-energy anti-satellite (ASAT) weapon the year before, which the EU <u>condemned</u> at the time. More broadly, the Strategic Compass underlined how today's era of complex security threats and strategic competition have led access to space to become increasingly contested.

## Space jam

The number of actors declaring a stake in space since the Soviet launch of Sputnik 1 in 1957 has dramatically increased. Today, with the exception of much of sub-Saharan Africa, most countries now have satellites in orbit. Western governments in particular <u>increasingly rely</u> on the private sector to provide critical connectivity and sensing services, with SpaceX being just one prominent example.

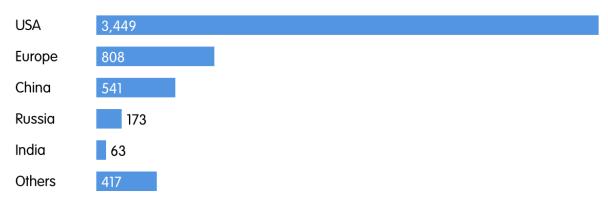
#### Origins of satellites by country



Satellites owned/operated in more than one country are included in the figure for each country Source: Union of Concerned Scientists, 2022 ECFR · ecfr.eu

The remarkable increase also means that Western countries are no longer unique in their dependence on space-based assets for civilian and military purposes. This proliferation reduces incentives for adversaries to strike, blind, or otherwise interfere with satellites for fear of retribution: the US and Europe may still dominate in terms of overall numbers, but in 2022, China <u>conducted</u> 62 successful orbital launches, second only to the United States' 76 and far ahead of Europe's 6 launches.

#### Origins of satellites by major space power



Satellites owned/operated in more than one country are included in the figure for each country Source: Union of Concerned Scientists, 2022 ECFR · ecfr.eu

This vast number of interests has translated into enthusiasm from governments and companies worldwide in making progress to prevent collisions and protect access to space. But geopolitical competition ensures issues around the weaponisation of the global common space are much more difficult to address.

#### The challenge of multilateral space governance

Information sharing and space situational awareness will become increasingly important as low Earth orbit becomes more congested and the risk of collisions grows

Despite increasing strategic competition, some multilateral institutions have been able to facilitate fruitful discussions. In 2021, the UN General Assembly <u>established</u> the "open-ended working group on reducing space threats through norms, rules and principles of responsible behaviours" (OEWG). The OEWG been <u>advancing</u> discussions among members, particularly in the areas of information sharing and space situational awareness. These will become increasingly important as low Earth orbit becomes ever more congested and the risk of collisions grows.

Bodies such as the OEWG are unlikely to produce immediate results due to the conflicting

interests of the major space powers. However, they can help to <u>define</u> unacceptable behaviours and develop verification mechanisms. Progress to date should encourage the EU and interested partners to continue advancing the development of these norms, even if a consensus document remains some way off. Existing frameworks to <u>prevent</u> hazardous incidents at sea or <u>limit</u> the proliferation of ballistic missiles could provide inspiration.

Russia's aggression against Ukraine led to a new sense of transatlantic unity. This was mirrored in European support for a US-led initiative to ban destructive ASAT weapons testing. On 7 December 2022, 155 nations – including all EU member states – <u>supported</u> a non-binding resolution on the ban at the UN General Assembly. Nine countries – Belarus, Bolivia, the Central African Republic, China, Cuba, Iran, Nicaragua, Russia, and Syria – objected; another nine, including India, abstained. Of these 18 countries, only Madagascar and Serbia were among the 141 UN members <u>demanding</u> that Moscow "immediately, completely and unconditionally withdraw all of its military forces from the territory of Ukraine" on the eve of the one-year anniversary of Russia's aggression in February 2023. This anti-Western coalition, with Russia and China at its centre, shows some cohesion, but its relatively small size also suggests that most UN members from Africa, Asia, and Latin America approach voting with more pragmatism – at least when it comes to non-binding resolutions in the General Assembly.

#### A friendship with(out) limits in space

Before Russia's invasion of Ukraine in 2014, Moscow had tried to keep Beijing at arm's length regarding space. Although the Kremlin welcomed cooperation on space projects, it also sought to <u>prevent</u> the transfer of sensitive technology that could result in the emergence of a future rival. But Western sanctions on Russia after 2014 briefly boosted Sino-Russian space cooperation: China <u>sought</u> Russian expertise, while Russia drew on Chinese resources.

Now the tables are turning. China is <u>investing</u> heavily in technology and capability development, but Russia is now a <u>less attractive partner</u> due to a lack of investment in its space industry, including in training new personnel. The tightening of technology and economic sanctions against Russia since February 2022 has accelerated this trend.

Other emerging space powers might conclude similarly. In December 2021, Russia and India <u>agreed</u> on an ambitious cooperation agenda, including in technology development for spaceflight and exploration. India has a longer way to go than China on its national space programme. But its <u>dependence</u> on Moscow for arms and other goods might caution against deeper cooperation at a time when the Kremlin is devoting an ever greater share of industrial capacity to service its war against Ukraine and its high-tech and <u>aerospace</u> sectors are

buckling under Western sanctions.

But Russia's value as a diplomatic ally for China has taken less of a hit. Just as Beijing keeps backing Moscow in its war against Ukraine, the two will likely continue aligning their positions on space diplomacy to deflect international criticism of their actions. Beijing <u>voiced</u> no criticism of Russia's ASAT test, even though it caused a near miss of a piece of debris with a Chinese satellite. When a Chinese rocket body had fallen back to Earth uncontrollably a few months prior, Moscow kept similarly quiet.

Since 2008, Russia and China have been pushing for a Treaty on the Prevention of the Placement of Weapons in Outer Space (PPWT). The EU, its member states, and other mostly Western states <u>object</u> to the draft on the grounds that it "does not constitute a sufficient basis for an effective, comprehensible and verifiable instrument". They also argue that Moscow's and Beijing's actions, including their <u>development</u> of weapons for use against targets in space, run counter to the principles of the treaty.

Nevertheless, of the 155 nations who supported the US-initiated resolution to ban ASAT weapons testing in December 2022, 95 also <u>backed</u> a resolution welcoming the PPWT draft, including many African, Asian, and Latin American countries. These countries seem to support initiatives to mitigate space threats regardless of where they originate. For the EU and its allies this is a problem as much as it is a call to action: no one is waiting for the West to lead them; but at the same time, a Western invitation towards these countries for genuine co-ownership of the future space order would be welcome.

Legally binding international mechanisms to address threats to space remain a long way off. But space will only grow in importance for the EU's commercial, scientific, and security interests. For the EU's new space strategy and proposed space law to be successful, Europeans will need to build on the OEWG process. That way, the EU's regulatory gravitas could lead others to align their approaches to mitigating space threats and risks, and preserve space as a global common.

## COMMENTARY



# MULTILATERAL TRADE: THE GREEN EUROPEAN GENIE AT THE WTO

#### **Pawel Zerka**

May 2023

The EU's use of trade policy in pursuit of its climate goals risks undermining its multilateral credentials and efforts to reform the WTO. To avoid this, it needs to take credible steps to reconcile its trade and climate agendas

The European Union is heavily reliant – for its growth, prosperity, and economic stability – on a functioning multilateral trading system. Since 1995, the World Trade Organization (WTO) has embodied that system. But the EU, the United States, and many non-Western actors now <u>recognise</u> the organisation as being in crisis. Europeans are among the prominent defenders of the existing system and key supporters of WTO reform. Yet, at the same time, the EU is increasingly using trade policy in service of its climate change agenda in ways that risk undermining the bloc's multilateral credentials. For the EU to achieve both its trade and climate change goals, it needs to reconcile these two agendas.

#### A system in crisis

The European Commission <u>understands</u> the WTO crisis as comprising four main elements. Firstly, the organisation's rules have not kept up with the changing patterns of global trade, which has diminished its negotiating function. Secondly, the WTO fails to ensure that all members comply with their obligation to report their trade measures. Thirdly, the organisation's dispute settlement system has been paralysed since 2019, when the US began to <u>block</u> the appointment of appellate judges. These judicial vetoes stem from Washington's own perception of the crisis – that is, its assessment that the WTO tends to hand down rulings that are either reflective of judicial overreach or just outright wrong.

Finally, the WTO's rules and principles are straining under the weight of the geopolitical rivalry between the US and China (which are <u>each other's</u> largest trade partners). The US has, for example, introduced major subsidies for a green economy and semiconductors that include stipulations for a minimum level of domestic production – or 'local content requirements' – whose use <u>the WTO restricts</u>. It has also unilaterally applied <u>export controls</u> to limit China's access to advanced semiconductor technologies. US policymakers, in turn, <u>maintain</u> that the WTO has allowed Beijing to "hack" the rules to its own benefit. The Biden administration <u>does not differ markedly</u> from its predecessors in these assessments and its response, despite its declarative <u>support for multilateralism</u>.

