Global Rules, Local Rulers
NGOs, intergovernmental organisations, and public economic debate
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Citizens depend on rigorous public debate to both understand and regulate the operation of international economic policy. The world of intergovernmental institutions, trade negotiators and ministerial conferences can appear all too distant – and all too disconnected – without an ongoing public dialogue.

The creation of the World Trade Organisation in the mid-1990s provided a focal point for public discussion about globalisation, sustainable development, and the value of economic relationships beyond borders.

Nongovernmental organisations engaged forcefully with the new institution and its programme of negotiations through advocacy, technical advice, direct action and public communication. This contributed to raising the profile of international trade issues around the world - British NGOs were at the forefront of this campaigning, often operating in complex international coalitions.

However, the challenges of a controversial policy agenda saw the WTO’s deliberations stall at the beginning of the new century. Developing world actors grew in power, whilst developed economies lacked policy cohesion. The international focus shifted away from trade-specific questions, and on to climate change, poverty alleviation, and later food and energy security. Policy power drifted to other international institutions and bilateral arrangements.

Domestic NGOs followed the trend, refocusing on new priorities. Expertise and resource commitments on intergovernmental trade and economic matters were scaled back or diffused.

This realignment of priorities weakened the nongovernmental community’s ability to tackle economic questions, exactly as the global financial crisis began to unfold.

Citizens feel increasingly disempowered by recent economic events, as well as finding them difficult to understand. International institutions tasked with finding solutions to the crisis are disconnected, and the instruments of good public dialogue are diminished or absent.

The WTO stimulated a powerful international debate between proponents and critics of trade liberalisation, in a way than no other international economic organisation had done before. NGOs were hugely important in electrifying this discussion, as was the media.

As the world now seeks to address system-wide challenges in the global economy, this paper asks: can international institutions and NGOs be supported to engage citizens more effectively in this complex public dialogue?

Global Rules, Local Rulers is a Carnegie UK Trust policy project that considers the interrelationships between international regulators of trade and economics, NGOs, and the public.

It asks if recent shifts in intergovernmental architecture and the priorities of nongovernmental organisations have contributed to a reduction in public understanding of wider economic questions. At a time of great change and strain in global economic relationships, it explores opportunities for NGOs and international institutions to renew their citizen engagement approaches – to mutual advantage.

Carnegie UK has undertaken four initial pieces of research to build the foundations for this document and discussion:

1. A short desk research phase studying the academic, public policy and NGO literature relating to NGOs, international policy and public engagement

2. A representative poll of citizen views in England, Scotland and Wales, undertaken by opinion research experts Ipsos MORI

3. A series of in-depth focus group sessions with citizens in England and Scotland

4. A round of detailed research interviews with UK and international NGO leaders experienced in working on trade and economic themes

This paper is not intended to be an exhaustive policy report. If it were, it would run to hundreds of pages. It is instead a short and accessible introduction to the themes, arguments and primary research involved in this work. The paper will inform a series of discussions in the UK and United States in 2012, which will help the Carnegie UK Trust and other foundations and NGOs to practical approaches to these issues.

We present 10 specific questions to be addressed in Chapter 6. We hope - through events, discussions, social media and more - to engage with experts in this field and the wider public to answer them.

Throughout the paper we have presented anonymised quotations from focus group and research interview participants. We have used these to illustrate the key themes of our qualitative research but care should
As the technological world has shrunk, so the governmental world has grown. The oldest functioning intergovernmental organisation (IGO) within the UN umbrella is the International Telecommunications Union.² Founded in 1865 as the International Telegraph Union, the ITU was organised by the prominent European governments of the time to identify rules for cross-border telegraphic communication.

In the century and a half that followed, the ITU went on to become a founding constituent of the United Nations, with 180 country members. It helped to standardise international telephone dialling codes; then access to the commercial satellite system; and more recently, governing protocols for the internet and mobile data networks.

It seems appropriate that the world of information technology was an early proving ground for intergovernmental cooperation. It is perhaps also telling that many readers of this paper will never have heard of the ITU.

