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**Electronic version**

URL: <https://journals.openedition.org/irpp/4638>
DOI: 10.4000/13gfw
ISSN: 2706-6274

Publisher

International Public Policy Association

Printed version

Date of publication: December 30, 2024
ISSN: 2679-3873

Electronic reference

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Institutional Transformations of Global Governance – Key Challenges for International Organisations

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Introduction

- 1 Recent decades have seen global governance expand and become more complex, challenging the traditional dominance of intergovernmental international organisations (IGOs). This complexity now encompasses a variety of entities and organisations beyond IGOs, leading to the emergence of new global governance complexes, architectures, and clusters (Kim, 2020; Abbott & Faude, 2022; Vandendriessche et al., 2024). These developments challenge the traditional multilateral system based on the centrality of IGOs and ultimately increase the fragmentation of global governance—a trend that is likely to continue (Saz et al., 2024). As a result, we expect that most IGOs and their rule-makers will struggle to maintain their traditional roles across various global policy areas, potentially affecting the performance of global governance and the provision of global public goods.
- 2 Therefore, the primary objective of our multidisciplinary H2020 research project ‘Global Governance and the European Union: Future Trends and Scenarios’ (GLOBE) was to develop a deeper understanding of these intricacies and to identify and measure transformations in the institutionalisation of global governance today. We examined and compared how global governance has recently evolved in different sectors, and considered how these changes have affected the current activities of IGOs and shape their prospects for the near future. In this article, we concentrate on summarising some of the findings and recommendations developed in the GLOBE project, which are based on a large number of case studies and mapping exercises we carried out on

different global governance sectors, as well as on a large-scale survey of officials working in IGOs.¹

- 3 The overview encompasses the diverse outcomes generated through the collaborative efforts of the project partners. It ranges from current challenges in global governance, including the identification of recent trends across multiple sectors (Roger et al., 2022) to an original survey data on IGO activity (Jordana et al., 2022a), and a comprehensive mapping of actors involved in a number of salient global governance sectors (Jordana et al., 2023). Moreover, it proposes in-depth case studies of policy and an assessment of the effectiveness and authority of IGOs (Coen et al., 2022b, Zürn et al., 2021).² In general, our research validated the truism of ‘more complexity’ as well as the relevance of sectoral variation for understanding the challenges of global governance. It also confirmed the existence of considerable recent transformations that have shaped all the sectors we observed. Formal and informal intergovernmental organisations remain key actors in almost all sectoral configurations, but often face an increasingly varied and fragmented field. The presence of a multiplicity of actors often challenges the potential of IGOs’ to lead their respective area of global governance, requiring more sophisticated leadership. Moreover, the provision of global public goods – including international security, financial stability, combating climate change, and the regulation of global trade, among others – has become the main concern for the functioning of global governance.
- 4 In this paper, we first summarise the main changes in global governance in recent years from our sample of policy sectors – security, finance, climate, and trade – to identify the major institutional challenges that, despite some differences, are common to all sectors. Thereafter, we examine these cross-sectoral institutional challenges faced by IGOs, based on the results of the original survey of IGO staff. The final section, that focus on policy considerations, considers existing trends, and suggests policies aimed at promoting the role of IGOs in global governance to address these challenges.

A sector-based perspective on global governance

- 5 To examine current transformations in global governance, we focus on specific sectors, as we expect variations between them. This is largely because the core global governance architecture of different sectors emerged at different times and has evolved over different timeframes. The selected sectors exhibit considerable diversity in terms of institutional development, actor composition, and the range of global policy issues they face. However, when examining recent institutional transformations, we also identify commonalities across sectors. In this section, we examine different sector-specific configurations in which global governance challenges play out, and then discuss their possible commonalities.
- 6 In global trade governance, the World Trade Organisation (WTO) remains the central authority, despite recent crises. Moreover, regional organisations such as the European Union (EU), *Mercado Común del Sur* (MERCOSUR) and the Association of Southeast Asian Nations (ASEAN), as well as specialised entities such as United Nations Trade and Development (UNCTAD), play a notable role (Marx et al., 2020). In recent years, issues such as contestation at the WTO, changing objectives, or shifting consensus on further trade integration have strained the once tightly knit global trade governance regime (Marx et al., 2019). The WTO remains paralysed to some extent. In this context,

escalating tariffs and retaliatory measures have led to trade deadlocks and stalled substantive negotiations (Wouters & Hegde, 2022). However, the recognition of the multiple linkages between trade and other sectors – such as the environment, human rights, and sustainable development – has increased the importance of trade governance, as recognised in the United Nations 2030 Agenda and the pursuit of the Sustainable Development Goals (SDGs) (Peixoto Batista & Knoop, 2022). Outside the WTO, there has been a proliferation of private and public-private regulatory initiatives (Marx & Westerwinter, 2022), such as Voluntary Sustainability Standards (VSS), which aim to address global challenges related to sustainable development and global value chains (Marx et al., 2019).