Middle-income countries have their own set of concerns. In <u>India</u> and South Africa especially, leaders object to the WTO's inability to incorporate their development interests into its agenda. They also <u>tend to oppose</u> a move from multilateral to plurilateral formats, which the EU and others have privileged in the face of the organisation's broader negotiating deadlock.

#### Between reform and irrelevance

Yet, for all its problems, the WTO continues to play a crucial role as the pole of stability in global trade. The limbo in the organisation's dispute-settlement system is unfortunate, but WTO members have <u>committed</u> to restore it by 2024. In the meantime, 47 members (including the EU) have created a functioning <u>interim mechanism</u>, which has already proven its usefulness in hearing a dozen disputes. <u>At least two-thirds</u> of world trade continues to be WTO-based, and informal talks on WTO reform started in 2022.

The US currently seems to be privileging its great power competition with China over the stability of the international trading system The US, however, may not be ready to engage in a serious effort return the WTO to a reasonable state of functionality. It would need to unblock the appellate body and refrain from openly breaking the WTO's rules, such as through further export controls. Indeed, the US currently seems to be privileging its great power competition with China over the stability of the international trading system. This risks the marginalisation of the WTO and increasing <u>fragmentation</u> of global trade.

Beijing, for its part, has no interest in further decay at the WTO – but nor is it likely to press for reform. China is the world's major exporter and benefits hugely from the stability that the current WTO system provides. China also appears to have complied with the letter of its WTO commitments (even if <u>some analysts argue</u> that it has broken the "spirit" of the rules). It therefore has few reasons to accept any additional concessions that may come with reform. To the contrary, China benefits from American disengagement from the WTO by progressively <u>strengthening its position</u> in the organisation's secretariat in Geneva. Moreover, the United States' trade war on China provides Beijing with a cover for maintaining its various trade restrictions and industrial subsidies.

## Europe's twin goals

The EU and its member states are thus key defenders and reformers of the WTO system. But the bloc's trade policy seems to be pulling it in opposite directions.

On the one hand, the EU is <u>positioning</u> itself as a leader in efforts to preserve and reform the WTO by addressing the elements of the crisis as the European Commission understands them. The EU relies for this on its like-minded partners from the <u>Ottawa Group</u>, who share a belief in the urgency of modernising WTO rules. But the EU also <u>aims</u> to reach a "high degree of convergence in the reform agenda" with the US, and is planning a major round of diplomacy with African countries to build consensus on WTO reform.

On the other hand, the EU is increasingly using trade policy in support of its efforts to combat climate change. This approach could be effective in addressing the bloc's climate priorities. But it could also undermine the existing multilateral trading system. The most prominent of the EU's initiatives in the trade-and-climate area is its <u>Carbon Border Adjustment Mechanism</u> (CBAM), which will apply higher tariffs on carbon-intensive goods entering the bloc. This initiative is proving highly controversial, as are recent directives on <u>deforestation</u> and <u>corporate sustainability due diligence</u>, mainly due to their unilateral character. India, for instance, has recently <u>protested</u> that the CBAM could amount to behind-the-border protectionism and has <u>raised</u> those concerns at the WTO Committee on Trade and

Investment. Governments in southern Africa fear the CBAM's <u>economic consequences</u> – since their exports to the EU are frequently based on carbon-intensive production.

#### Squaring the circle

The EU needs to engage in three types of actions to reconcile its trade and climate agendas.

Firstly, it should build stronger and more diverse coalitions. It has already begun to do this through its co-leadership of the <u>Coalition of Trade Ministers on Climate</u>, which Ecuador, the EU, Kenya, and New Zealand announced at the World Economic Forum in Davos earlier this year. The coalition involves more than 50 countries (including all EU member states) and aims to boost international cooperation on climate, trade, and sustainable development through discussions at a high, ministerial level. Notably, its membership goes beyond the usual suspects of the Ottawa Group and includes eight African members as well as the US. But it needs to prove its usefulness: the coalition still does not have an agreed agenda, and China and India are not on board. The EU and member states need to help build a broader coalition, with a critical mass, if the initiative is to exert pressure on the latter two – who are among the world's largest CO2 emitters.

Secondly, the EU needs to defend its trade-and-climate measures. It should show readiness to engage in a two-way exchange with other WTO members on the design of its instruments and their implementation – and it holds strong cards to make its case. Even if the CBAM is a unilateral measure, the EU <u>can still justify it</u> under the rules of the WTO – whose jurisprudence has already overcome the alleged conflict between trade commitments and climate action. Moreover, trade experts <u>underline</u> that the true challenge is not in justifying the permissibility of CBAMs in principle, but in "ensuring that their design does not undermine their stated objectives".

Finally, the EU should respond with care to the US <u>Inflation Reduction Act</u>. The bloc's recent <u>actions</u> and <u>statements</u> suggest that it has opted for a non-confrontational approach to the United States' set of green subsidies. The EU's response involves <u>loosening</u> state aid rules to extend its own subsidies and trying to include European firms as far as possible in American supply chains and tax credit regimes. The French president, Emmanuel Macron, <u>advocates</u> that the bloc should adopt "Made in Europe" as its new motto.

This approach poses a risk for the EU's reputation as a defender of a rules-based international trading system. However, leaders in Brussels seem to have concluded that they cannot afford (economically and strategically) to confront the US and China if these countries are pursuing a different line. Still, the EU should at least try to show that it can make industrial policy

without resorting to local content requirements like the US. It should also aim to boost European competitiveness more broadly <u>in ways</u> that do not clash with WTO rules and principles. Ultimately, the EU needs to promote a multilateral or plurilateral agreement on <u>permissible environmental subsidies</u> – and this should engage all of the world's largest CO2 emitters.

The EU would do the world a favour if it succeeded in driving global discussions on how to reconcile trade and climate regimes. This could even help the WTO to redefine its purpose. But, if leaders in Brussels are not vigilant and credible in their actions, they could further damage the international trust that is critical for the smooth functioning of the multilateral trading system on which they themselves rely.

## COMMENTARY



# MULTILATERAL CLIMATE: HOW EUROPEANS CAN CURE PLANET EARTH'S BLUES

Mats Engström

May 2023

The EU still needs traditional multilateral forums to fight climate change. But it also needs to strengthen its efforts to build coalitions and form alliances with key states – especially in the global south

Extreme weather events related to climate change are already affecting large parts of Europe. They will only grow more frequent in the future. EU action alone, however, cannot remedy this problem, since the bloc now accounts for just 7 per cent of global carbon dioxide emissions. At the same time, the changing multilateral system is not fully up to the challenge that climate change presents. Effective European action requires working with a variety of partners in a variety of formats, including traditional multilateral forums, more ad-hoc coalitions of the willing, and bilateral efforts with key states.

## The evolving multilateral climate

So far, Europeans have been successful in advancing the global climate agenda: from the establishment of the Intergovernmental Panel on Climate Change (IPCC) in 1988 and the agreement on the United Nations climate convention (UNFCCC) in 1992, to the Paris agreement in 2015. Building alliances with partners, including in the global south, has been crucial in this regard.

Now, the geopolitical landscape has changed. When the parties signed the climate convention 30 years ago, the cold war had just ended. European countries, the United States, and Japan

dominated the world economy. But today, China is an economic superpower and by far the <u>world's biggest emitter</u> of carbon dioxide. In India, Brazil, and south-east Asia, emissions are <u>increasing fast</u>. Meanwhile, the European Union's share of the global economy and population is shrinking.

The covid-19 pandemic and rising food and energy prices after Russia's attack on Ukraine have taken a heavy toll on many developing countries, <u>increasing hunger</u> and <u>fuelling</u> <u>political protest</u>. The EU and member states have to some extent tried to provide support, for example through <u>food programmes</u>. But the effects of what <u>many people in the global south</u> regard as a war that is not their business are fertile ground for Russian and Chinese propaganda.

This contributes to distrust between the global north and south, which in turn makes it more difficult for Europeans to form climate alliances with developing countries – and China is <u>increasing its influence</u> in those states. The <u>stalemate</u> in global trade negotiations and the legitimacy crisis at the World Trade Organization (WTO) are also complicating agreements on trade-related climate action.

The BRICS group of Brazil, Russia, India, China, and South Africa has been a <u>vocal critic</u> of European climate action, such as the EU's proposal for a carbon border adjustment mechanism (CBAM). Several <u>more countries</u>, including Algeria and Indonesia, are now seeking to join the group, in what would be a significant expansion. In climate negotiations, the group of <u>Like-Minded Developing Countries</u>, also with strong Chinese influence, has opposed several EU proposals, including net-zero targets and an ambitious mitigation work programme.

This changing global landscape is evident at meetings of the G20. Indonesia hosted the group's summit last year, reflecting the growing power and influence of the Asia-Pacific region. India, which currently holds the presidency of the G20, has <u>called for</u> a stronger role for the global south on issues such as climate change.