Intergovernmental Organisations (IGOs) are:

- Organisations that meet regularly and are formed by a treaty or formal instrument between the governments of nation states
- Multilateral, having three or more national signatories to their foundation
- Possess a secretariat and a governance structure that undertake ongoing tasks

Source: Yearbook of Intergovernmental Organisations
Today, there are more than 300 organisations recognisable as IGOs. Only a relative few are focused on hard political, diplomatic and security matters, like the UN, NATO and Council of Europe. Instead, it is the internationalisation of business, trade, technology and resource usage that has done most to power the extension of the global system into regulatory, ‘soft power’ areas of governance.

From diamond extraction to commercial partnerships in the Bay of Bengal, from deepwater fishing quotas to the standardisation of freight containers, there is an ‘economic IGO’ (eIGO) for almost every kind of economic activity involving citizens or companies from more than a few countries.

Characteristically, eIGOs operate through a quasi-governmental format modelled on liberal western constitutions. A secretariat services a general assembly or similar gathering composed of national representatives (usually officials and technical experts), with limited devolved authority to negotiate detail within agreements and disputes. Strategic direction of the institution is generally reserved to a higher body (usually made up of national government ministers), which also controls senior appointments to the secretariat.

This design is not universal: there are also more informal and ad hoc groupings that assumed economic and regulatory functions, often built on international agreements or representing nation states operating outside a formal international framework. These are often referred to as regulatory networks.

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From the conclusion of the Bretton Woods agreements forward, the conditions for the ‘gradual process of global liberalization’ have been fundamental to the post-war international settlement. Broadly, international economic institutions have worked to reduce or remove product tariffs between national markets, stimulate financial liquidity and inter-market financial transactions, and to bind countries into shared regulations, conditions and standards.

It is self-evident that, without the phenomenon of globalisation, this international machinery would be redundant. An international regulatory framework for goods exchanges between Boston and Baltimore would lack both sovereignty, and sanity.

Globalisation has been defined as the operation of economic, military, environmental and social processes that ‘thicken’ interdependence between markets, countries and people. In that sense, every IGO or multilateral treaty intrinsically contributes to the density of globalisation.

The principal Bretton Woods institutions (the World Bank and the International Monetary Fund) have contributed to the deepening and thickening of worldwide financial interdependence and the standardisation of national fiscal policy. Their effect on the economic processes has been deeply globalising.

However, it is most commonly in trade interactions and governance that both critics and advocates of globalisation recognise its progressive hand or malevolent influence.

“There are a whole set of international networks and organisations, both formal and informal, making decisions that influence market, individual and national government operations. The networks can influence priorities through soft power, or can make actual policy change through hard power.”

Research interviewee

“Global governance is the system of rules and institutions established by the international community and private actors to manage political, economic and social affairs.”

Source: ‘A fair globalization; creating opportunities for all’, report of the world commission on the social dimension of globalization (ILO, 2004)
CHAPTER TWO
The golden age of trade campaigning

The transition from GATT to WTO created a lightning rod for nongovernmental action and engagement.

There have been consistent complaints from nongovernmental sources, over many decades, about the way international trade policy operates, the content of transcontinental trade agreements and rules, and the mechanisms employed to encourage free trade between countries. For some critics, globalisation and the freedom to trade internationally is in fact a cypher for forced deregulation and privatisation of domestic public policy and services.

Conversely, others have argued that global free trade pushes down prices, multiplies markets, and fosters higher value opportunities for workers and consumers to achieve prosperity and socioeconomic progress. National governments, combining through eIGOs, are essential as the guardians, managers of the trade system, and structural enforcers, and structural ‘exceptionalism’ (a term coined by international scholar Steve Charnovitz), did not undertake the cohesive programme of NGO engagement and transparency from its foundation.

Before the establishment of the WTO in 1995, global trade questions were negotiated under the remit of the GATT, attempts to establish a trade eIGO having failed in the 1940s (please see the ITO-GATT-WTO timeline provided on pages 12-13 for a more detailed chronology).

As an intergovernmental forum without the coordinating features of an eIGO (like a permanent secretariat or formally constituted assembly), GATT generally operated with little engagement from outside influencers other than business organisations.

