

**University of West Hungary
Faculty of Economics**

**CHANCES AND CHALLENGES OF
GLOBAL GOVERNANCE
IN THE 21ST CENTURY**

Theses of the Dissertation

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5. Publications while working on the dissertation:

- *Czeplédy Tamás:* A „Global Governance” gondolat megszületése in: A nevelés, oktatás kutatás szolgálatában. Sopron, NYME KTK 2001
- *Czeplédy Tamás:* The Global Governance, in: Fábrián, Attila: National Culture-Globalisation "Roots and Wings" International Conference Book, 2003, UWH-FES
- *Czeplédy Tamás, Koloszar László, Szóka Károly:* Eine vergleichende Analyse der Bankenregulierungen in der Europäischen Union und in Ungarn, Walter Netzig Forschungsstipendium, Wien, 2003
- *Czeplédy Tamás:* Az Unió és a Távol-Keletről származó textil- és ruházati termékek okozta gazdasági problémák Kecskemét, Konferenciakötet 2005
- *Czeplédy Tamás:* Cedefop Forschungs-Gruppenbericht, Bildungsministerium, Wien, 2006

1. Goals of Dissertation

The main goal was in my theses to *define* the meaning of global governance. To the understanding of this conception I needed to add some more information because of *lacking Hungarian scientific literature* on this topic. For the study cases were given by the rush changes of political – historical and economical processes, I tried to follow the newest international events.

The timeline of the dissertation does not end with a fullstop, even more could we call it as an on-going scale. Of course the international paradigm changes or milestones in economic and politic history give standpoints to make commitments more exact in time. The happenings of the *20th and 21st centuries are obvious to be more important for today's world economy*. That is why I did not want to study the former centuries with more circumstances.

Because the topic is based *on historical – political – economical information and knowledge*, I made the study from a multidisciplinary aspect, taking care of primacy of economic values. The Institutions of world economy can be on curse of disintegration and deeping integration. These processes are important in the *multilateral, multi-key-player contracts* and institutions so the democratic and semi-democratic resolutions are

manipulated by them. After the 2nd world war the international institutions got a significant role, which *made them able to expand their influence* and mastership even over nation states. Composing the theses is partly based on studying their functions.

The main goal of the dissertation is not to describe the processes in one or other region of the world, but the study of several fields, institutions or processes and the mutual interdependence on themselves in reason- causality relationship.

I did not want to describe the processes in several regions of the world economy, but to study the *interdependence of the numerous problem zones*. Because of this the geographical field of the dissertation is global, concentrating on the processes not going so well especially in the third world. The main institutions handling with these problems give more reason to make critical standpoints of their function.

The dissertation is an *exploring and synthesising work*, which is fuelled mostly by international literature. I took the help of Internet for looking up statistical data. I used many public sites to prove my statements with up-to-date tables and graphics. The public researches and surveys on international processes on web-pages

gave me more actual details than the printed media or books, so I was able to prove or deny the trends given by the authors.

For the *Hungarian scientific literature is not so rich* on the topic, the researchers publish their issues and results mostly in English or German, I tried to give proper translations for the hardly understandable or in Hungarian only in periphrases existing conceptions. Despite my efforts there are some phrases which are hardly to translate, or even the Hungarian scientists do not use the in Hungarian, so I use the English terms accepted in wide publicity.

For it is a social scientific study, it is not so easy to come to original or by other researchers not yet published results. To find scientific sources to some problem fields of the dissertation was easier than to others. So what caused me some difficulties on one hand, it made my work easier by *defining new correlations* on the other hand. The complex relations of world economy give the chance to find new or specific associations for my goals.

As lecturer of world economy, foreign economy and global governance I tried to follow the after 2nd world war processes, which were influential circumstances in the decision of world order maker institutes and power states.

For the doctoral research gave me mostly theoretical work, I tried to take **two case studies** - one about Africa, the other about the far Eastern export of textile goods towards Europe - to prove that the economic life is on the footsteps of the theories.

Summarizing the goals of the doctoral work, I tried to study the birth of global governance, its changes and the main influencing processes on it. *I would like to use the results of the researches in my future work*, publications, and in my lessons as lecturer too. To highlight the importance of the topic I would like to handle with it in comprehending more other world economy topics.

2. Research methods

I used several methods while writing the dissertation. Touching many fields of social science I found numerous abstracts and analyses. My point of view made me *concentrating on the economical aspects of processes*, but it was only partly successful of course. The multidisciplinary observation made the research go along on a wide street of economical – social – political fields.

While making standpoints and theoretical definitions I used the publications issued in late '90s and the last years, made the

different aspects collide as an outsider. Than I formed my theses and got to solutions of many proven ideas.

I appreciate the scientist handling with that topic, but in my opinion we should step over the simplifying definitions of global governance, but on the other hand we should not mystify the subject. Many narrow-minded false ideas – there are many of them – *should be clarified, highlighting the global governance as a pejorative dictatorial effort.* But also should be cleared the role of the *international organizations*, which are *not to be called as a democratic* way of handling global problems, their efforts are not to be considered as their essential mission. I try to give new impulse for the researches in this way by interpreting the idea of global governance.

I give a *unique role for the United Nations* and its role in the global governing system. Of course I handle with the necessary reforms of UN too. The lacking functions of the UN give a wide range of ideas, but the frames of the dissertation do not allow going by circumstances. The statistical data and information accessible on the Internet pages of Security Council and the Economic and Social Council give strong base to a **problem oriented examination** of global problems.