Simultaneously, however, divisions have emerged within the "<u>G77 and China</u>" group of developing countries, with states especially vulnerable to climate change calling for China and other big polluters within that group to limit their emissions. Differing views about Russia's war on Ukraine are also creating tensions.

#### Multilateralism: a slow machine

Progress in the multilateral system has been too slow to respond to the alarming acceleration

in climate change and its impact.

Notably, the need for consensus within the UNFCCC complicates decision-making. Likeminded actors have in turn formed "<u>coalitions of the willing</u>", both between governments and within the private sector. The EU and European countries and companies often play leading roles in such initiatives. At the UNFCCC climate meeting in Glasgow in 2021 (COP26), parties made progress both in formal negotiations and through coalitions such as these – for instance, through the <u>Breakthrough Agenda</u>, a UK-led clean technology initiative signed by the EU and 41 states.

> Last year at COP27 in Egypt, tensions ran high between developed and developing countries

However, last year at COP27 in Egypt, tensions ran high between developed and developing countries. The parties eventually agreed on a process for financing climate change-related loss and damage in the most vulnerable states. But <u>prospects are dim</u> for any significant new commitments at the forthcoming COP28 in Dubai. Moreover, it may be difficult for the parties even to agree on a precise location for COP29: according to UN rules, that conference <u>should</u> <u>take place in eastern Europe</u> – but Russia will likely object to bids from EU member states such as the Czech Republic and Bulgaria.

Climate multilateralism is thus still moving forward through the UNFCCC. But the changing geopolitical environment means the EU and member states have less leverage than they did in the past.

#### European alliances to counter rivals' influence

Together, China and the US are responsible for about <u>40 per cent</u> of global emissions.

China takes climate change seriously, partly since it will be among the countries <u>hardest hit</u> <u>by changing weather patterns</u>. Climate action also fits well with China's industrial strategy. Aggressive policies to promote solar cells, electric cars, and other green technologies contribute to China's <u>large global market share</u> for such products.

Currently, the US and the EU are working together on advancing the global climate agenda. They are, for example, <u>coordinating their approaches</u> to the meetings in the climate convention and pushing for reductions of methane emissions internationally. Yet, the conflict over <u>local content requirements</u> in the Biden administration's Inflation Reduction Act shows that Washington's foremost priorities are domestic companies and jobs. In private, experienced EU negotiators talk about not trusting the US too much in the longer term, with many recalling only too clearly Donald Trump's withdrawal from the Paris agreement (a decision that Joe Biden rapidly reversed).

For Russia, Europe's green transition is a threat. Just over a year after Vladimir Putin's all-out invasion of Ukraine, EU member states have <u>divested</u> from their dependence on Russian gas. This obstructs the Kremlin's ability to weaponise its fossil fuel resources by cutting off supplies to the EU. On the multilateral level, Russia has so far not blocked climate negotiations, but – like other fossil fuel exporting countries – it is resisting agreements that threaten its fundamental energy interests.

To have influence in this changing situation, the EU needs to forge stronger alliances with other parts of the world. Creating open groups of like-minded countries, including from the global south, should be part of such a strategy. As I have argued with colleagues in <u>previous</u> <u>ECFR publications</u>, initiatives such as the "climate club" that Germany advocates need to be truly inclusive.

#### Moving forward on twin tracks

The EU still needs well-functioning multilateralism. Making progress through the climate convention is not easy, but the 30-year-old arrangement is a significant achievement that is still evolving. Climate change remains a global problem; only UN processes can provide the legitimacy needed to face it. For example, the Paris agreement <u>target</u> to restrict global warming to "well below 2⊠ above pre-industrial levels" functions as a reference point for other climate action, including by the financial sector and major companies.

But further progress will require the EU and other parts of the richer world to counter distrust from developing countries. Rich countries need to engage in confidence-building measures, including delivering on their promises about climate finance and technology cooperation. The EU should also make more significant efforts to <u>implement initiatives</u> in the co-development of low-carbon technology with states in the global south. It should view climate finance and co-development in the wider geopolitical context, as a way to counter Chinese and Russian influence.

In parallel, coalitions of the willing can play an important role in accelerating climate action. The Breakthrough Agenda brings together countries responsible for half of the world's emissions, and has <u>made commitments</u> on renewable energy, low-carbon transport, and other key issues. The EU should increase its efforts to fulfil the commitments of the agenda and expand them to more areas.

Agreements on Just Energy Transition Partnerships (JETPs), through which developed countries fund climate action with South Africa, Indonesia and Vietnam, were important steps forward in 2022. However, JETPs are cumbersome to negotiate and even more so to implement. Implementation will require continued high-level political engagement and for the EU and member states to fulfil their promises on financing.

Europeans will also need to facilitate green industrial development and co-innovation. There has been much <u>progress</u> around the world on renewable energy, including with support from multilateral institutions such as the International Energy Agency and the International Renewable Energy Agency. But rich countries should do far more to nurture developing countries' capacity to benefit from low-carbon industrial opportunities, such as <u>electric</u> <u>vehicles</u> and <u>hydrogen-based steelmaking</u>.

Furthermore, the EU and its member states need to act more coherently in the World Bank, IMF, and regional development banks (including the European Investment Bank) to increase support for low-carbon transitions. Currently, coordination among national ministries of finance is insufficient to develop a common EU approach on critical issues, such as the use of the <u>Special Drawing Rights</u> issued by the IMF as a response to the covid-19 pandemic.

Finally, EU climate action such as the CBAM is <u>causing conflict</u> with trade partners. The EU urgently needs to find better ways of working with governments on trade and climate-related issues, in particular through earlier dialogue on new policy proposals and greater support for low-income countries. Another important task is to find common ground on green subsidies, preferably through agreed guidelines in the WTO.

The EU and its member states should remain committed to the UN climate convention. But they also need to engage more in coalitions of the willing and alliances with important states in the global south, such as Brazil, South Africa, and Indonesia. A stronger twin-track approach such as this can better advance European interests in the current global landscape – and help counter rival powers' scramble for influence.

## COMMENTARY



# MULTILATERAL NUCLEAR DISORDER: LET'S ROCK TILL WE EXPLODE

#### **Rafael Loss**

June 2023

The global nuclear order has so far proven resilient in the face of Russia's war on Ukraine. European engagement through the EU and NATO can help shore up this uneasy equilibrium

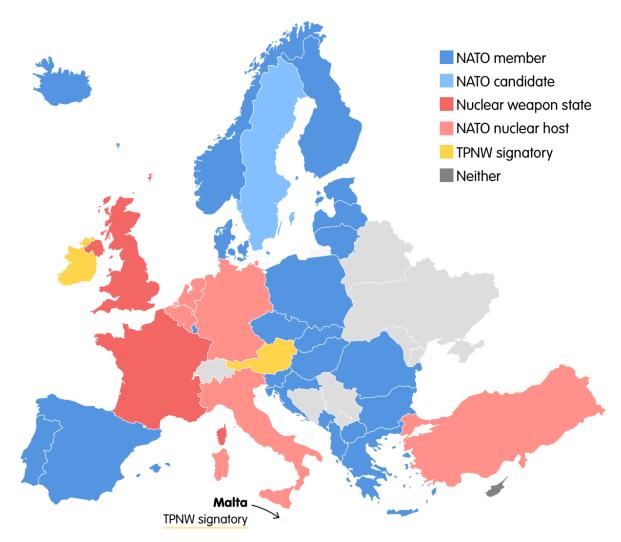
Russia's war against Ukraine is intimately tied to the global nuclear order. The Russian president, Vladimir Putin, has <u>issued</u> countless nuclear threats since February 2022: among other things, warning those who might consider coming to Ukraine's defence of consequences "never seen in your entire history"; placing Russia's nuclear forces on "enhanced combat duty"; and <u>preparing</u> to deploy Russian nuclear warheads in neighbouring Belarus.

The Kremlin has also <u>conditioned</u> arms control talks with the United States on Ukraine, stating that such discussions "cannot be isolated from geopolitical realities" in an attempt to blackmail Washington into giving up on Kyiv. Indeed, the very fact of Russia's war <u>could break</u> the international non-proliferation regime – as countries facing threats to their security may be more likely to seek the bomb, and those that already have it will never give it up. Yet, the global nuclear order has <u>proven</u> resilient to Putin's challenge. The norms, practices, and institutions of the nuclear age – no matter how <u>unjust</u> – remain largely as they were before the war. Russia's nuclear weapons may dissuade NATO countries from sending troops to fight alongside those of Ukraine. But the alliance's nuclear weapons also deter Russia from attacking the supply hubs in Poland and elsewhere that facilitate Ukraine's self-defence. The nuclear non-use norm remains unbroken, and no new countries have acquired nuclear weapons since Russia's landgrab of Crimea in 2014. Multilateral engagement by Europeans through the EU and NATO can help to shore up this uneasy equilibrium.