However, as scale and complexity of economic and political globalisation multiplied towards the end of the century, international trade negotiations ventured beyond their initial remit of revising and removing tariff levels. Ministers and officials began to consider national subsidy programmes, flows of intellectual property, transacted services, environmental standards as well as traditional tariff blockages.

To facilitate this burgeoning agenda, GATT signatories agreed to establish the WTO as a fully-fledged eIGO. Although this organisation was immediately compared to other Bretton Woods institutions like the International Monetary Fund (often unfavourably), its architects were at pains to make clear that it was quite different, lacking treaty-based executive functions and remaining dependent on inter-governmental consensus.

The creation of the WTO provided one unifying brand identity for globalisation and free trade across the world. It did so at a time, through the Uruguay and subsequently the Doha trade rounds, when the interrelationships between international development and trade were becoming increasingly controversial and subject to external examination and comment.

It has been observed that – rightly or wrongly – this confluence operated a powerful ‘pull function’ on nongovernmental organisations (NGOs) and campaigners, encouraging them to target the WTO as they might a national government or other conventional IGO.

Just as the intergovernmental world had been burgeoning throughout the second half of the twentieth century after experimentation in the 19th, so had been the pattern of growth in the NGO community. By the 1990s, tens of thousands of NGOs had emerged, in many different formulations and locations across the world.

In Britain, a number of powerful NGOs had emerged with interests in overseas poverty alleviation, aid, health and sustainable economic development. Many identified a natural campaign fit with the work of the new WTO. Enthusiasm was further stimulated by a widely held perception in the NGO world that the institution had “very few mechanisms of evaluation, compliance, and enforcement in place to compare with those of the IMF and World Bank.” The WTO, primarily because of its self-perceived structural ‘exceptionalism’ (a term coined by international scholar Steve Charnovitz), did not undertake a cohesive programme of NGO engagement and transparency from its foundation.

As a result, British NGOs made significant resource investments in WTO-related campaigning in the Organisation’s first decade. Coalition movements of leading NGOs (like the Trade Justice Movement and Our World Is Not For Sale network) developed to amplify that voice, and large NGOs grew their own in-house capacity for trade policy research and advocacy. Many organisations, like the World Development Movement,
**ITO-GATT-WTO Timeline 1947-2010**

**1947:**
23 national governments sign the General Agreement on Tariffs and Trade (GATT) to collectively negotiate down or eliminate a range of tariff barriers.

**1947:**
Delegates from 56 countries negotiate the charter of a proposed International Trade Organisation, the Bretton Woods IGO intended to regulate trade; in 1948 the US Congress rejected the ITO agreement, leaving GATT as the sole international trade mechanism.

**1947-1951:**
The first to third multilateral trade rounds (GATT itself formed the first round) see 58,700 trade concessions worth more than $10bn.

**1955-1967:**
Fourth to sixth rounds negotiate tariff concessions worth $47.4bn. The fifth created the conditions for the European Economic Community, and the sixth (the 'Kennedy') round was the first to include provisions and exemptions for developing countries.

**1973-79:**
The seventh round, launched in Tokyo, sees agreement to start reducing barriers as well tariffs, such as subsidies and import licensing. Tariff reductions worth more than $300bn dollars achieved.

**1986:**
GATT trade ministers launch the eighth round in Uruguay, embarking on major reductions in agricultural subsidies, an agreement to allow full access for textiles from developing countries, and an extension of intellectual property rights.

**1994:**
Trade ministers meet for the final time under GATT in Morocco to establish the World Trade Organisation (WTO) and complete the Uruguay Round. WTO officially created in 1995 in Geneva.

**1999:**
At least 30,000 protesters disrupt WTO summit in Seattle, entering popular folklore as the ‘Battle in Seattle’.

**2001:**
WTO members agree the Doha Development Agenda, the ninth trade round which aims to open markets to agricultural and manufactured goods, and services.

**2003:**
Talks in Cancun collapse over farm subsidies and access to markets. Rich countries abandon plans to include the “Singapore issues” of investment, competition policy and public procurement in trade talks.

**2004:**
Geneva talks achieve framework agreement on opening up global trade. US and EU will reduce agricultural subsidies, while developing nations will cut tariffs on manufactured goods.

