

MARIA JOÃO RODRIGUES

For a New Global Deal to transform the global order

While the global order is undergoing deep transformations, it is high time to renew the global governance system, the shortcomings and fragilities of which have been exposed by the sequence of crises that have shaken the world in recent years. A reform process of the United Nations system, initiated by UN Secretary-General António Guterres, is currently underway. Given the global dimensions of the challenges ahead, the UN and EU's agendas should be aligned in the definition of a new multilateralism and in pursuing a New Global Deal.

The current global order is undergoing a large-scale transformation: existential challenges emerging for all of humankind; increasing inequalities within and between countries and generations; competing global strategies between great powers; fragilities of the multilateral system; and powerful, disturbing triggers such as the Ukraine war.

There is a clear gap between the global challenges in front of us and the current global governance system. A Summit of the Future to reform global governance and to adopt a Pact for the Future with commitments related to policy goals and solutions to deliver them was convened by the United Nations Secretary-General, to take place in September 2024. This will be preceded by a Summit on the Sustainable Development Goals, in 2023, and followed by a Global Social Summit in 2025.

This unique political sequence should be fully used by progressive actors to launch a political dynamic to change the global order in the right direction. The compass for this endeavour should be a New Global Deal, meaning a progressive concept of the Pact for the Future.

Starting with the report "Our Common Agenda", presented by the UN Secretary-General for his second mandate, a preparatory process is now underway, with a High-Level Advisory Board on Effective Multilateralism of personalities from all continents and a plethora of contributions, which will come from UN member states and regional organisations such as the EU, as well as from civil-society stakeholders, NGOs, business, trade unions, think tanks and academia.

Regarding civil society, a large coalition is being built to be part of the process, driven by entities such as:

- Global Call to Action against Poverty (GCAP), with 11,000 NGOs and 58 national coalitions, which will be in charge of the Global People's Assembly;
- the Coalition for the UN We Need (C4UN), with political personalities, youth organisations and think tanks, which will be in charge of Global Futures Forum; and
- the Global Governance Innovation Network (GGIN) of think tanks, coordinated by the UN Academic Council, Plataforma CIPÓ in Brazil, Leiden University, and the Simpson Center in Washington DC.

FEPS, as a central hub for European progressive thinking and holding UN ECOSOC (Economic and Social Council) status, is a member of the GGIN network of think tanks on global governance and is taking a role on the steering group of this coalition intervening in this process. A more specific contribution can be given in relation to the Pact for the Future and, more precisely, the kind of New Global Deal which will be necessary to enable many more countries to implement the SDGs (sustainable development goals) and all generations to improve their life chances. Let us underline that, over the last four years, as the last UNDP (United Nations Development Programme) Report on Human Development shows, there has been a general backtracking on and increasing inequalities in the implementation of the SDGs. To start with, some key questions can already be identified. A New Global Deal should be a deal, meaning with give and take from all involved parties, with trade-offs and synergies, and with a general win-win outcome. Important questions include:

- In which precise terms should such a deal be formulated?
- How should these terms be translated in key policy fields, notably climate, digital, access to knowledge, education and social welfare?
- How can these terms be translated into trade agreements? And into new financial and tax arrangements?
- What are the main changes to be introduced to the global economic governance system to deliver on this New Global Deal?
- How can foresight on long-term trends and possible scenarios enlighten better choices about all these questions?

In order to better frame the concept of a New Global Deal, some preliminary questions should be addressed.

What are the main scenarios for the global order?

- The first scenario would be a kind of Western revival, particularly due to the replacement of President Donald Trump by Joe Biden in the US. This might not change much as regards the American attitude to trade, but is bringing a new American attitude regarding climate- or human-rights standards, as well as an American re-engagement to the UN system. The invasion of Ukraine by Russia can push for this scenario.
- The second scenario recognises that we have a new world now, and the most likely scenario would be the ongoing fragmentation of the current global order and the

emergence of a polycentric structure with zones of influence, including the new zone of influence connected with China. These different poles and zones of influence can also tend to become more inward-looking and to use a weakened multilateral system for their particular needs.