- 7 There is a growing divergence of opinion among trading powers on the inclusion of non-trade issues and development concerns in the mandates of trade IGOs. Some advocate linking sustainable development to trade policy, while others prefer to focus primarily on liberalisation and keep non-trade issues separate. This lack of a common approach has made it increasingly difficult to advance new trade policies. The paralysis of the WTO dispute-settlement mechanism has also made it difficult to enforce existing policies. In addition, the negotiations and decisions in informal forums such as the G7 and G20 have failed to build consensus among key countries on the future of global trade governance. Bilateral trade and investment agreements often try to fill the gap through sustainable development chapters, but many leading economic powers have very different approaches, leading to difficult negotiations and limited progress (Otteburn & Marx, 2022). All in all, these difficulties have created opportunities for unilateral measures by states. This has led to growing challenges to the goals pursued by the global trade policy regime, but also to the emergence of a variety of innovative governance initiatives.
- 8 Thus, non-state and private actors have gained prominence in shaping trade policies. Multinational enterprises exert control over global value chains, influencing trade governance through their regulation of suppliers and partners. NGOs also contribute by putting pressure on other actors and establishing standards themselves. Private and public-private initiatives are a growing trend in trade governance; in many cases, Voluntary Sustainability Standards (VSS) set higher standards than formal rules and monitor actors for compliance. These standards bring expertise and flexibility in responding to new developments, both of which may be lacking in public governance. The involvement of private actors does not replace public governance, but usually complements it. Free trade agreements, such as the one between the EU and South Korea, refer to private initiatives such as fair and ethical trade, certification schemes, and eco-labelling. Governments are integrating VSS and private initiatives into their public policies. For instance, South Korea's Act on the Sustainable Use of Timbers recognises certain VSSs as proof of the legality of timber products. Overall, private and non-state actors are increasingly shaping trade governance alongside public actors, building on a complementary relationship.
- 9 The slow unravelling of the world order due to the nature of current security challenges and the trend towards a multipolar world has been decades in the making, but has only recently become apparent. Multipolarity has led to the growing assertiveness of a number of states preoccupied with asserting their national sovereignty. This has contributed to fragmentation as the space for challenging dominant security institutions, paradigms, ideas, norms, and practices grows. The

range of reactions to the 2022 Russian full-scale invasion of Ukraine illustrates this trend, with a division emerging between Western powers and many of the BRICS countries.

- 10 Although the UN remains at the centre of international security, its legitimacy and effectiveness are increasingly being questioned. The continuing deadlock in the United Nations Security Council (UNSC) and the contentious relations between the permanent members have created a situation of paralysis in the Council. These issues have also contributed to a growing North–South divide. In addition, the traditional view of international security – which prioritised the state and its overarching security organisations such as the North Atlantic Treaty Organization (NATO) – has been complemented by a broader concept of human security. This newer definition considers both interstate and intrastate conflicts, as well as issues ranging from organised crime and religious extremism to epidemics. It can also include economic crises that trigger huge waves of migration (Bianculli et al. *in press*) and involve many more actors (Sánchez Cobaleda et al., 2020).
- 11 To address these problems, regionalisation has emerged as an important trend, with certain regional organisations gaining strength, such as NATO's increased relevance since Russia's full-scale invasion of Ukraine in 2022. The Shanghai Cooperation Organisation (SCO) has gained prominence, with India, Pakistan, and Iran joining in recent years. Turkey – which is already a NATO member – and Belarus have also announced their intention to join. In Southeast Asia, the Association of Southeast Asian Nations (ASEAN) plays a key role in security governance, particularly through the ASEAN Regional Forum (ARF), which brings together the major powers of the Asia-Pacific region. The African Union (AU) has also strengthened its role in security governance, notably through the establishment of its Common African Defence and Security Policy (CADSP). Additionally, the Economic Community of West African States (ECOWAS) is actively involved in counter-terrorism efforts.
- 12 The importance of non-state actors in global security governance has increased significantly in recent times. This increase is particularly pronounced in the case of security challenges posed by transnational terrorist networks, piracy networks, and warlords, among others. Various international bodies and mechanisms, such as the Counter-Terrorism Implementation Task Force (CTITF), have been set up to address these challenges. In addition, for-profit actors such as weapons manufacturers, chemical companies and companies dealing with nuclear goods can play a key role in non-proliferation efforts by working with formal and informal IGOs (Sánchez Cobaleda et al., 2020). Private military and security companies (PMSC) are also increasingly influential, engaging in combat, providing armed guards, and training local security forces. For example, the Russian Wagner Group, a Russian state proxy, was deployed in combat roles in Libya, Syria, and Ukraine.
- 13 The architecture of global climate change governance has become increasingly complex, with various public and private regulatory arrangements emerging in recent decades. In some respects, global environmental governance differs from the previous two sectors in that it is characterised by a complex regime of diverse actors and multiple regulatory elements that are partially interrelated and non-hierarchical, with multiple SDGs addressing the issue. Significantly, there is no major formal intergovernmental organisation at the centre of this sector. In the context of climate change governance, collaborative efforts by states and other actors address climate

risks by focusing on three main goals: mitigation, adaptation, and climate justice (Coen et al., 2020). The United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement serve as central components within UN structures, with the EU playing a significant coordinating role (Coen et al., 2020).

- 14 Informal IGOs have a significant influence on climate change governance. They operate at various levels, have multiple initiatives, and play a key role in agenda-setting (Roger, 2020). Non-state and sub-state actors, including private businesses, cities, and multi-stakeholder partnerships, also play a crucial role in addressing transnational climate challenges. In several cases, non-state action goes beyond government commitments by pushing for more ambitious climate goals. Furthermore, international non-governmental organisations such as Friends of the Earth have played an important role in promoting the adoption of national climate change laws in Europe and beyond. They have acted as policy entrepreneurs, advocating the implementation of climate change commitments, including the use of carbon-based metrics despite concerns about the reliability of such metrics. Initiatives aimed at addressing deficiencies in public regulation of climate change led by non-state actors have gained prominence, increasing the influence of non-state actors in this field (Coen et al., 2022a).
- 15 Private businesses often take on the role of creating, implementing, and enforcing climate standards and regulations typically assigned to public authorities (Coen et al., 2020). Many private regulations act as 'anchors' alongside public regulations. Leading companies have voluntarily taken climate action by adopting emission-reduction targets, increasing energy efficiency, transitioning to renewable energy sources, or committing to zero deforestation to build a green reputation and enhance resource efficiency. However, relying solely on bottom-up and voluntary corporate climate governance systems may not lead to the necessary emission reductions in line with the Paris Agreement (Coen et al., 2022a; 2023).
- 16 Public-private partnerships (PPPs) have also proliferated in global governance since the 2002 World Summit for Sustainable Development. Faced with the complex problems of climate change governance, PPPs have been described as the best chance to deliver a sustainable future for the planet (Marx, 2019). They are endorsed by the UN system, including the SDGs, and play a major role in climate change governance, with initiatives such as the Renewable Energy and Energy Efficiency Partnership (REEEP), the Global Methane Initiative (GMI), and the Renewable Energy Policy Network for the 21st Century (REN21). These partnerships are frequently founded by national governments or international organisations but can also involve non-state actors.
- 17 Years of multilateral deadlock and the complexity of the climate change challenge have combined to fragment the global environmental governance system. The increased number and diversity of environmental governance actors, often with overlapping mandates, has contributed to this fragmentation and at times hampered effective coordination (Coen et al., 2020). For instance, despite some overlap, the climate change and biodiversity regimes remain largely unconnected. This proliferation of rules and institutions serves the interests of powerful states, enabling them to maintain or increase their dominance by selecting platforms that align with their preferences, thus making it difficult for weaker states to reach consensus on specific issues.
- 18 Global financial governance is not dominated by formal IGOs, although organisations such as the Bank of International Settlements (BIS) play an important role. Major regulators such as the US Federal Reserve and the European Central Bank (ECB) are also