#### Nuclear fissures

EU member states are deeply <u>divided</u> on nuclear matters. One EU country – France – commands a nuclear arsenal of its own. Most others benefit from the United States' nuclear umbrella as members of NATO. Belgium, Germany, Italy, and the Netherlands even host US nuclear weapons on their soil through the alliance's nuclear sharing arrangements. Austria and Ireland, meanwhile, were instrumental in the drafting and adoption at the United Nations of the <u>Treaty on the Prohibition of Nuclear Weapons</u> (TPNW) in 2017, which seeks to comprehensively ban nuclear weapons; Malta signed up too. Finland and Sweden, which were militarily non-aligned throughout the cold war and after, have now joined NATO, or, in the latter's case, will do so imminently.

# European countries' nuclear status: nuclear weapon states, NATO nuclear hosts, NATO allies, and TPNW signatories



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EU member states thus represent the full continuum of views towards nuclear weapons. Consequently, the EU's position on nuclear weapons and how to address their risks, threats, and benefits reflects the three pillars of the 1968 <u>Treaty on the Non-Proliferation of Nuclear</u> <u>Weapons</u> (NPT) as the lowest common denominator: nuclear non-proliferation, access to civilian nuclear energy, and negotiated disarmament. NATO <u>upholds</u> that it will remain a nuclear alliance for as long as nuclear weapons exist. In private, some European leaders might even subscribe to the late British prime minister Margaret Thatcher's <u>view</u>: "I want a war-free Europe. A nuclear-free Europe I do not believe would be a war-free Europe." Their ranks might have swelled since February 2022. But this diversity of views across the EU also allows member state governments to credibly engage different global constituencies, as views around the world are no less diverse.

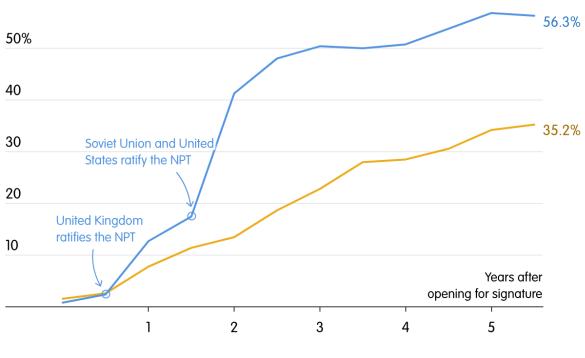
#### Nuclear treaty proliferation

From 2010 onwards, the "<u>humanitarian consequences</u> of any use of nuclear weapons" began to receive increasing attention in international discussions. Austria and others championed a "Humanitarian Initiative" and <u>pledged</u> to close the legal gap on prohibition that the NPT left open. Ban treaty sympathisers among EU member states have since tried to shift the bloc's default position. Within the EU, this led to a <u>crystallisation</u> of two subgroups, which, according to one EU official, brought "the worst" out of supporters and opponents alike whenever the TPNW was on the agenda. The result has been an agreement to disagree among EU members, to avoid the elephant in the room and permit progress on other parts of the union's common security and defence policy agenda.[1]

The TPNW has neither had quite the effect its proponents hoped for, nor that its opponents feared. Critics of the ban treaty had argued that it would undermine the NPT regime. But since its entry into force in 2021, no signatory of the TPNW has withdrawn from the 1968 treaty. To the contrary, many government statements have stressed the two treaties' complementarity, as did the <u>final declaration</u> of the first meeting of parties to the TPNW in June 2022.

Where the meeting fell short was in condemning Russia's nuclear-backed invasion of Ukraine. For all their emphasis on humanitarian principles, ban treaty members' solidarity with the attacked should have come almost naturally. After all, Ukraine is one of only four countries globally to have relinquished nuclear weapons (the others being Belarus, Kazakhstan, and South Africa). Yet, most delegations <u>refrained</u> from calling out Russia – albeit <u>not all</u> – and the final declaration effectively resorted to nuclear whataboutism, castigating "any and all" nuclear threats. This could turn out to be as much of a roadblock to expanding membership as <u>the rejection</u> of the ban treaty by the countries who would actually do the disarming. Compared to the TPNW, the participation of the US, the United Kingdom, and the Soviet Union in the NPT considerably boosted buy-in from other UN members.

# Accession of UN members to the <u>NPT</u> and the <u>TPNW</u> over the first six years. In per cent of UN members



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The non-outcome of last year's NPT review conference illustrates another way in which Russia's war has affected consensus-based forums. Whereas the ban treaty meeting avoided taking a stand on the invasion to achieve consensus, a Russian veto on the final day of the NPT conference <u>prevented</u> a joint declaration and with it explicit condemnation of Russia's <u>occupation</u> of the Zaporizhzhia nuclear power plant. Some delegates reported frustration that the war crowded out discussions on other critical issues, such as emerging and disruptive technologies and their effects on nuclear risks and stability. [2] Others were <u>disappointed</u> that language on disarmament in the draft did not go far enough. But most <u>considered</u> the conference a success – and none (bar Russia) threatened to block the final statement.

China has been notoriously unwilling to engage in discussions of its nuclear arsenal and doctrine

#### "Gentlemen, you can't fight in here!"

Diplomatic discipline has allowed EU members and their partners to <u>push</u> for fartherreaching condemnation in majoritarian forums such as the International Atomic Energy Agency's board of governors, which adopted <u>three resolutions</u> in 2022 against Russian opposition. European diplomats need to be mindful of the decision-making mechanisms of the forums in which they operate, and acknowledge that the perception of their initiatives by countries in Africa, Asia, and Latin America could evolve as Russia's war drags on. If Europeans push the envelope too far, it could come at the cost of progress on other issues of importance to these countries. In some cases, assembling a coalition for a side statement may be more effective than insisting on specific language for a consensus document. This can also serve to put reluctant countries on the spot. China, for example, has been <u>notoriously</u> <u>unwilling</u> to engage in discussions of its nuclear arsenal and doctrine.

EU member states and NATO allies can adopt other measures to reduce nuclear risks. US-Russian arms control is now on life support, and China's nuclear build-up is <u>accelerating</u> unchecked. Short of formal arms control agreements, the international community is <u>rediscovering</u> risk-reduction, transparency, and confidence-building measures as ways to close off the riskiest pathways for inadvertent and accidental escalation between the nuclear powers. Military-to-military communication channels, for example, can help to de-conflict activities and prevent misunderstandings. NATO allies have also demonstrated unilateral restraint in refraining from mirroring Russia's nuclear bluster, to avoid <u>normalising</u> it.

But, even in an area as seemingly uncontroversial as nuclear risk reduction, not every conceivable measure actually enhances security. And, given Russia's record of deliberate risk manipulation, some might even put Europeans at a distinct military disadvantage. Arguably, Russia has had a little too much confidence about what NATO countries would *not* do in support of Ukraine. Nevertheless, as NATO allies and their partners seek to <u>promote</u> a distinction between responsible and irresponsible – or to some: less and more irresponsible – nuclear behaviour, some risks associated with unilateral steps could still be worth accepting to gain broader international support in the narrative confrontation with Russia (and China).

Europeans should <u>prepare</u> for an era of intense nuclear competition. In addition to Russia's heightened propensity for risk manipulation, there are also growing reasons to doubt Moscow's commitment to non-proliferation: Russia's plan to deploy nuclear warheads to Belarus <u>turns on its head</u> the Kremlin's previous criticism of NATO nuclear sharing arrangements. The Kremlin might also come to believe that selective proliferation – or tacit support for others' nuclear hedging – would create a bigger headache and distraction for the

West than for itself. Already, Russia's dependence on Iranian drones for strikes against Ukraine's civilian infrastructure has led to a <u>shift</u> in Moscow's position on negotiations to curb Teheran's nuclear ambitions. Far from the post-cold war era of cooperative threat reduction, Russia is becoming a nuclear rogue.

It is crucial to condemn Russia's behaviour in the broadest possible terms. However, it is the Kremlin's disregard for humanitarian norms and violent rejection of the post-cold war European security architecture that requires Europeans and NATO allies to be able to deter, and if necessary, defeat Russian aggression. Beyond the requirements for effective conventional defence and deterrence, a <u>competitive armaments strategy</u> would give Russia a reason to take seriously Europeans as counterparts in arms control. This would also support the EU's non-proliferation objectives by allowing Washington to shift resources and attention towards the assurance of allies in other regions – given that US nuclear backed security guarantees have long contributed to <u>limiting</u> the spread of nuclear weapons.

The US will in all likelihood follow through on its 'Indo-Pacific pivot' over the coming years, or be forced to do so suddenly in response to Chinese actions. In that scenario, it will only become more imperative for Europeans to present Russia with risks and challenges it would wish to negotiate away – rather than plead in vain for the Kremlin to come to its senses.

[1] Author's interview with EU official, remote, 2023.

[2] Author's conversations with conference participants, Wilton Park, UK, 2022.