- Since the invasion of Ukraine by Putin's Russia, a third scenario should be considered, particularly if China is more aligned with Russia: a new cold war and a major internal fracture in the existing multilateral system.
- Therefore, a fourth scenario is needed: renewing international cooperation with an updated multilateral system for the 21st century should be the way to go. The chances for such a scenario depend on building a large coalition of forces involving willing states, regional organisations, civil society entities of different kinds, and also willing citizens wherever they are in the world, even under authoritarian and anti-multilateral political regimes. This would be a global coalition of progressive forces, which could count on a core of strongly committed forces as well as on a variable geometry of partners, according to the different objectives.

Hence, the Alliance for Multilateralism proposed by social democrats and progressive actors remains a good starting point to prevent the risk of a major divide of global governance between the US and China's competing leaderships.

How far are UN and EU agendas aligned to renew the multilateral system?

The European Union and United Nations need each other to fulfil their promises, nowadays more than ever. We have been confronted with a sequence of shockwaves: first of all, the global financial crisis, then regional and development tensions triggering larger migration flows, and increasing manifestations of climate change, recently an unprecedented pandemic bringing a new economic recession, and today an explosive military conflict involving the risk of world war three.

Before the Ukraine war and benefiting from the replacement of Trump by Biden in the US, there was a new hope to renew multilateralism.

A new Common Agenda was presented by the UN Secretary-General António Guterres after his re-election for a second mandate at the helm of the United Nations. At the same time, the European Union started developing stronger instruments of European sovereignty in the budgetary, economic, social and environmental fields, and asserting itself as a political entity with also a vital interest in defending and updating a multilateral system at world level, and in building up a global coalition of allies. Now, with the Ukraine war unfolding with large implications for the European and global orders, we should ask how far it can disrupt the progressive path which progressive actors were trying to open up.

But before addressing this burning issue, let us start by identifying and assessing the bridges between the United Nations "Our Common Agenda" and the European agenda, as they were being designed and they are still needed.

UN/EU about health issues

First of all, the international fight against Covid-19 has strengthened the One Health approach, showing that the health of humankind and the health of the planet are interdependent.

Access to updated vaccination was perceived as a new public good, but there is still a lot to do to ensure global access for full control of the pandemic. The European Union improved its capacity for internal coordination and external cooperation, but has been hesitating over the way to support capacity-building and access to intellectual property rights in the developing countries. The EU might be confronted soon with the dilemma between going for a new booster for its own population or for a stronger effort of global solidarity.

UN/EU about environmental issues

The same dilemma for the European Union is visible regarding climate change. At past COPs it was possible to approve the rules book to implement the Paris Agreement and a new loss and damage instrument. However, it was not possible to strengthen the Global Green Fund to support adaptation and mitigation in developing countries. The European Union is now committed to step up its decarbonisation, but success will depend on its capacity to also support the same efforts in developing countries. Ultimately, this would be a condition for the success of the European Green Deal and the new EU package Fit for 55.

UN/EU about sustainable development issues

The same dilemma occurs over the implementation of sustainable development goals and the United Nations 2030 agenda. In the European Union, the so-called European semester process to coordinate member state national policies is moving from austerity towards recovery, resilience and stronger alignment with SDGs. The national Recovery Plans are being supported by a stronger European budgetary capacity counting on common issuance of debt backed by new resources of taxation. Nevertheless, a qualitative leap is still missing when it comes to supporting developing countries with substantial means to invest towards the SDGs. The most obvious example is the current partnership between the European Union and Africa. Furthermore, the EU trade agreements should be more active in promoting SDGs.

UN/EU about digital issues

The digital transformation is also a policy field where the bridge between the UN and EU can become very fruitful. The UN is promoting a Global Digital Compact to make the best of digital solutions to implement the sustainable development goals.