heavily involved. Additionally, there are numerous informal networks of actors who operate in specialised and complex domains where discussions take place within closed circles of experts and privileged interests, both private and public. However, there is no formal, well-resourced global body to act as a lender of last resort. Compliance mechanisms rely primarily on market discipline and voluntary adherence, supported by national regulators and multiple networks.

19 The current loose governance structure in this sector exhibits no signs of imminent crisis or instability. The division of work between public-finance and private-finance regulation has been in place for decades and has withstood past failures and crises. Moreover, the prevalence of national regulatory frameworks from various parts of the world – despite the existence of multiple soft-law frameworks – prevents the development of more comprehensive approaches, because many regulatory authorities adhere only to the minimum necessary global rules. As such, there is a clear trend towards greater fragmentation and specialisation in global finance (Levi-Faur et al., *in press*) and investment governance (Haftel & Broude, *in press*). Over the past decades, we have also witnessed the proliferation of transgovernmental regulatory networks established by national financial supervisors. Global finance governance has traditionally been characterised by informality, but there are signs of evolution and a blurring of the boundaries between formal and informal arrangements. The future of finance governance is likely to see more hybrid forms that combine formal and informal characteristics (Apaydin & Roger, 2020). Symbolic relations between formal and informal IGOs are being established, and a few informal bodies have been granted formal legal rights and immunities. In addition, the emergence of institutions such as the Asian Infrastructure Investment Bank (AIIB) and the more assertive role of the Development Bank of Latin America (CAF) have challenged the dominance of European and Anglo-Saxon actors in the global architecture of public finance (Nemiña et al., *in press*).

20 In the finance sector, traditions of self-regulation and private participation in public governance have been moderated in response to recent major financial crises caused by regulatory failures. However, private involvement in global financial governance remains strong, particularly in emerging financial areas. Various international business associations participate in this sector of global governance. Some function as network-like entities – focusing primarily on providing platforms for global discussion – while others are well-established private organisations, such as the Institute of International Finance (IIF). Moreover, private intermediaries such as credit rating agencies, both public and private, continue to play a predominant role in providing reliable assessments of debt quality. Private regulatory intermediaries have substantial influence on the global financial governance, highlighting the dynamic nature of this sector and the limited involvement of public institutions in certain crucial governance matters.

21 A number of common challenges facing IGOs can be identified across sectors. These major challenges ultimately lead to serious shortcomings that could seriously hamper improvements aimed at increasing these IGOs effectiveness and legitimacy (Otteburn & Marx, *in press*). First, decision-making rules are becoming increasingly problematic due to shifts in the geopolitical power balance. Some member states are taking a more prominent role in IGO policy making, sometimes with very different preferences compared to previous consensus.

22 Second, organisational problems, such as institutional drift, hinder IGOs from becoming more flexible and effective in achieving their mandates, or make it difficult for them to adapt to new challenges that are closely related but formally outside their mandates. However, it also appears that many IGOs are cautiously expanding their mandates to reposition themselves in a more complex global governance environment, habitually articulating collaborative mechanisms with private and hybrid actors. As a consequence, institutional fragmentation and potential overlap also emerge as potential problems.

23 Third, weak institutional autonomy seems to limit the capability of IGO bureaucracies to pursue their goals. This may be due to deadlocks among member states and potential conflicts of interest among their stakeholders, or even to the strong influence of powerful member states. Despite this, the formal autonomy of IGOs has been increasing in recent decades (Zürn et al., 2021). Levels of authority are distributed across IGOs with considerable variation, and may also be affected by the democratic backlash trend of the 2020s. While academic debates focus on the relevance of administrative autonomy (Bauer & Ege, 2016, Lall, 2017, Knill et al., 2019) based on the expertise, skills, or even entrepreneurship of IGO staff (Jankauskas, Knill, & Bayerlein, 2023), substantive global policy decisions are in most cases hardly in the hands of the IGOs' secretariats, as we have seen in the sectors examined.

24 Fourth, operational difficulties due to the constraints of the instruments and procedures to which IGOs are entitled also reduce the effectiveness of IGOs in pursuing public goods in global governance. With the available instruments, IGOs are hardly capable of managing and steering the intricacies of global governance complexes. These complexes are expanding in many different sectors. They involve multiple hybrid and private global actors that have achieved relevant positions in recent years, as we have seen in the previous discussion (see also Otteburn & Marx, in press). In the next section, we present the results of a survey of staff members from a sample of IGOs that operate in the four selected sectors: security, finance, climate, and trade. These results allow us to discuss the perceptions of staff members from these organisations regarding the challenges outlined above. This provides an original perspective on how IGOs can respond to the institutional transformations occurring in the global governance sectors in which they operate.