## COMMENTARY



# MULTILATERAL INTERNET: UNPLUGGED AND SOMEWHAT SLIGHTLY DAZED

#### **Julian Ringhof**

June 2023

To prevent the worldwide web from splintering into regional nets, the EU should safeguard the principles of the current internet governance model while becoming more open to inclusive reform

Five days after Russia's all-out invasion, Ukraine's deputy prime minister, Mykhailo Fedorov, <u>requested</u> that the Internet Corporation for Assigned Names and Numbers (ICANN), one of the institutions that manages the fundamental workings of the internet, disconnect Russia from the global network. ICANN quickly <u>dismissed</u> the request, citing its obligation to remain neutral and ensure that the functioning of the internet is not politicised. Even so, the episode did nothing to assuage <u>longstanding concerns</u> about a potential splintering of the global internet along geopolitical fault lines.

The European Union has <u>committed</u> to safeguard an open, free, and global internet – not least due to the crucial role such a web plays in the promotion of human rights. But the internet comprises several layers: including its physical infrastructure layer, such as cables and mobile networks; its logical layer, or the technical protocols and standards that facilitate the transfer of data; and its content layer, where those data become visible to internet users. The logical layer is <u>currently</u> the only "global and open" segment of the internet: physical infrastructure does <u>not yet extend</u> to a truly worldwide web, and governments across the globe limit the free flow of data on the content level, often for <u>privacy</u> or <u>security</u> reasons.

The EU is right to address unnecessary limitations to internet openness that stem from a lack of infrastructure or illegitimate restrictions at the content level. However, Europeans should also view the protection of the logical layer as a matter of the utmost importance. Political pressure is mounting – largely from outside the West – on organisations such as ICANN. And multilateral organisations traditionally not involved in internet governance are chiming in to shape the internet's future, further politicising its technical core.

# Multistakeholder governance and the liberal-democratic internet

The unity of the logical layer is bound up with the internet's unique governance model. The EU is <u>committed</u> to this system, wherein several organisations including ICANN, the Internet Engineering Task Force (IETF), and the World Wide Web Consortium (W3C) oversee the internet's technical architecture. This model limits direct national or multilateral intervention in the internet's standards and protocol development processes.

In most of these 'multistakeholder' organisations, decision-makers are largely Western private sector actors and technical communities. They have the narrow task of neutrally facilitating the interoperability, resilience, and growth of the internet. Yet, the standards and protocols they develop often inherently reflect preferences for privacy, security, and openness, in line with liberal and democratic world views.

EU policymakers are understandably keen to uphold the principles reflected in this bias. Beyond that, in their view, overt government influence in technical internet governance would pave the way for drastically enhanced state surveillance and control over data flows. They also argue that the continued evolution of the internet requires agile protocol and standards development, for which traditional multilateralism is not well suited.

There is, of course, room for improvement in the current model: internet governance organisations tend to be dominated by the US private sector; technical insufficiencies cause problems too – including persistent insecurities in the internet's addressing system and the protocol for coordinating data traffic across the global net. Moreover, the organisations do not always pay sufficient regard to the political and societal implications of their decisions.

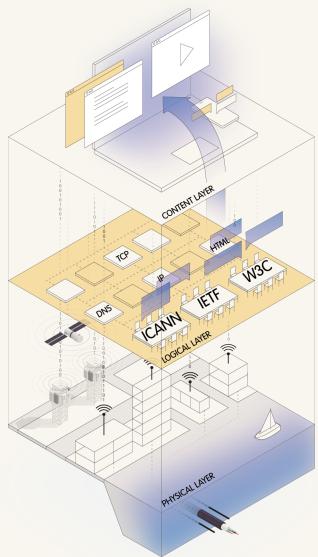
Non-Western countries have for many years sought ways to increase their influence over these decisions, albeit with little success. Processes at internet governance organisations are generally open, but barriers for meaningful participation are high because of the resources, technical expertise, and interpersonal connections required. Moreover, decisions in these organisations are usually made by consensus, which clearly favours incumbents.

# The basic technical architecture of the global internet: physical layer, logical layer, content layer

On **the content layer**, the data transported across the physical infrastructure layer – according to the protocols and standards of the logical layer – become visible to users, including web pages, emails, or videos in mobile apps. The content layer is not truly global. Certain content cannot flow freely across the global internet as governments and companies put limits in place, often for privacy, security, or copyright reasons.

The logical layer contains the technical protocols and standards that facilitate the transfer of data across the physical infrastructure and to devices connected to the internet. These protocols and standards are developed by various multistakeholder organisations including ICANN, IETF, and W3C. The most important protocols and standards include the Domain Name System (DNS) administered by ICANN, the Transmission Control Protocol (TCP) and the Internet Protocol (IP) maintained by IETF, and the Hypertext Markup Language (HTML) developed by W3C. The logical layer remains truly global, as the standards comprising the core technical architecture of the internet are the same around the world.

**The physical layer** consists of the physical infrastructure through which internet data travels. This includes terrestrial and submarine cables, satellites, broadband infrastructure, and wireless networks. The physical layer is not truly global: <u>400 million people</u> have no access to broadband internet, and a further <u>2.3</u> <u>billion people</u> lack the means to connect to the infrastructure in place.



## Challenges to 'multi-stakeholderism'

To gain greater sway, a group of countries including China, Russia, and the Gulf states have <u>sought</u> to shift internet governance away from multistakeholder organisations to multilateral bodies. They have centred these efforts around the <u>International Telecommunications Union</u> (ITU), an intergovernmental organisation within the United Nations framework. Historically, the ITU was responsible for telecommunications standards development and infrastructure, not internet governance. But, since governments take decisions on ITU standardisation with equal voting rights for all, those committed to a more state-centric model have pursued this approach – though their strategies, means, and capacities greatly differ.

Russia, with its limited technological and economic influence, primarily seeks to <u>expand</u> internet control domestically, <u>delegitimise</u> the multistakeholder internet governance system, and promote a more state-powered system. Although Russia also pushes for a broadened ITU mandate, it has become more isolated because of its war of aggression against Ukraine. A Russian candidate in the 2022 ITU secretary-general election was heavily defeated by his US opponent.

China is better positioned to reshape the internet's logical layer. Xi Jinping's government seeks not only to export its <u>"great firewall" approach</u>, but also to <u>change global internet</u> governance, standards, and protocols to further facilitate state control. The Chinese government invests huge resources to increase its <u>influence</u> in internet governance organisations, as well as promote a bigger role for the ITU. What is more, Beijing is successfully pushing its own technology standards through bilateral cooperation and <u>digital infrastructure development</u> worldwide.

Beijing uses the Western bias in multistakeholder organisations as part of its narrative to win support for these intrusive changes

Beijing uses the Western bias in multistakeholder organisations as part of its narrative to win support for these intrusive changes. Chinese leaders also <u>claim</u> that the current architecture of the logical layer is unsuitable for new technologies, such as self-driving cars or the internet of things. They leverage their political and economic ties to sway leaders to vote for their proposals, even though, as some Western officials express in private, these states often lack the expertise to fully comprehend the far-reaching implications of the changes.

## A multi-layered approach for the multi-layered internet

Yet, a sudden systemic rupture of the logical layer is highly <u>unlikely</u>, due to the advanced international integration and significant economic benefits of the internet's global and open technical architecture. Internet companies are <u>hesitant</u> of adopting new – politically motivated – standards that offer no economic or technical advantages, further militating against fundamental change.

But fragmentation is a continuous technical, economic, and political process. As long as geopolitical tensions continue to grow, and <u>persistent technical issues</u> and <u>connectivity gaps</u> remain, the internet will risk a slow but steady splintering. And as long as countries lack the capacities to effectively address genuine issues on the internet's content layer – such as the spread of disinformation or illegal content – proposals will remain attractive for more state-centric internet governance or expanded domestic interference below the content layer.

It is not sustainable for the EU to continually block non-Western proposals for changes to the internet's governance or architecture by simply leveraging the consensus system. A perception in non-Western countries that the West is unwilling to truly incorporate their positions and concerns will only accelerate the emergence of alternative governance systems and standards, fuelling internet fragmentation. Instead, the EU needs to implement a more proactive, targeted, and multifaceted approach, combined with greater bilateral engagement.

Firstly, to address some technical issues and preserve its credibility, the EU should mandate within the bloc the use of <u>secure standards and new protocols</u> that multistakeholder organisations have agreed upon. It should also promote these internationally. At the same time, the EU should <u>refrain</u> from political interference at the logical layer itself to avoid setting precedents.

Secondly, policymakers should aim for more European participation in international internet governance, standard setting, and multilateral institutions. This should involve representatives from EU institutions, member state governments, the private sector, and civil society. At the ITU, for example, the EU often lacks <u>representation</u> and depends on the United Kingdom to shape the agenda and position of the European regional group, not always in line with EU interests.

Thirdly, the EU needs to develop a compelling narrative for its vision of internet governance.