**2005:**
World trade talks in Hong Kong begin amid widespread belief that they will not succeed in making progress.

**2008:**
Ministerial talks aimed at resuscitating the Doha Round break down after the US and India fail to find a compromise on differences.

**2008:**
G20 leaders meeting in Washington agree to “strive” for a major breakthrough in Doha talks by the end of the year.

**2008:**
WTO drops plans to hold a ministerial meeting to seek breakthrough on Doha given an “unacceptably high” risk of failure.

**2010:**
G20 meeting in Seoul sees 2011 “window of opportunity” for the conclusion of the WTO Doha Round.

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*Source: The BBC & the World Trade Organisation*
were organising around trade policy questions from grassroots, street-level discussions with citizens right through to national and international lobbying and communications.

Many NGOs shared a concern that the WTO, lacking transparency and negotiating through consensus rather than voting, was vulnerable to bloc power – particularly that of the ‘Quad’ of the EU, US, Canada and Japan. To counter this, some British NGOs not only collaborated with NGOs internationally but also provided technical and advocacy advice directly to developing world governments.

The profile of international trade policy had never been higher. WTO dispute cases on steel, food exports and textiles were front-page news. The WTO ministerial conference in Seattle in 1999 was a global event with campaigners from all over the world occupying the city and thousands of formal and informal nongovernmental groups lobbying and taking direct action. As has been noted, 1999 saw a high point in targeted eIGO activity by the nongovernmental community, with activists moving on to Washington in the same year to protest the IMF, World Bank and G7.

The Seattle ministerial, the difficulties in establishing the Doha trade round, the changing dynamics of global economic power and the controversial nature of its work ensured that – within half a decade – the WTO would become a globally debated and recognised institution.

The international trade agenda emulsified, the institution became increasingly managerial, and NGOs moved on to other things.

Throughout the WTO’s turbulent first decade, with campaigners investing its meetings and ardent voices challenging its deliberations, there is substantial evidence that public opinion was more enthusiastic about its agenda than the media and campaigning background might indicate.

International polling, some recently collated by the US Council on Foreign Relations, suggests that (at least in the developed world) many citizens could see the benefits of globalised trade, reduced tariffs, and the relatively free movement of goods and services across borders. International institutions regulating these flows met with modest approval, more so when citizens did not feel they were overruling or overpowering national or municipal government.

This suggests that nongovernmental criticism of the WTO and international economic system did not produce an un-nuanced public reaction – rather, it helped to inform a broader public debate in which many different voices were heard, and listened to.

Scholars and proponents of the WTO have noted that, although the institution continued to resist the comprehensive NGO access afforded by some UN international organisations, there was a measured thawing of its NGO engagement strategies during its second decade.

From 2002 to 2006, the organisation agreed to relax restrictions on the publication of internal documents.

The public were exhausted. Our resources were getting stretched. And the process itself was painful – you could spend three weeks in the corridors of the WTO just to change three words in a draft agreement.”

Research interviewee

CHAPTER THREE
The great march south: NGOs move on and the WTO adapts to gridlock

NGO campaigning techniques on international trade:

- Direct lobbying of national political leaders and officials prior to WTO ministerial or committee events
- Wider pressure on national legislatures through petition and citizen-led campaigning
- Technical assistance and coordination support for developing world WTO country members
- Attendance and discreet ‘corridor lobbying’ at WTO meetings
- Formal direct briefings to WTO officials and trade representatives
- Direct action (demonstrations, occupations and more)
- ‘Alternative WTO’: parallel conferences, media events, joint policy statements

The Seattle ministerial, the difficulties in establishing the Doha trade round, the changing dynamics of global economic power and the controversial nature of its work ensured that – within half a decade – the WTO would become a globally debated and recognised institution.
improved the quality and content of its electronic communications, established ‘chat events’ with its senior officers alongside more formal NGO and citizen focused public seminars, and simplified the process for NGOs to attain observer status at ministerial meetings (though without access to negotiation and dispute resolution sessions). In some cases, NGOs were also allowed to submit amicus briefs as nongovernmental contributions to trade disputes before the Organisation. However the consensus approach, cherished by intergovernmental trade negotiators as the instrument of so much change in earlier rounds, would prove to be the undoing of the WTO trade agenda. As developing world actors grew in power and technical confidence, it became progressively more difficult to achieve consensus or, put cynically, for the Quad to force through its programmes by weight of economic power. The Quad itself also lost cohesion, with US and European trade negotiators adopting differing strategies and often coming into direct conflict.