Cross-sectoral institutional challenges – the GLOBE survey

25 As the above section illustrates, there are several challenges for IGOs in different policy sectors. We have indicated how these challenges affect IGOs, and in this section we discuss how IGO staff members perceive and deal with them. This issue was explored through an original, large-scale survey of staff members of leading IGOs. The survey was completed by 1,004 staff members from 30 IGOs across the four sectors mentioned above –trade, security, environment and finance–, as well as across the migration and development sectors. We based our survey on previous studies that quantitatively examined different dimensions of IGOs (Hooghe et al., 2017, Tallberg & Sommerer, 2017, Zürn et al., 2021) and included both formal and informal IGOs. The sample cannot be considered fully representative for all sectors, although in most cases it includes the relevant IGOs and a variety of entities of different sizes and geographical distribution.

In determining the content of our survey, we followed the results of Knill et al. (2019), who suggested examining both the external and internal problems perceived by IGO staff.

²⁶ The survey was conducted online from May to November 2021, and our respondents were selected based on the criteria of being IGO staff members involved in policy activity. We therefore excluded managerial and administrative roles, as well as consultants and local staff, and focused on core officials. We also aimed to exclude country representatives and their accompanying staff within IGOs, as they may have policy views and perceptions closer to member states. We strived to collect the views and opinions of staff members with different levels of experience within the secretariats. In comparison with the population distribution of UN organisations, we may infer that the opinions and perceptions expressed by the respondents in the survey originate from a similar age and gender distribution as the general population of the IGOs to which we refer.³

²⁷ In this section, we present the main results of this survey that are directly relevant to the discussion of the prospects of IGOs in the changing global governance landscape. Respondents were asked to share their views on the main trends they see for their organisations in the future and, and more generally, on the challenges they perceive from the recent dynamics of global governance. Concentrating on the period from 2020 onwards, we focused our questions on the perceptions of the role of IGOs in the increasingly complex global governance environment in which they are involved. The survey also inquired about staff members' perceptions of the internal dynamics of their own organisations as well as in their perceptions of the main difficulties and problems their organisations are currently facing or might face in the future (see Jordana et al., 2022a).

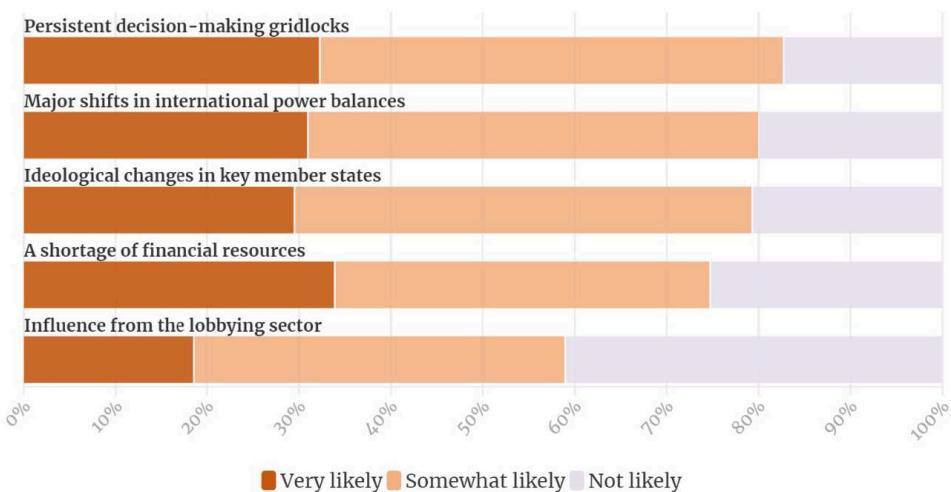
Decision-making problems

²⁸ Common decision-making problems shared by many IGOs include rigid decision-making rules and inflexible governance structures. These problems are aggravated by frequent and strong differences in the preferences of member states. Consensus-based 'one country, one vote' governance structures are only one of the possible ways to limit the flexibility and decision-making capacity of IGOs. Weighted voting privileges for certain states run the risk of becoming a frozen institutional configuration that is almost impossible to alter (Otterburn and Marx, in press). Examples include the United Nations Security Council (UNSC) and the International Monetary Fund (IMF), where decision-making powers, vote shares, and veto rights no longer reflect a fair distribution of military power or global economic influence, respectively. Difficulties in reaching agreement among IGO member states because of outdated decision-making rules affect the capacity to solve the many problems that global governance seeks to address. These concerns are reflected in the responses of IGO staff to the GLOBE survey.

²⁹ One survey question identified several problems that staff members expect their IGOs to face in the current decade. The question offered a choice between persistent decision-making gridlocks, the impact of power imbalances, Member's ideological changes, a shortage of financial resources, and the influence of the lobbying sector. The survey asked the respondents to rank the different challenges on a three-point scale in

response to the question: 'Over the next decade (2020–30), how likely is it that your organisation will suffer from...?'.

Figure 1: Difficulties IGOs may face by 2030



Source: the Authors

30 These results show that decision-making gridlocks is clearly perceived by IGO staff members as a major obstacle to the effectiveness of their organisations. While external influences such as lobbying are not perceived as a major challenge, the role of member states in IGO decision-making – and in particular more possible changes in states' preferences that alter existing arrangements and the power equilibria within IGOs – is expected to negatively influence IGOs' performance. By comparison, other problems such as the shortage of financial resources, while perceived as important by staff members, are not expected to necessarily determine the achievement of IGO goals (Figure 1).