This should focus on digital inclusion and development, particularly in less developed countries. Europeans need to clearly emphasise that an open internet and standards that reduce the risk of lasting one-sided technological dependencies contribute to countries' political, economic, and technological sovereignty.

Finally, the EU and member states should underpin this narrative with concrete actions in multilateral and multistakeholder bodies, as well as through bilateral engagement. Europeans should become more open to reform aimed at improving cooperation in multistakeholder organisations cooperation and facilitating greater inclusion in internet governance, especially that of countries in the global south. One key action in this area could be to work towards better compatibility of the internet for non-Latin language scripts (including Arabic, Chinese, Cyrillic, and Hindi) to underscore the EU's commitment to this inclusivity.

At the same time, the EU should support countries in implementing sound regulation at the content layer through capacity building – for example to better protect personal data online, limit the spread of disinformation and harmful content, and improve cybersecurity. This will reduce the risk of governments moving to farther-reaching approaches to control the domestic internet below that layer, and thereby contribute to secure openness at the logical layer.

At the infrastructure layer, the EU should <u>incorporate</u> internet governance diplomacy into bilateral development projects within its <u>Global Gateway</u> connectivity initiative. The approach countries take to internet governance nationally and internationally is closely linked to how and with whom the underlying physical infrastructure is built. When the EU engages with third countries on digital development and internet governance, it should view local civil society and technical communities – which often align with the EU's human-centric approach – as natural partners to promote an open internet.

The next two years will be crucial. In 2024, at the <u>UN Summit of the Future</u>, members are set to agree on a <u>Global Digital Compact</u> that "outlines shared principles for an open, free and secure digital future for all". In 2025, the ITU's <u>World Summit on the Information Society</u> will take place to discuss nothing less than the future of the internet governance ecosystem. The EU urgently needs a coherent approach to internet diplomacy that encompasses all three layers of the web. Only then can it help ensure that the internet's architecture remains global, open, and human-rights enabling for as long as possible.





# MULTILATERAL DEVELOPMENT: HOW EUROPEANS CAN GET REAL WITH THE GLOBAL SOUTH

Micaela Iveson, David McNair

June 2023

Traditional forms of development multilateralism are losing credibility in the global south – but the EU and its member states can help turn this around

Countries in the global south are facing an avalanche of problems. In the wake of the covid-19 pandemic and Russia's war on Ukraine, the world is grappling with a food security crisis that has left <u>193 million people</u> in urgent need of assistance. Climate change is increasing the prevalence of weather-related disasters, which intensifies demand for humanitarian aid and propensity to conflict, as well as threatening livelihoods and infrastructure. <u>One in five</u> of the world's population lives in a country that is in, or at risk of, debt distress.

The European Union's major strategic priorities – migration, security, climate change, and trade – are directly affected by the ability of countries in Africa and the rest of the global south to manage the difficulties they face. Many European efforts to contribute to these countries' development, for both strategic and humanitarian reasons, hinge on traditional multilateral cooperation.

But development multilateralism is not immune to today's <u>weaponsiation</u> of, well, practically everything. China and Russia have made a <u>concerted effort</u> to build influence in the global south, which – combined with perceptions of Western hypocrisy on <u>climate</u>, <u>Ukraine</u>, and a host of other issues – has contributed to a dynamic whereby European and US-led institutions are no longer the partners of choice for many countries.

European countries - and the EU in particular - are well placed to resist this weaponisation,

in part by helping to update the multilateral system. But, to take full advantage of the current appetite for reform, the EU and its member states need to reimagine what they want from multilateral institutions. They also need to build their credibility with countries in the global south through sustainable partnerships that go beyond traditional aid and lending programmes.

#### Underdeveloped multilateralism

Many of the current forms of multilateralism were established in the aftermath of the second world war. This means they are often ill-prepared for the speed, complexity, and interconnectedness of today's challenges. The Indian minister for external affairs, Subrahmanyam Jaishankar, has described the United Nations Security Council as " <u>anachronistic and ineffective</u>". Moreover, leaders in the global south are <u>increasingly vocal</u> about their lack of representation at the UN, the G20, and international financial institutions.

> "If I ask China to build a road, I'll be driving down it in the time it takes the World Bank to approve the loan."

The slow-moving bureaucracy of the World Bank and the IMF means their effectiveness has also eroded from within. Over the past five years, World Bank projects have taken an <u>average</u> of 456 days to move from proposal to disbursement. As one African head of state remarked in private recently: "If I ask China to build a road, I'll be driving down it in the time it takes the World Bank to approve the loan." Environmental projects that require due diligence (such as helping <u>manage</u> the Niger basin's dwindling water resources) take, on average, <u>7.4 years</u> to move from proposal to completion – or longer than the <u>projected</u> 7 years remaining to limit global heating to 1.5⊠ above pre-industrial levels.

The United States has spearheaded an initiative to reform the World Bank. This "<u>evolution</u> <u>roadmap</u>" aims to update the bank's mandate and operations to respond to transnational threats such as climate change and pandemics, as well as invest in global public goods. However, insiders say that China is pushing for more influence at the World Bank through a new <u>capital increase</u>. This would allow it to invest more money and potentially <u>displace</u> Japan as the second largest shareholder after the US.

But the EU retains a central role in the IMF and the World Bank: the eurozone holds the <u>largest vote share</u> of any regional bloc in the IMF (21 per cent), and European countries <u>hold</u> <u>33.2 per cent</u>

of the vote share at the World Bank's International Bank for Reconstruction and Development (compared to Africa's <u>7.3 per cent</u>). Europeans could use their disproportionate vote share to ensure that the institutions accelerate their lending in response to today's threats. Importantly, this could also help them better respond to the needs and demands of countries in the global south. If they do not, the World Bank and IMF could become irrelevant as southern states choose to partner with other, China-dominated institutions.

## Multilateralism and the growing influence of systemic rivals

In an increasingly multipolar world, countries in the global south have options. China is a clear leader on infrastructure – due to the speed and efficiency of its lending, but also its effectiveness in completing projects. (Chinese contractors are <u>more competitive than others</u>, even in implementing World Bank projects.) China <u>committed</u> about \$160 billion to infrastructure financing in Africa between 2000 and 2020, compared with <u>\$153.4 billion</u> in bilateral official development assistance from the US. In January 2023, the Chinese Ministry of Foreign Affairs <u>released</u> a statement setting out the debt relief it had offered to African countries, announced a restructuring of some African countries' debts amid concerns about their sustainability, and agreed to co-chair Zambia's creditor committee to address that restructuring. Russia is also gaining a foothold in several global south countries. It is, for example, the largest supplier of weapons to Africa, providing <u>44 per cent</u> of major arms to the continent between 2017-2021.

This is shaping public opinion in African countries and across the global south. International confidence in the US as a reliable partner <u>dropped significantly</u> during the Trump presidency and has not fully recovered under Joe Biden. The 6.4 billion people who live in developing countries <u>now</u> have marginally more favourable attitudes towards China (62 per cent) and Russia (64 per cent) than towards the US (61 per cent). This is especially true among the 4.6 billion people who live in countries supported by Beijing's Belt and Road infrastructure initiative, amongst whom <u>almost two-thirds</u> hold a positive view of China.

China could leverage its increasing credibility with global south partners and its institutional positioning to increase the effectiveness of the IMF and World Bank. But it could also use them to exploit fractures in the existing system and try to reshape multilateralism in its image. Either way, the shifting status quo represents an opportunity for the EU to assert its leadership and bring balance, standards, and effectiveness to the fore.

### A way forward for Europe

The EU needs an integrated strategy of its own to reshape multilateralism in the interests of both European countries and those of the global south.

It will be crucial for the EU and member states to address the democratic deficit in traditional multilateral forums. In 2022, the African Union mounted a concerted campaign for an <u>AU seat</u> <u>at the G20, garnering support from China, France, the United Kingdom, the US, and Japan</u>. But Europeans have not yet elaborated a unified position – and they now need to do so. Similarly, European countries should champion efforts to reform the World Bank – not only to respond to today's and future threats, but also to respond to the needs of low- and middle-income countries as they weather numerous crises.

Critically, the EU needs to help resolve the "<u>cost of capital</u>" issue that locks countries in the global south, and those in Africa especially, out of long-term investments. That means brokering a deal on debt sustainability issues, including <u>fixing the G20's common framework</u> and backing much-needed <u>multilateral development bank reforms</u>. It also means Europeans need to find innovative ways to use their market power and monetary policy to reduce currency risk and the cost of capital for renewable projects in Africa – which are perhaps the principal barriers to the energy transition.

The EU should complement these efforts through bilateral development cooperation with states in the global south. This cooperation should be distinct from the roles of other leaders, like China – which has a comparative advantage in infrastructure; and the US – which has a comparative advantage in technology. The EU and member states should identify their own comparative advantage (likely their experience in building a common market), and approach partners in such a way that leaders in the global south perceive it as supporting their needs rather than 'preaching' on values which Europeans themselves fail to uphold.