There was no international consensus on an international standard for genetically modified foods, or the protection of intellectual property, or structural exemptions for developing world economies with mono-industrial dependencies, or minimum environmental standards in production and transportation of goods. Many NGOs reassessed their significant commitments to lobbying the institution and its key stakeholders. Highly technical drafts agreements and a perpetual cycle of committee discussions in addition to high-level ministerial gatherings sapped limited voluntary resources, with increasingly limited evidence of a return on investment. As one research interviewee commented, “as the Doha round floundered we stopped lobbying for change inside the WTO – we started to argue from the outside, to get rid of the WTO as a whole and start again”.

As the trade round stalled, government leaders also sought other frameworks to discuss trade and global economic policy. The G20, in particular, grew in power and importance, its meetings starting to play host to the kind of nongovernmental campaigning formerly witnessed at WTO ministerials.

Bilateral trade negotiation re-energised. Individual governments or small regional groups pursued more localised trade agendas, with the WTO assuming a more legal and dispute resolution set of functions. With policy and strategy channelling away from the institution to more informal environments, NGOs found themselves attempting to audit and influence a very technical programme of inter-official committees with diminishing effect and limited public interest. The proliferation of bilateral negotiations were similarly challenging for NGOs to monitor.

In Britain, the big advocacy NGOs who had participated so forcefully in WTO campaigning for a decade began to see diminishing returns, and powerful competing demands for resources. Driven by internal constituencies of members, supporters, funders and staff, NGOs found it difficult to defend major international trade policy commitments with the WTO gridlocked at the intergovernmental level.

Activists wanted the seemingly more pressing priorities of southern poverty and climate change placed at the heart of organisational planning, and the public and donor base recognised these as more emotionally connecting than trade policy and the international economy. They were also easier campaign issues to impact report against than complex trade and economic policy debates.

Across much of the advocacy-focused British NGO sector (with the exception of the trade union movement), the period 2006-2010 saw a refocusing of their economic focus to the WTO and trade-specific campaigning. In 2005, the UK assumed presidency of the G8. A coalition of more than 500 NGOs seized the opportunity to co-ordinate the ‘Make Poverty History’ campaign, an appeal for the cancellation of developing world debt and a fairer system of global economic development. This campaign spread internationally, with the One Campaign in the United States adding to its weight. Although at its heart an economic change movement, Make Poverty History was significant for flowing from the Millennium Development Goals, and therefore the United Nations, and incorporating into its coordinating body many of the NGOs who had formally directed their economic focus to the WTO and trade-specific campaigning.

“After one very long meeting with international trade officials, one senior campaigner observed to me ‘these issues are clearly complex. These people make them complex. They are in the complexity industry.’”

Research interviewee
And, as the campaigning emphasis of large British advocacy NGOs moved on to poverty and environmental questions, so the style of their campaigning changed too. Where, during earlier days of trade campaigning, many NGOs had worked exclusively at the government level in the global ‘south’ (an increasingly unsatisfactory simplification of ‘developing’), they now sought more fundamental and targeted ways to support economic and social resilience at the local level. Development-centred NGOs invested in social enterprises and community cooperatives in the developing world, supported community engagement work there, and in some cases shifted some of their own decision-making functions to recipient ‘host’ countries and away from northern, ‘donor’ societies.

So, with increasing speed from early in the first decade of this century, NGO advocacy, information and campaigning has streamed away from trade and economic thinking into environmental and poverty work. NGOs have focused, for good reasons, on development issues in the global south and may have neglected economic policy issues in their developed world bases. And the WTO, formerly at the heart of a complex yet broadly engaging global economy debate, has paradoxically both worked to improve its relations with nongovernmental actors but also become more distant and disconnected as those actors have moved on. The collective effect, though, may have been to deskil and depopulate the topical trade discussion at a significant point in the development of the global economic story.