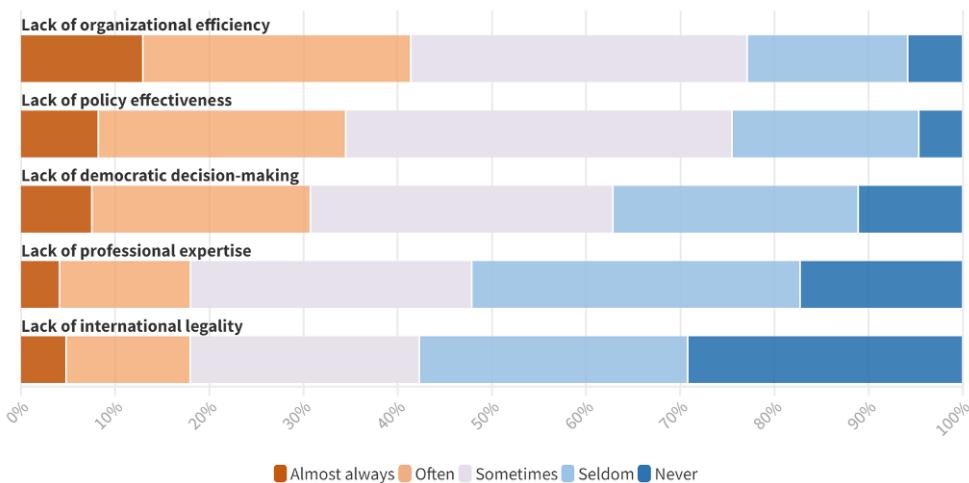
Organisational problems

31 Beyond political complexities, organisational and managerial dimensions are perceived as challenges for IGOs to pursue their goals efficiently. Many IGOs are large organisational structures that run the risk of developing complex bureaucratic procedures, experiencing a lack of internal coordination, or having inadequate professional profiles, among other difficulties. These problems are related to the reactive procedures and processes that are inherently associated with bureaucratic organisations, although they are less related to the preferences and priorities of member states. Lack of innovation may be due to the low level of organisational competition that has historically existed in most of the sectors in which IGOs have operated.

32 Thus, our survey also focused on staff perceptions of the likelihood of organisational problems that their IGO might face in the current decade: 'In your opinion, how often do you think that your organisation will face each of the following problems by 2030?'. Respondents were asked to rate the frequency of these five common IGO problems based on a five-point scale ranging from 'Almost always' to 'Never'. The

results show that in most cases the perception of internal problems is not particularly intense (Figure 2). Among the responses given, problems related to lack of organisational efficiency are the most relevant, followed by concerns about policy effectiveness. In this sense, it emerges that management problems are perceived as highly relevant – more so than professional or legal issues – suggesting that key internal organisational problems habitually remain unresolved.

Figure 2: Main problems IGOs will face by 2030 (average responses per sector)



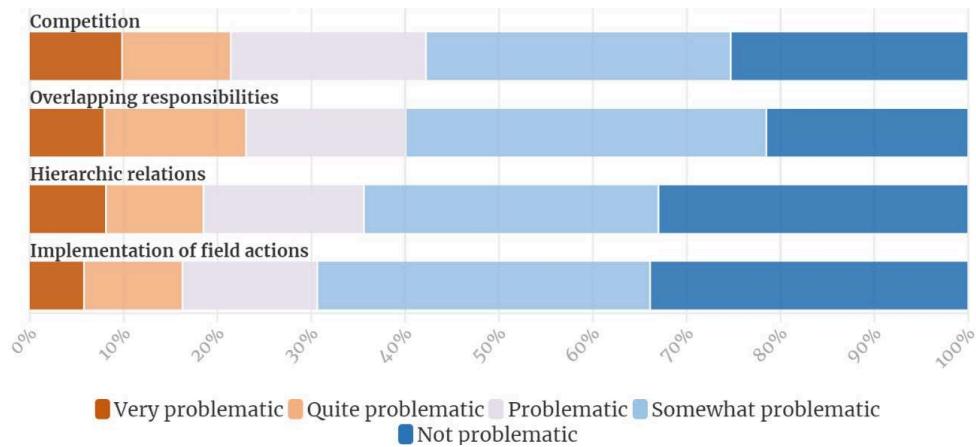
Source: the Authors

³³ Another issue common to most IGOs relates to the definition and revision of their organisational mandates. The emergence of goal-based approaches has ushered in an era of novel global governance. The United Nations' 2030 Agenda for Sustainable Development represents the most innovative form of this global governance through goal-setting (Marx et al., 2021). However, IGOs often lack sufficient policy autonomy or room for manoeuvre to achieve new goals or adapt to changing global conditions. This creates complications for IGOs, which they seek to address. To illustrate, the WTO is under increasing pressure to broaden its mandate to address climate, sustainability, and various other issues. In many other cases, we find that IGOs are in practice increasing their global impact by expanding their scope beyond areas traditionally contained in their mandate. This is particularly true in the case of emerging technologies, where there are no established governance rules or regimes. This is illustrated by the case of global AI governance, where the Organisation for Economic Co-operation and Development (OECD) has established itself as a key actor in this new domain (Schmitt, 2022).

³⁴ Conversely, the scope of responsibilities of other IGOs may be perceived as excessively wide. This can impede an IGO's ability to effectively address diverse objectives. Take, for instance, certain UN agencies such as the United Nations Environment Programme (UNEP), which is faced with the complex task of addressing a wide range of environmental concerns, including climate change. The broadness of scope ultimately diminishes the effectiveness of IGOs in achieving their desired outcomes (Coen et al., 2022b). Overall, misaligned mandates create multiple problems for the effective delivery of global public goods. This leads to areas of action in which many IGOs are simultaneously active and in which others are poorly covered.

35 In our survey, we were interested in gauging the perceptions of IGO staff regarding the relationship between their organisation and other IGOs. We focused on four potential problems – namely competition, overlapping responsibilities, lack of hierarchy, and lack of effective implementation – that could arise in the context of their organisation's relationship with other IGOs: '**When your organisation interacts with other international organisations, how problematic do you think the following challenges are?**'. Respondents rated each item on a five-point scale ranging from 'Very problematic' to 'Not problematic' (Figure 3).

Figure 3: Perceptions of problems in their relationship with other IGOs



Source: the Authors

36 Surprisingly, many respondents were not very concerned about hierarchic relations with other IGOs. Less than 25% of respondents considered potential difficulties to be 'Very problematic' or 'Quite problematic' (Figure 3). Respondents were slightly more concerned about competition and overlapping responsibilities, with over 40% considering these issues at least quite problematic. This was a key issue for less than 10% of respondents. From these results, we might infer that the overlapping of mandates has not yet reached an alarming level.