The different economical institutions, integrations (like GATT/WTO, G8, EU, etc.) were being handled, their roles in the world economy are not only economical but social, political and other aspects are to be examined. In this chapter I try to touch the *global security questions* too, trying to mention the main problems threatening safety at global level. International crisis avoiding methods are also part of my topic.

I try to show the actual necessity of the common stand up against the different and even more powerful forming interest groups. Their successful or insecure goals are supported by spontaneous or conscious efforts to form more and more influential international groups.

The frames of the dissertations do not allow examining the function of the NGOs (Non-governmental Organisations), but I try to describe their global controlling and defending role in global aspects.

There was a chance for me while writing my dissertation to compare my former works and publications and the time passed by allowed me to revise or support my former opinions and conclusions. These comparisons are parallel with the former goals

of the international institutions, watching the relevance of the critics concerning their lacking functions.

3. The data and publications used while composing the dissertation

As the optimal circumstances allowed me to buy or rent the newest actual scientific literature handling with my topic. I tried to make my or the institutional library at the faculty on the university richer. Those works which are only partly touching the area of my research, I tried to read in libraries or rent from very compliant colleges.

I made efforts to follow the actualities, to watch them again on the Internet, from video tape or DVD. The printed media gave me a lot of opportunities to collect statistical data, tables or interviews with leaders of international organizations.

The Internet gave me the chance to search for the very latest publications, in Hungary not accessible newspapers and journals, to find very useful diagrams and graphs to make my work even more colourful. Some cases needed to be proven from more points of view, which was only possible by collecting international correlations, mathematical and economical methods together to see the truth situation.

I see the talks and debates to my tutor, to the leader of the department, to the professors and colleges of our university as initial source, which made altogether possible to form and compose the dissertation.

4. The main statements of the dissertation:

1. The previously on regional or state level emerging problems in the 21st century became global. The development gap between rich and poor countries became wider, only a few countries managed to reach higher with opening their markets and international integration. The countries of the developing world are there in world economic processes, but only as resource-exporting countries. They face the failing terms of trade every year so they cannot accumulate intern. Without that the social institutions will stay at primitive level, causing more future problems. Often facing humanitarian crisis or civil war, these countries need international cooperation to avoid or solve the problems.

2. After forming the United Nations in 1945 the international cooperation was given a global platform. But the roles and the possibilities to take part in decisions many times do not reflect the

positions in the world economy, or in other cases can occur that one nation can veto the will of others instead of democratic decisions. Reforming the decision-making processes is not the only topic on necessary changes; it would be also *required to make the boards wider* for political, economical and social aspects.

3. In a future reform of decision-making processes cases should be handled totally from other point of view. For the problems are so different from each other, and they need other decision systems, the members of the committees would have only then right to vote, if they would be involves in the programs. This would be the global access of the *subsidiarity principle*. For the decision making process is global, by forming the categories not only the regional but the relevant connection would be helpful. By this constellation of votes would form a condition which force out the states to be involved in the direct financing, so securing the relevancy.

4. The driving-power of the global economy is in the 21st century is finally the direct investment and the goods are produced with it together with the trade of services. The World Trade Organization should be under international control (under the flag of the United

Nation), *to make the decisions democratic for developing countries* suitable for their political/social weight as well. The NGOs and INGOs should have *controlling position over the WTO* with giving their opinion and playing preparing role by the resolutions.

5. Other economic forums where global decisions are taken (G8, World Economic Forum), should be *changed to global partners*. The rights of the developed countries would stay, but should be expanded with those of the smaller or developing countries. If this forum would copy one of the institutions of the United Nation, then they should be integrated or the organization *without international control should be dissolved*.

6. Analyzing the affects of the international flow of capital should cause changes in aspects of expenditure and income principles in developing countries, so their hopeless situation in debt crisis would be released by sharing profits with the countries or for the part of profit debt would be transformed into aids. With this movement would be not only the insolvency avoidable but humanitarian – moral gestures could be given from the developed world.

7. Even by the developed countries supported Tobin-tax-like taxes should be established, which would not only assess taxes on speculative transactions, but *the use of non-renewable resources and the environment polluting industries too*. The income of these taxes should be given to countries ordered by need. *The ranking should be given by the UN as initial task.*

8. One of the primary goals of the global governance is that the transnational companies work according to the international legal norms, keep the human rights and have also interest in it. In an international institution, which would check activities of the TNCs, would be given place to the experts of the origin and the target countries, and independent UN-employees, as well. It would be necessary to form an *indicator system* to study the synergy of companies and their environment, the social effects of their activities and on the basis of this indicator system an opportunity presents itself to asset an *international tax*, which appropriation would be within the competence of the target countries of capital investments. To achieve, that the TNC-s can't stay out of these and

in the 7th thesis described taxes, a standard international introduction is needed.

9. In the 21st century it is necessary to re-evaluate the national sovereignty too. In case of economic, commercial and political conflicts to prevent the humanitarian disasters an organization – similar to the Trusteeship Council - by right of UNO mandate could take charge until the consolidation of the situation. This organization - advocated by the peacekeepers and peacemakers – could prevent or reduce the effects of disasters, or the escalation of problems.