Europeans should also partner with global south countries in ways that create value addition. To these ends, the EU could fully leverage its <u>Global Gateway initiative</u> – a €300 billion programme designed to counter China's Belt and Road initiative, but that some analysts have <u>criticised for a lack of detail</u> and limited progress since its announcement. If the EU and its member states <u>view</u>ed the energy transition through a lens of economic transformation, they could work with southern countries in ways that both protect the planet and boost prosperity. The EU should increase private investment under the Global Gateway to maximise the economic benefits of Africa's substantial green energy resources: solar, wind, carbon capture and storage, and the minerals required for the energy transition. In doing so, the EU and member states could become partners of choice over China, which tends to pursue an extractive approach.

The EU and member states can thus build allies and trust, restore their credibility in the global south, and further common interests and values. But this will require working on several levels: from maximising the impact of EU-wide programmes such as the Global Gateway, to leveraging Europeans' role in the IMF and World Bank, to working bilaterally with private sector partners. Only then can Europe's partnerships in the global south add up to more than the sum of their parts.

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#### COMMENTARY



## MULTILATERAL HEALTH: DEVELOPING A HABIT OF PANDEMIC PREPAREDNESS

#### **Anthony Dworkin**

July 2023

A lack of coordination among the world's states hindered the global response to covid-19. The same problem is now disrupting international efforts to put in place a more effective system to prepare for future pandemics

In May 2023, the World Health Organization (WHO) <u>declared</u> that covid-19 was no longer "a public health emergency of international concern". Since the virus was first identified early in 2020, it has killed an estimated 20 million people worldwide and wreaked economic damage <u>predicted to top</u> \$13 trillion by the end of 2024. The <u>toll of excess mortality</u> around the world suggests that the virus continues to cause the deaths of several thousand people a day. Nevertheless, as the crisis phase of covid passes, international efforts are gaining steam to put in place a more effective system to prepare for future pandemics.

The European Union <u>has committed</u> to play a central role in those efforts by supporting a more robust form of global health governance. The EU has strongly promoted the negotiation of a new treaty under the auspices of the WHO that would shape the world's response to health emergencies. But the project for a new treaty is only one of a plethora of initiatives to improve pandemic preparedness, leading to a risk of overlap and confusion between different structures. And the conflicting agendas of the countries and institutions involved are likely to stand in the way of any far-reaching changes.

Moreover, while there is broad recognition that global health preparedness needs more funding, countries are facing many other demands on their resources. The trade-offs and coordination to improve the global health system require high-level political engagement. But health is at risk of slipping down the list of political priorities as leaders focus on other crises. Finally, any revisions to global health systems will require that the developed world address the calls for greater equity from leaders in lower-income countries and emerging economies – who are likely to demand measures that go beyond anything the EU and other wealthy countries have been willing to consider to date.

All this means that the road to a better global defence against health emergencies will be arduous. The EU and member states may have more short-term impact if they complement their efforts in these forums with ad hoc initiatives to improve pandemic preparedness in countries in the global south.

#### Obstacles to global coordination

Covid-19 <u>laid bare several weaknesses</u> in the world's systems to prevent, detect, and respond to health emergencies. States were too slow to share information about the emerging threat and failed to coordinate their responses; the WHO faced criticism for not warning governments quickly enough about the likely spread of the virus; many countries were unable to sufficiently track the virus's spread; and there were marked inequalities in countries' access to countermeasures, above all vaccines. Some of these shortfalls were due to a lack of funding or capacity constraints, but more stemmed from political factors – including countries' resistance to international scrutiny, as well as their reluctance to cede greater powers to the WHO while prioritising the needs of their own populations.

The biggest unknown hanging over the various initiatives to strengthen global preparedness for future pandemics is whether the world's leaders can be persuaded to agree to measures that will limit their ability to act in a similarly political manner next time around.

The experience of covid-19 highlighted the costs of disunity. And the glaring inequalities in access to countermeasures have made it impossible for rich countries not to take some actions to ensure fairer distribution in response to a future pandemic. But, in other respects, the world is more divided on global health than it was before the pandemic. Covid-19 led to an upsurge in tensions between China and the West. It also increased suspicion of and hostility to the WHO among some parts of the populations in several countries, <u>particularly the United States</u>. Now, the failure of coordination that was evident in the response to covid-19 is repeating itself in the process of trying to improve global health structures.

#### Initiatives in pandemic prevention and response

In pushing for the creation of a new legal instrument, the EU is seeking to defy a global context that in the past years has become markedly more competitive and less conducive to international treaty making. WHO member states have set up <u>an intergovernmental</u> <u>negotiating body</u> that is due to submit a draft treaty for consideration at the World Health Assembly in May 2024. But discussions are proving contentious.

There has been particular dispute about suggestions from global south countries that pharmaceutical companies in receipt of government funding should incur a range of obligations on licensing, technology transfer, and pricing

The EU's health commissioner, Stella Kyriakides, <u>warned recently</u> that the process was at risk of being derailed by current dynamics. A couple of drafts have been circulated that include a range of options in the areas where disagreement is strongest. There has been particular dispute about suggestions from global south countries that pharmaceutical companies in receipt of government funding should incur a range of obligations on licensing, technology transfer, and pricing – and that the release of information on pathogens should be linked to the sharing of countermeasures produced with this information. Among the proposed measures is a requirement for producer countries to set aside 20 per cent of their stocks of pharmaceutical products relevant to pandemic response, such as vaccines and antivirals, for global distribution by the WHO.

This demonstrates the gulf between the claims of many low- and middle-income countries and the positions of the most developed economies, where advanced medical research on vaccines is concentrated, suggesting that it may be difficult to reach a compromise. The 'red lines' that European countries have maintained on these positions up to now suggests that any treaty European countries are prepared to sign will disappoint the expectations of developing countries and emerging economies.

There is also disagreement about the nature of the treaty. After some initial reluctance, the US has thrown its weight behind the negotiating process. But it is pushing for an agreement that

contains some non-binding elements, due to the likely difficulty of winning consent in the US Senate for the ratification of a full treaty, especially one that gives a central role to the WHO. The pandemic treaty would then take the form of a framework agreement that set overall goals but relied on sub-agreements or non-binding pledges for detailed commitments – and any treaty would only affect the obligations of countries that signed up to it. The process could therefore create a patchwork of different binding and voluntary commitments across the global health landscape.

The US, for its part, has <u>prioritised reforms</u> to the International Health Regulations (IHR), a body of law that applies to all WHO members and that includes provisions on pandemic preparedness and response. The working group that is considering amendments to the IHR has <u>received hundreds of proposals</u>, with many focusing on equity and the strengthening of processes to support and monitor countries' implementation of IHR obligations. In principle, IHR amendments could be passed by a two-thirds majority of the World Health Assembly, but the WHO has traditionally operated by consensus. Since several countries emphasised the importance of sovereignty in <u>speeches at this year's assembly</u>, there will be a tension between seeking strong oversight powers and winning broad backing for the amendments. Moreover, the relationship between the revisions to the IHR and the proposed new treaty remains unclear, despite efforts by the different working groups to coordinate their efforts.

### Funding and political leadership

A third major initiative following covid-19 is the launch of a dedicated fund, housed in the World Bank, to help strengthen countries' capacity to prepare for and respond to future pandemics. The <u>Pandemic Fund</u> has received support and initial donations from a range of countries, with the US and European countries at the fore.

Still, its funding remains comparatively limited. A G20 panel on pandemic finance <u>estimated</u> <u>that it would take \$10 billion</u> a year to improve the world's readiness for a similar health emergency to covid. To date, the fund <u>has received pledges</u> of \$1.9 billion. In addition, the fund would not address the <u>clear need</u> for a separate pot of money that would be available for surge financing once a pandemic was under way. The way the fund will set its priorities for preparedness spending, as well as its relationship with the proposed pandemic treaty – as with the IHR amendments – remain unclear.

As covid-19 has waned, health has receded as an issue in international politics. An international <u>high-level meeting</u> on pandemic preparedness at the United Nations in

September 2023 offers a chance to renew the political momentum and bring more coherence to the reform of the global system. But some analysts have <u>criticised</u> the first draft of the declaration to be issued at the meeting for its lack of focus and ambition.

Behind the scenes, a debate is under way among policymakers and analysts about whether international political leadership independent of the WHO will be necessary to coordinate the world's response to pandemics. The independent panel set up to review the world's response to covid-19 <u>has recommended</u> the formation of a "global health threats council" to provide leadership; the WHO's director-general has proposed instead that the organisation should host a high-level forum such as this, <u>to avoid further complicating</u> the global health landscape.