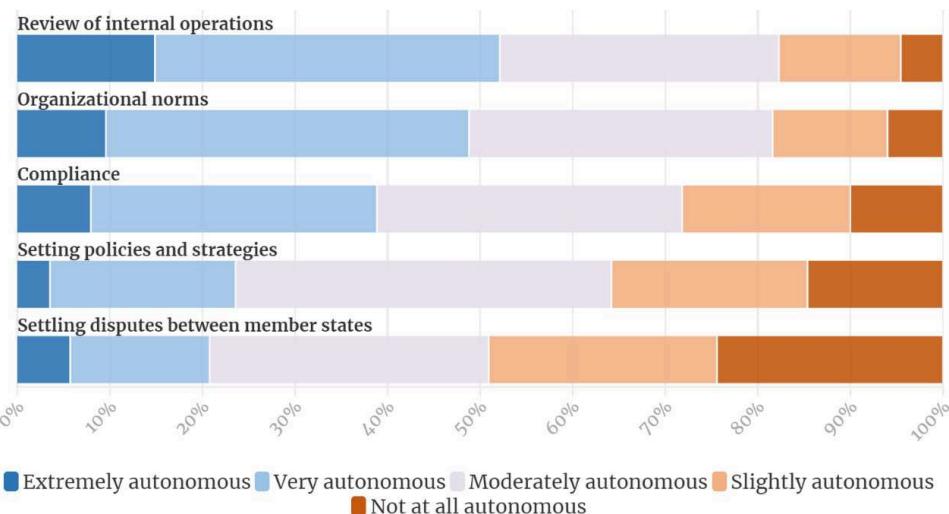
Institutional autonomy

37 The level of autonomy of IGO staff from member states is a crucial factor not only for their policy performance and effectiveness, but also for their accountability and legitimacy. Based on information derived from their statutes, a growing pattern of increasing authority in global governance has been documented in recent decades. While certain IGOs have little autonomy from their member states, others have sufficient organisational autonomy and capacity to make their own decisions in various policy areas (Zürn et al., 2021).

38 In the GLOBE survey, staff were asked about their perceptions of their organisation's autonomy from the influence of individual member states in different areas of activity. This is because IGOs can influence policy discussions and set agendas, thus informally shaping the direction in which an IGO's mandate evolves. The question asked: '**In your opinion, how autonomous do you see your organisation to be from individual member states' influence in the following areas?**'. Respondents rated each item on a

five-point scale ranging from ‘Extremely autonomous’ to ‘Not at all autonomous’ (Figure 4). Most respondents noted a high level of autonomy, particularly in relation to their IGO’s internal operations and organisational norms. However, on other aspects of more political salience – such as setting policy and strategy – their perception of autonomy was much lower, with the predominant view being that IGOs are only ‘Moderately autonomous’.

Figure 4: Autonomy of IGOs from member states in selected activities.



Source: the Authors

³⁹ As can be seen in Figure 4, only in terms of internal organisational dynamics is there a notable number of respondents who consider their organisation to have an important degree of autonomy. However, when it comes to autonomy in setting policies and strategies or in settling disputes, only about 20% of respondents consider their organisation to have a certain degree of autonomy. These results show that staff members perceive their IGOs to possess bureaucratic autonomy, but often a significant lack of autonomy in terms of policy content. This limited degree of policy autonomy may curtail IGOs’ effectiveness and leadership in global governance complexes.

Operational difficulties

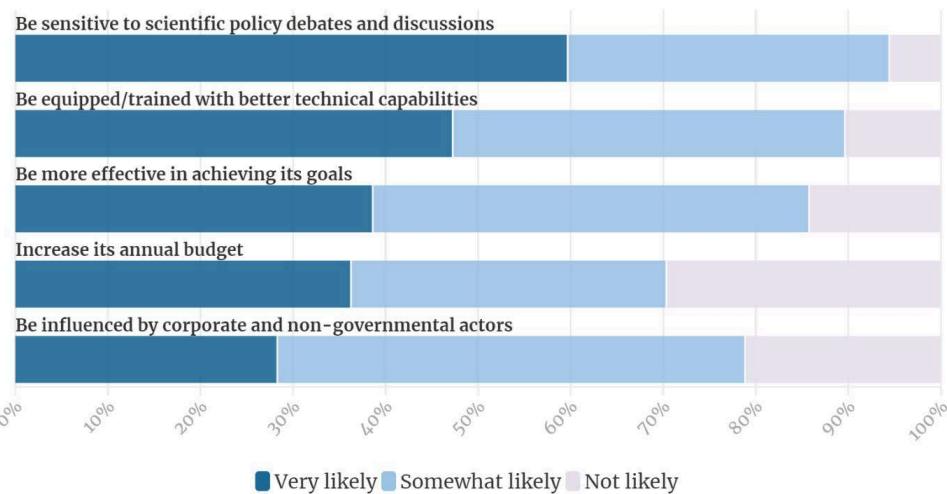
⁴⁰ Many IGOs grapple with resource constraints. Our research in different sectors of global governance revealed that IGOs suffer from recurrent shortages of essential resources, including financial support, personnel, and access to critical information. Consequently, an atmosphere of uncertainty surrounds many IGOs (Coen et al., 2022b). A notable example can be observed in security governance, where inadequate economic contributions from some member states prompted the US, the largest contributor, to reassess its support (Cobaleda, 2020, p. 44). As states curtail the resources available to IGOs, their ability to perform diminishes, exacerbating the difficulties in delivering global public goods. Predicting the evolution of IGO budgets is a complex task influenced by a number of factors.

⁴¹ We developed several potential scenarios that their IGOs could face and asked respondents to assess the likelihood of these scenarios occurring. The question posed

was: ‘Over the upcoming decade (2020–30), how likely do you think it is that your organisation will...’. Respondents were asked to rank the likelihood on a three-point scale ranging from ‘Very likely’, ‘Somewhat likely,’ to ‘Not likely’.

42 Our survey included questions about expectations for IGO developments, including possible budget increases and increased effectiveness, with surprising results (Figure 5).