CHAPTER FOUR
The financial crisis, and an uncertain public

Citizens open to change, divorced from choice and debate, and increasingly dislocated from the international system.

Inevitably, the international financial crisis and the resulting recessionary pressure in developed economies has had a chastening effect on systemic public confidence.

Measured support for globalising trade and economic policies pre-2008 has weakened, as citizens in rich countries feel the effects of austerity and question the ability of existing economic structures to deliver growth and opportunity.

Confidence in both government and industry (particularly the financial sector) to address economic concerns has diminished, most swiftly in the developed world. In the UK, citizens are concerned about personal economic prospects, but also about their place in a global economic system where many believe the balance of power and benefit is shifting away from them.

Our focus group research mirrored other recently published work in suggesting a very strong sense of dislocation and disempowerment amongst citizens, for whom the complexity and scale of international economic system challenges exclude individuals from any meaningful understanding or place.

“In 22 out of 34 countries around the world, the weight of public opinion is that ‘economic globalization, including trade and investment’, is growing too quickly.”

“Britons widely agree with the global consensus...they believe that major changes are necessary in both the international economic system (76%) and their own country’s economy (73%).”

Source: BBC World Service polls on global economic attitudes, commissioned February 2008 and March 2009 (see also www.worldpublicopinion.org).
campaigning on cuts and the global recession in Britain”, as larger advocacy organisations engaged in economic questions continue to be focused on global south and environmental issues.

Our own UK polling on the WTO, commissioned for this project, underlined the dislocation between citizens and international, as well as national, institutions, both in terms of understanding and ability to influence outcomes (see below).

Isolated from international institutions and power structures, and frustrated with the bipolarity and incomprehensibility of economic debate at home, it is understandable that citizens may not feel the range of state, nonstate and commercial voices are presenting a well-rounded debate.

The dangers of a domestic public audience setting itself against globalisation within a climate of powerlessness and mistrust are many – not least, that the crisis is so obviously shared across borders and requires intergovernmental as well as local solutions. A vacuum in public economic debate may be too easily filled by isolationist voices, which will often drown out more systems-based reforming diagnoses and palliative proposals.

The contradictions in diagnosis and cure also frustrate and confuse citizens. One day advised to save and pay down debt, the next to spend and kickstart economic growth, citizens expressed cynicism about the value of ‘expert advice’. The media, in particular, was viewed negatively by our groups’ participants for favouring adversarial debate over discussion, and obscuring explanations with expert-led complexity and technical language.

That there is an energetic interest in economic issues within society has been made clear in recent years by the relative success and popularity of so-called ‘popup’ campaigns, those seemingly freeform change flashpoints like the Occupy protests in New York and London. In the UK, there have also been flares of enthusiasm sparked by the bank transaction tax debate and the UK Uncut movement in opposition to public sector austerity.

However, our research participants recognised the weakness of organised nongovernmental voices in the domestic discourse about the economic climate and its challenges, and the difficulty of harnessing the enthusiasm of popup and single-issue campaigners for broader coalitions of change. One NGO leader conceded that “without the trade unions, there would be no co-ordinated

### TABLE ONE

<table>
<thead>
<tr>
<th>International Organisation</th>
<th>Know a lot about</th>
<th>Know just a little about</th>
<th>Know nothing about</th>
</tr>
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<tbody>
<tr>
<td>European Union</td>
<td>38%</td>
<td>56%</td>
<td>7%</td>
</tr>
<tr>
<td>International Monetary Fund</td>
<td>20%</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>World Trade Organisation</td>
<td>10%</td>
<td>67%</td>
<td></td>
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### TABLE TWO

To what extent do you think the following have an influence over how the WTO is run? (n739)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>A great deal of influence</th>
<th>Some influence</th>
<th>No Influence</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>National governments</td>
<td>26%</td>
<td>50%</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Big companies &amp; corporations</td>
<td>26%</td>
<td>47%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Lobbying groups such as trade unions &amp; charities</td>
<td>9%</td>
<td>54%</td>
<td>22%</td>
<td>15%</td>
</tr>
<tr>
<td>Individual citizens &amp; groups of citizens</td>
<td>3%</td>
<td>40%</td>
<td>42%</td>
<td>14%</td>
</tr>
</tbody>
</table>
Reflections on the financial crisis from UK focus group participants:

“We have all got young children and you worry about the prospects for them coming out of school and there being no work for them.”