The WHO has also <u>launched an initiative</u> to create a standing platform to enable the distribution of vaccines and other medical products in the event of a future pandemic. This aims to build on the lessons of the <u>Access to Covid-19 Tools-Accelerator</u> platform during covid, including the need to scale up more quickly and offer a greater role to regional organisations and developing countries. A fairer system to distribute countermeasures will be an essential part of an improved global response to pandemics. However, a recent assessment from the independent panel <u>seemed to question</u> whether it was right for the WHO to lead this effort, suggesting that the organisation should concentrate on its core functions of providing technical support, information, and guidance.

The range of efforts underway, the apparent lack of political coordination, disagreements over the proper role and authority of the WHO, and the limited resources that have been made available all suggest that a comprehensive new settlement for pandemic preparedness may be elusive. The EU should continue to do what it can to help solve these problems. But, in the meantime, it may be able to do more to improve the world's capacity to prevent and respond to health emergencies through more ad hoc initiatives – above all, by working with developing countries to strengthen their health care and surveillance systems, help them develop the capacity to manufacture vaccines, and encourage European pharmaceutical companies to go further in sharing knowledge and expertise with producers in the global south.

### COMMENTARY



# MULTILATERAL CHANGES: TURN AND FACE THE STRANGE

#### Jana Puglierin

July 2023

Russia's war on Ukraine has exposed the weaknesses of the already creaking multilateral system. Europeans need to accept the radical changes that are under way and adapt their approach to international cooperation

Legend has it that, in 1787, Russia's Prince Potemkin – in an attempt to spare Catherine the Great the grim realities of the recently annexed Crimean peninsula – ordered entire villages consisting only of cheerfully painted facades to be built along the route of her inspection. In many respects, the institutions and organisations of multilateralism are Potemkin villages of today. The buildings exist and host diplomats from all over the world for meetings and negotiations. But, more often than not, they draw a blank when faced with the world's most pressing problems.

A glaring example of this was when the Russian Federation took over the presidency of the United Nations Security Council in April 2023. The very country that has flagrantly violated the most fundamental principles of the UN charter – and whose president is subject to an International Criminal Court arrest warrant for war crimes – now led a body whose core mission is to maintain international peace and security. In a further descent into parody, Russia even <u>organised a debate</u> on "effective multilateralism through the defence of the principles of the Charter of the United Nations".

The multilateral system, with the UN and its various subsidiary bodies at its heart, failed to deter Russia from attacking its neighbour and is now unable to put an end to the aggression. But Russa's invasion is only accelerating <u>a pre-existing deterioration</u> of the UN's ability to play a decisive role in conflict resolution.

Moreover, the conflict is serving as a multiplier for a series of crises that have tested the system. International institutions have coped poorly in a world of pandemics, deglobalisation, climate change, economic turbulence, and great power confrontation. The multilateral system has become increasingly fragmented, with countries turning more and more towards exclusive regional or ideological clubs. Europeans need to respond to these radical changes. If they do not, they run the risk of becoming the defenders of last resort for the world of yesterday. Instead, and to shape the future, they need to develop a greater willingness to adapt their approach towards their partners – both within the collective institutions and in other more flexible formats.

#### A moment of clarity

<u>Developing countries cannot relate</u> to the Western call to "jointly defend the rules-based international order" against Russia's aggression. They claim that the order has not delivered for them, that it is "<u>unequal, discriminatory and unrepresentative</u>". They <u>point out</u> that the United States and European countries have themselves undermined the rules on many occasions, from the invasion of Iraq to <u>executions</u> by drone in the context of the "war on terror". In turn, although these states <u>mostly vote</u> to condemn Russia's aggression at the UN General Assembly, <u>few</u> follow this up by joining Western-led sanctions or providing military support for Ukraine.

Many non-Western countries see the war against Ukraine as an expression of a transition to a post-Western world

India's minister of external affairs, Subrahmanyam Jaishankar, <u>emphasised</u> in June 2022 that "Europe has to grow out of the mindset that Europe's problems are the world's problems, but the world's problems are not Europe's problems." European policymakers should note that this is not (or at least not predominantly) a problem of "<u>a battle of narratives</u>", in which the countries of the global south meekly succumb to Russian and Chinese anti-Western messages. The developing world wants a new approach – not just new words. In fact, many non-Western countries <u>see</u> the war against Ukraine as an expression of a transition to a post-Western world.

Already before Russia's war, increasing unilateralism and great-power rivalry between the US

and China had <u>paralysed</u> global institutions like the World Health Organization and the World Trade Organization or turned them into <u>arenas</u> of national power politics. Europeans responded to these developments by doubling down on trying to keep the system running. Now, the war is affecting cooperation in all international forums – even the most technocratic.

Europeans face a double challenge. In my interviews with them, representatives from EU countries have made clear that, on the one hand, they see maintaining the functioning of international institutions (however deficient their results) as an absolute priority, which is why they want to prevent Russia's war on Ukraine petrifying all processes of institutional coordination. They are also aware that the countries of Africa, Latin America, and Asia want to stop their policy priorities becoming collateral damage of the war. On the other hand, they want to isolate Russia internationally and to forge the broadest possible alliance against the country, as well as prevent impunity. So, the task is to demonstrate that aggression in the UN system comes at a price while keeping the system functional as best as possible.

Europeans' focus on defending the existing system is only too understandable. They have benefited excessively from the existing order. Europe's growth, prosperity, and economic stability <u>depend</u> to a large extent on a functioning multilateral trading system. In the past, Europeans have been successful in advancing their global agenda through multilateral processes and institutions, for example, on <u>combatting</u> climate change or advancing global health cooperation. Multilateralism is not only a cornerstone of the European Union's external policy, as <u>expressed</u> in the bloc's Strategic Compass, but part of its own identity. The EU sees itself as both a result and a champion of the idea that the spoils of international cooperation are divisible, that international politics is not about who benefits most, but everyone being better off when they cooperate.

Indeed, many institutions are still performing a meaningful role. The norms, practices, and institutions that underpin the established nuclear order <u>remain</u> largely as they were before the war, and have so far helped to deter Russia's president, Vladimir Putin, from using nuclear weapons. The climate convention is a <u>significant achievement</u> that is still evolving. And, despite strategic competition, <u>formats</u> such as the "open-ended working group on reducing space threats through norms, rules and principles of responsible behaviors", established by the UN General Assembly in 2021, has been advancing discussions among members to protect outer space as a global common.

Global problems such as these will always require some degree of coordination across ideological lines to resolve, even if just on the more technical side. But European hopes that the shortcomings of international institutions can be fixed through the mantra of "reform" tend to be largely delusional. The system has so far proved extremely resistant to fundamental change, as can be seen in the seemingly endless <u>debate</u> over security council reform.

#### A response to reality

International cooperation is increasingly organised through various clubs of like-minded countries. Informal formats such as the G7 have become more important. An growing number of countries have <u>expressed</u> interest in joining the BRICS group of emerging economies. US treasury secretary <u>Janet Yellen</u> and Canada's finance minister <u>Chrystia</u> <u>Freeland</u> are talking about reorienting trade policy towards "<u>friend-shoring</u>", aiming to deepen the social and political ties among democracies. China, meanwhile, <u>hopes</u> to attract friendly states and establish an alternative post-Western system of international governance through, among other things, three new diplomatic initiatives: the Global Security Initiative, the Global Development Initiative, and Global Civilization Initiative. Coalitions of the willing have also emerged between various governments and the private sector, for example in the <u>GAVI</u> vaccine alliance.

This 'clubbism' risks exacerbating the global trend towards fragmentation. Equally, coalitions of the willing can play an important role when traditional channels are blocked, or slow-moving bureaucracy hinders progress. The main divide is not comprehensive institutions v clubs, but collective institutions v like-minded ones – so the G20 is precisely the kind of organisation that could play a useful role in a more multipolar world, but that is often held back by the divergent views of its members.

As Anthony Dworkin has previously argued, Europeans should follow a <u>twin-track strategy</u>: seeking to revitalise institutions that include rival powers but also promote deeper cooperation with like-minded countries. They should evaluate individual policy areas according to whether the established institutions and organisations are producing effective results – and press for reforms where these promise to be successful. At the same time, they should consider new formats that effectively complement the existing system or even replace it where it fails to deliver any results. Informal cooperation with a group of actors in specific areas can be an opportunity to advance cooperation and forge new alliances.

In doing so, Europeans need to signal to the countries in the global south that they want to create new and sustainable partnerships in ways that create value addition for all. To build Europe's credibility, these partnerships need to go beyond traditional aid and lending

programmes. Europe's <u>energy transition</u> offers a chance to do this if it functions a means of economic transformation, as does <u>climate finance and technology cooperation</u> or facilitating greater inclusion in <u>internet governance</u>.

If those initiatives really support the needs of developing countries, Europeans will find that they are still attractive partners for the many actors that share a common interest in a workable international system. And only through such credible deeds can Europeans succeed in developing an equally credible narrative about the "common base" of international cooperation with broad international appeal – based, for example, on <u>commitments</u> to defending states' sovereignty, advancing international economic development, and embracing a pluralistic multilateral system in which states with differing value systems can still work together.