Figure 5: Organisational expectations of IGO staff for the 2020–30 decade.

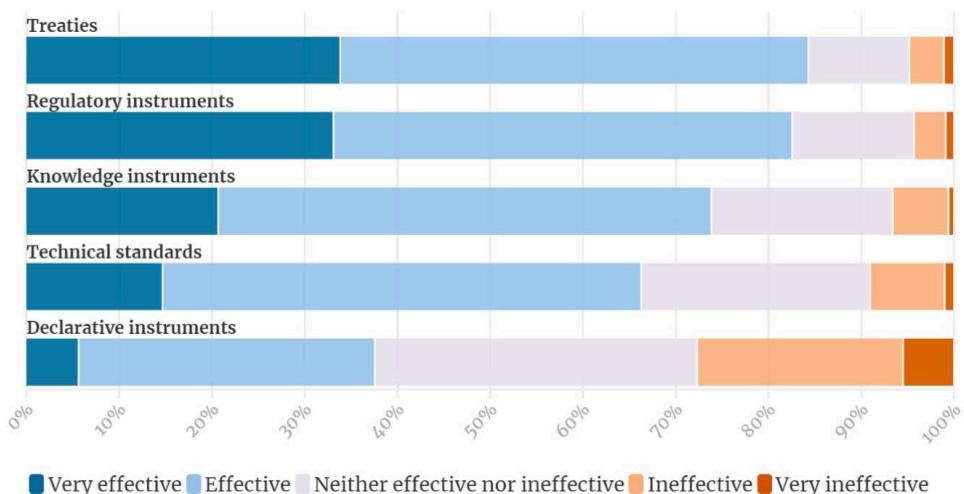


Source: the Authors

43 Staff expectations for the future of their IGO’s operations are relatively high. Figure 5 shows that around 60% of respondents expect their IGO to be sensitive to scientific policy debates and discussions. Nearly 50% of IGO staff expect their organisation to have more technical capabilities in the next decade, while almost 40% of the respondents expect their organisation to be more effective in achieving its goals. These optimistic perceptions of IGO staff members contrast sharply with the operational difficulties that IGOs are experiencing, raising the question of the reasons for these positive expectations. One possible answer may lie in staff members’ relatively positive perceptions of the effectiveness of IGO instruments.

44 To assess IGO staff perceptions of the effectiveness of policy instruments, we listed five common instruments used across different policy areas: treaties, regulatory instruments, knowledge instruments, technical standards, and declarative instruments. We asked staff: ‘How effective do you consider the following policy instruments to be for global governance?’. Respondents rated each instrument on a five-point scale ranging from ‘Very effective’ to ‘Very ineffective’ (Figure 6).

Figure 6: Effectiveness of global governance instruments



Source: the Authors

45 The results show that treaties and regulatory instruments are considered to be the most effective in global governance. Knowledge instruments and technical standards are also seen as effective, albeit to a lesser degree, and declarative instruments are seen as least effective. The results reflect a tension between the flexibility and effectiveness of different instruments: while informal practices, instruments, and activities in current global governance settings more flexible but perceived as less effective, formal state-based treaties are still being seen as more effective.

What do these results mean for global governance? A few policy considerations

46 Our analysis shows that IGOs are challenged on a number of fronts, and that this is to some extent acknowledged by IGO staff members, although not in a direct and mimetic way. Contrary to the findings in the literature, our survey revealed quite optimistic views about the operational potential of IGOs to intervene in global governance and their effectiveness in providing global public goods. We also observe a fairly realistic view of the difficulties in overcoming the decision-making gridlocks created by the shifting preferences of some member states and the limits imposed on the autonomy of IGOs on key policy issues. Issues related to fragmentation, the increasing role of private actors, and the development of complex configurations in global governance are not perceived as problematic. On the other hand, more traditional difficulties related to bureaucratic inefficiency are broadly acknowledged. In sum, IGO staff members perceive most of the relevant key challenges facing their organisations, but they are more aware of traditional difficulties than of emerging ones. They are also largely optimistic about the potential of IGOs to overcome current challenges. In addition, we observed a proliferation of IGOs that exist in a 'twilight zone' beyond the traditional boundaries of international law. Despite their limitations, their informality seems to offer specific advantages, especially when issues necessitate prompt decision-making

or adaptive implementation. All these forms appear to be highly relevant for the future of global governance.

- 47 It is important to note that in parallel with the expansion of the mandates of IGOs, the involvement of non-state actors and other entities beyond IGOs has also grown. These dynamics have increased the institutional complexity of global governance to unexpected levels. These developments have also created specific challenges for policy effectiveness and coordination, as the complexity of global governance has also intensified. Hybrid forms of governance – such as informal law-making, experimentalist governance, and multi-stakeholder initiatives – have attempted to resolve or compensate for the shortcomings of IGOs, potentially reducing their dominance in global governance, although they remain the central actors in most sectors. Innovative, entrepreneurial approaches to governance can help circumvent decision-making gridlocks and be more flexible and adaptive to emerging challenges. The persisting institutional challenge is therefore to find ways for both traditional IGOs and many other governance actors to collaborate and coordinate effectively in pursuit of shared global objectives, as it is unlikely either that will prevail over the other in the short term.
- 48 All in all, we are witnessing multiple forms of global governance. Some of them could potentially further diminish the relevance of IGOs if member states fail to address their institutional challenges, in particular the shortcomings in decision-making, mandates, and resources they face, as we identified and also, but less dramatically, by IGOs staff members themselves. As these challenges vary in importance in the different sectors in which IGOs operate, institutional reforms to maintain or improve the relevance of IGOs – based on state membership – cannot be identical for all sectors of global governance.
- 49 In the trade sector, we have observed the increasing challenges faced by the WTO – the core IGO in the sector – which was reformed in the 1990s in response to the intensification of globalisation. Global governance trends in the trade sector are not encouraging because institutional gridlocks persist, making it difficult to sustain and mobilise global public goods. In addition, alternative pathways for guiding global governance could create a very fragmented environment in which non-state actors gain increasing relevance and where the WTO's adaptation to the new environment becomes necessary, both in terms of mandates and decision-making.
- 50 In the security sector, we have seen that the longstanding and highly visible role of states in shaping governance remains dominant. International cooperative schemes will remain – and some have recently been strengthened – but certain alliances may become more fragmented, and specific global security institutions may weaken. Addressing the gridlocks in UN security institutions is a critical and longstanding issue. Increasing globalisation has also increased the relevance of non-state actors, ranging from terrorist groups and criminal networks to tech giants and private military security companies, leading to hybridisation within the security field.
- 51 Environmental governance is a sector where informal IGOs and non-state entities have thrived in recent years. In contrast, weak formal IGOs have facilitated major decision-making processes, resulting in complex global agreements. This flexibility has been instrumental in navigating the immense challenges posed by climate change, but it has also demonstrated clear limitations in steering this sector of global governance more energetically. Moreover, the dominant role played by private actors, as well as the inability of public entities to make private actors more accountable, have limited the