“I don’t feel I know a lot about it. The news programmes go off on a tangent, and they use so much financial jargon.”

“The recession has been going on for so long, I just skip past it in the paper.”

“When you hear it is not just us, it is other countries as well. They are in the same situation. We are not on our own.”

“The actual big economy – that’s something quite distant.”

“What effect can I have on the economy? I can affect my own personal situation but on the bigger picture I have no control.”

“We have become a nation of importers. We don’t really make anything anymore so we rely on it. If we allow in too much cheap stuff from China and India, then we risk swapping places with them.”

Underdeveloped points in the economic debate, where the NGO and e1GO voice might make a contribution:

What is economic growth? How is it achieved, is it sustainable, and is it necessary for creating and nurturing prosperity?

Do rich countries really not ‘make anything anymore’? How important is exporting goods for a post-industrial society, compared to trading in services and financial products?

Can the world economy take any more ‘winners’? Can developed economies continue to prosper at the same time as developing economies grow and join the club?

Do financial markets run governments, or the other way around?

Is there a beneficial point of balance between an entrepreneurial, free market environment and one that protects and insures workers against rapid global economic change?

Are there ever good arguments for protecting a domestic industry or service, with tariffs or domestic governmental procurement policy?
CHAPTER FIVE
A shared opportunity: leading a renewed economic debate

People no longer feel they fully understand the economic world in which they live. But they are prepared to learn and to discuss. Amidst the gloom of a shrinking economy, a disenchanted public and a disconnected world system, there is some good news.

TABLE THREE

How much would you say, on a scale of 1 to 10, that you trust the following voluntary organisations? (n=984)

Firstly, our public polling suggested that UK citizens continue to have very high levels of trust in the most prominent service and advocacy-led NGOs. On a trust scale of 1-10, Oxfam scored nearly 7 out of 10 for trustworthiness, and Friends of the Earth 6; and the National Trust scored just over 7 (see the table below for the full trust strength scoring).

We explored this with groups participants, and found that NGOs that were considered to be ‘doing something’ (like raising money for development projects, preserving old buildings or protecting wildlife) were viewed most positively as trusted nonstate actors. That they might also have things to say, on issues like economic reform or increasing fairness in trade systems, was less well known but not at all unwelcome.

Secondly, our research suggested that citizens were disinterested in abolishing institutions like the WTO or bringing them under unlikely systems of direct control. Instead, they favoured a more polycentric approach to engagement with eIGOs which respected the role of national government, NGOs and citizens in different ways.

Research participants also found the issues addressed by the WTO and other eIGOs much more engaging when better contextualised: so, just as the setting of tariff rules between interdependent markets drew many blank stares and yawns, the sensitivity of oil or food prices to tariff barriers could spark instant debate amongst people of differing socioeconomic backgrounds and interests.

Many leading thinkers in the advocacy NGO community are beginning to consider more seriously the ‘£5 a month’ problem: that is, that for a small financial contribution to a trusted charity a person can convince themselves that they have done something globally transformational. The way to break out of this cycle of ‘give, spend and forget’, it is argued, is to adopt much more sophisticated values-based public engagement strategies that help people to see a whole problem at a systems level. This wider appreciation will in turn lead to a more informed society, and a stronger advocacy base from which to argue for change where it is required.

Recognising and promoting international similarity (how, in trade and resources terms, prospects for workers in another country are increasingly intertwined with one’s own) rather than embedding difference is also key to this approach.

There appears to be an opportunity for British NGOs to recapture the lost ground from the earlier period of trade campaigning, by presenting fresh economic thinking and leadership appropriate for and connected to the domestic challenges facing citizens in the current crisis.

“They [NGOs] are good. They are impartial. They are not against anyone. They are there to help.””

Groups participant
Demonstrating how citizens in different communities, both developing and developed, are facing economic challenge in the wake of the financial shocks would help to tackle isolationist thinking; and the new ideas and approaches that internationalist NGOs are able to pollenate across borders and sectors can only help to enrich the current debate.