The European Union is struggling to define its own way for digitalisation, different from the American and the Chinese ways. The differences can be very relevant, first of all because the European way should be particularly focused on providing better products and services to meet people's needs and ensuring universal access to public services. This requires their reorganisation to be supported by reskilling providers and users and by developing artificial intelligence algorithms in line with European values.

Another striking difference concerns the protection of privacy, which should be strengthened through a different business model, particularly in the case of the big digital platforms – in line with the European tradition of regulated capitalism. The same applies to the working conditions, which are being regulated to ensure fundamental workers' rights, including access to social protection. Finally, another big difference concerns taxation, because the European Union is debating the terms of a coordinated digital tax, beyond the minimum corporate tax which was agreed recently at international level.

UN/EU about a New Social Contract

The United Nations Common Agenda proposes two key concepts to improve global governance: a New Social Contract and a New Global Deal. A New Social Contract should involve labour-market regulations as well as social protection to ensure internal cohesion at national level. Regarding the European Union, relevant developments are taking place to implement the recently proclaimed European Pillar of Social Rights. This is paving the way for a phase of social Europe which is based not only on policies for economic, social and regional cohesion, but also on building the foundations of European citizenship in terms of some fundamental rights: minimum wage; minimum income; access to lifelong learning; employment protection in case of crisis; child guarantee; youth guarantee; and work-life balance.

UN/EU about a New Global Deal

The United Nations concept of a New Global Deal aims at translating this social contract at the global level, in order to reduce the gap between developing and developed countries. One lesson might be learned from the European experience: a reduction in social inequalities depends first of all on the effort made by each country, along with good governance, the fight against mismanagement and corruption, and internal wealth redistribution. But better opportunities should also be given to developing countries with better framework conditions, notably by promoting fair trade, fair global taxation, debt relief and global financing, particularly when these countries make a real effort to implement the sustainable development goals.

Hence, in spite of several shortcomings, it is possible to identify several important bridges and synergies between the United Nations agenda and that of the European Union.

Let us come now to the most difficult issue.

How far can the war in Ukraine disrupt all these synergies between the UN and the EU?

How far can the war in Ukraine disrupt all this potential by creating a new global order and a new European order marked by fragmentation and confrontation between great powers?

This will also depend on the way the European Union will be able to react on different fronts:

- First of all, on the humanitarian one, by strengthening the civil protection for refugees and by creating an effective European asylum system.
- Secondly, by developing its defence capacity including peacekeeping and peacebuilding, as foreseen by the currently adopted EU strategic compass, in articulation with NATO. This should also involve the new dimension of war, the cyber-security dimension.
- Thirdly, by putting pressure on Russia with its financial, economic and military weapons with the aim of forcing a ceasefire agreement.
- Nevertheless, it is becoming obvious that the most powerful weapon against Russia is a dramatic reduction in Europe's dependency on coal, oil and gas. This is another reason why Europe needs to step up its transition to renewable sources of energy.
- Finally, the capacity to endure wartime and to fight for a lasting peace settlement will depend on the European capacity to ensure internal social cohesion and to actively protect the most vulnerable groups from the rise in energy, food and living costs, while stagflation is looming.

Furthermore, the European Union should organise itself as a global political actor able to influence the international game, pushing for a rules-based global governance and safeguarding the multilateral institutions. In the current situation, it is vital to isolate Putins-led Russia, build up a large coalition of forces and neutralise other hesitant ones such as China. It seems to me that an approach of the 'West against the Rest' would be a wrong one. We are in a new world, and if we want the multilateral system to have a future, we need to build up a much larger coalition of forces, eventually with variable geometries. Also because compelling common challenges for humankind as a whole do exist and can only be addressed by an inclusive global governance.

In order to preserve the multilateral system and to regain the conditions to implement Our Common Agenda including the planned Summit on the Future of Global Governance, the European Union should actively promote global public good and work for a New Global Deal, while redoubling efforts to bring back peace to the European continent.