potential for transformation of environmental global governance. Stronger, well-funded, and focused formal IGOs in this domain could be an appropriate response to accelerate and better coordinate the multiple initiatives in the macro-sector.

52 In the finance sector, longstanding IGOs are unable to transform themselves into more suitable configurations as they rely on informal agreements and the authoritative role of powerful national or regional regulators such as the European Central Bank (ECB) and the Federal Reserve Board (FRB). Significantly, the sector has resisted attempts to create large formal IGOs with global leadership capabilities. However, while the finance sector has demonstrated resistance to institutional changes, growing fragmentation is leading to transformative outcomes, increasing the risk of future global financial crises. To address both the challenges of global accountability and the existing strong role of informal IGOs, a move towards more robust hybrid organisations could help contain global financial risks.

53 The four sectors examined here – trade, security, environment, and finance – illustrate different pathways to global governance stagnation and fragility that are inevitable unless action is taken. In each case, the obstacles to a more articulated and capable global governance system are different, and similar factors have varying degrees of intensity. In all cases, IGO staff members perceive these problems to varying degrees, but are also positive about their organisation's potential to address the challenges they will face in the near future. Looking ahead, we contend that the interactive dynamics between IGOs, nation-states, and the public and private non-state actors involved in global governance will become more diverse than in previous decades, contributing to possible reforms of the international governance architecture. In any case, IGOs will remain active, seeking new ways to lead the global governance sectors in which they are involved, while at the same time struggling to gain more autonomy from member states. Although sectors with dominant IGOs may become less common – resulting in global governance areas in which power-sharing and fragmentation will dominate –, the importance of supporting public-inspired institutions leading global governance cannot be disregarded.

54 In this increasingly complex environment, the traditional monopoly of state authority will become more contested and dispersed, although major powers and regional alliances will remain the most relevant players in the global governance game. These powers and alliances will continue to supply relevant resources and provide sound expectations of global order, although the traditional quasi-monopoly they have enjoyed for many decades may progressively fade. This changing environment, however, could allow for a gradual shift in states' delegation strategies, where the greater risks of losing relevance to the provision of global public goods, led by IGOs, would overcome or limit the narrower pursuit of states' particular interests. IGOs still have the strength and the eagerness to meet this challenge and to maintain their leading role in global governance.

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NOTES

1. We wish to acknowledge the contribution made by many members of the GLOBE team throughout the project: Nuria Agell, Josep M. Antó, Fulya Apaydin, Charanpal Singh, Diego Badell, Andrea Bianculli, Miriam Bradley, Tormer Broude, Melisa Deciancio, Charline Depoorter, Irem Ebetürk, Yoram Haftel, Vineet Hegde, Kyle Herman, Emily Jones, Bart Kerremans, Robert Kissack, Athanasios Kouliopoulos, Julia Kreienkamp, Guillaume Van der Loo, Carlota Moreno Villar, Tirta Nugraha Mursitama, Jennifer Thanh Van Nguyen, Pablo Nemiña, Sukmawani Bela Pertiwi, Tom Pegram, Lili Yulyadi Paramitaningrum, Juliana Peixoto Batista; Ana Sánchez Cobaleda, Cathryn Tonne, Juan Carlos Triviño, Diana Tussie, Guillaume Van der Loo, Jennifer Thanh Van Nguyen, Jan Wouters and Lili Yulyadi.
2. In addition to these GLOBE also focused on the difficulties of the EU in global governance affairs (Broude & Haftel, 2022), Jordana et al., 2022b, Kreienkamp et al., 2022, Marx & Westerwinter, 2022, Saz-Carranza et al., 2022, Tokhi, 2022; Wouters & Hegde, 2022, Bal et al., 2023).
3. To compare the resulting distribution to an approximated target population distribution, we take as a proxy the reference of official staff statistics from UN organisations (<https://unsceb.org/human-resources-statistics>). These statistics include data on 116,388 staff members from 38 organisations for the year 2020. About half of these organisations were included in our sample, and we approximated the gender and age composition of the UN workforce to a reasonable level (for more details on this comparison, see Jordana et al., 2022a).

ABSTRACTS

This article examines the evolving institutional challenges of global governance by analyzing four key sectors: trade, security, environment, and finance. Recent transformations have increased their complexity and fragmentation in these sectors, challenging the traditional dominance of intergovernmental organizations (IGOs). Based on the findings of the H2020 GLOBE project and a survey of 1,004 IGO staff, we discuss four major cross-sectoral challenges: decision-making gridlocks, organizational inefficiencies, weak institutional autonomy, and operational difficulties. Sectoral differences highlight the need for adaptive governance strategies, as a one-size-fits-all approach is insufficient. While IGO staff remain optimistic about their organizations' ability to adapt, our study underscores the importance of reinforcing IGOs' in a rapidly shifting global landscape.

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Keywords: international organizations, global policy, trade governance, finance governance, environmental governance, security governance

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