Citizens are eager to hear more about the economy and future economic change from voices that are not seen to be excessively partial, that are not over-technical, and that are prepared to contextualise discussion in a way that is accessible and practical.

Many large NGOs are heavily engaged in ground-breaking systems change thinking around development and environmental themes. Similarly, they are highly skilled in delivering practical innovations at the grassroots level, whether in the UK or the developing world. The challenge is to connect that expertise and change thinking into domestic economic debate and concerns, and demonstrate the interconnectedness of lives and economies across the world.

Similarly, there is an opportunity for eIGOs themselves to reinvigorate their own citizen engagement programmes in a way that contributes to popular economic understanding. As the institutions charged with the mechanics of the international economic system, it is in their interests and those of their stakeholders to help in its demystification at a time when growing numbers of its consumers and workers view it with confusion and suspicion.

For the WTO, if the 1990s were the decade of foundation and protest, and the ‘noughties’ were the decade of relaxing accessibility relationships with nonstate observers, this could be the decade in which it adopts partnerships with NGOs to help share information and encourage constructive debate with citizens and communities, in a fast-changing world economy.

For both intergovernmental institution and nongovernmental organisation, participating in the public discourse around economic reform and recovery has significant benefits, and limited liabilities. How this can be accomplished, what resources are required and what barriers and obstacles lie in the way, is the purpose of this project and the discussions to follow this initial paper.

“I think it is important that there is accountability in these organisations. They can’t just shut the door behind them and do what they want. There are too many big organisations and there is no way of influencing them.”

Groups participant

“The 2008 banking crisis necessitated economics crash-courses for all. A basic grasp is needed to hold institutions to account but also to understand the interconnectedness of issues. But there is very little funding so NGOs are often forced to abandon areas of public awareness before objectives have really been achieved.”

Groups participant
CHAPTER SIX
10 Questions for NGOs and economic IGOs

For nongovernmental organisations:
1. Can NGOs build on the public trust and expertise they have to show greater leadership on economic matters, and help to design meaningful strategies for economic reform that enhance public economic understanding?
2. What skills, experience and resources could NGOs bring to economic debate, and how could these empower citizen economic understanding and engagement?
3. And what resources do NGOs currently lack that would allow them to more actively engage in domestic economic debate?
4. Are development and environmental NGOs linking up their policy agendas on economic questions domestically and in the developing countries, in a way that stresses common economic interests and concerns?
5. Are NGOs blocked from engaging in economic debates because of media obstruction, or the need to maintain equitable relationships with national government or other significant actors?
6. Are the views of mass participation NGOs more valid than those of small community groups, research organisations or service providing charities? How can contribution to the public debate from nongovernmental voices be properly balanced and transparent?

For economic intergovernmental organisations:
7. What can eIGOs do more actively to help inform balanced economic debate among citizens in each member country?
8. Should eIGOs be more actively partnering with national governments and NGOs to participate in public economic debate? And should eIGOs be working with each other to make joint contributions to these discussions?
9. Is there a minimum level of policy information that eIGOs should be obliged to provide to all citizens, either through or separate to their engagement with NGOs?
10. Should eIGOs have a clearer responsibility to work with national education systems to ensure their public information work is incorporated into lessons at schools and colleges?
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The Carnegie UK Trust is a charitable foundation working across the United Kingdom and Ireland. Founded in 1913 by Scots-American philanthropist Andrew Carnegie (and still based in the Scottish town of his birth, Dunfermline), it develops public policy thinking and practical projects that advocate change for the benefit of public wellbeing.

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- Reporting in 2010, the Carnegie UK ‘commission of enquiry into the future of civil society’ was a five year national project that made ground-breaking recommendations for strengthening the role of British NGOs in the economic, media and democratic life of UK society.

- Published in 2011, Carnegie UK’s ‘Measuring what matters: more than GDP’ produced a unique analysis of alternative methods of national economic measurement being explored in Scotland and other progressive jurisdictions; and in 2012, the Trust is working with other NGOs and governments to broaden this economic reform analysis internationally.

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