

The Overlapping Crises of Democracy, Globalization, and Global Governance

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The crisis of contemporary democracy has become a major subject of political commentary. But the symptoms of this crisis – the votes for Brexit and Trump, among other things – were not foreseen. Nor were the underlying causes of this new constellation of politics. Focusing on the internal development of national polities does not alone help us unlock the deep drivers of change. It is only at the intersection of the national and international, of the nation-state and the global, that the real reasons can be found for the retreat to nationalism and authoritarianism, and the emergence of multifaceted threats to globalization.

In order to grasp the reasons why we are at a crossroads in global politics, it is important to understand ‘gridlock’ and the way it threatens the hold and reach of the post-Second World War settlement and, alongside it, the principles of the democratic project and global cooperation.¹

The post-war institutions, put in place to create a peaceful and prosperous world order, established conditions under which a plethora of other social and economic processes, associated with globalization, could thrive. This allowed interdependence to deepen as new countries joined the global economy, companies expanded multinationally, and once distant people and places found themselves increasingly intertwined.

But the virtuous circle between deepening interdependence and expanding global governance could not last because it set in motion trends that ultimately undermined its effectiveness. Why? There are four reasons for this, or four pathways to gridlock: rising multipolarity, harder problems, institutional inertia, and institutional fragmentation. Each pathway can be thought of as a growing trend that embodies a specific mix of causal mechanisms.

First, reaching agreement in international negotiations is made more complicated by the rise of new powers such as India, China and Brazil, because a more diverse array of interests have to be hammered into agreement

¹ Thomas Hale, David Held, and Kevin Young, *Gridlock: Why Global Cooperation Is Failing When We Need It Most* (Cambridge: Polity Press, 2013).

for any global deal to be made. On the one hand, multipolarity is a positive sign of development; on the other hand, it can bring both more voices and more interests to the table that are hard to weave into coherent outcomes.

Second, the problems we are facing on a global scale have grown more complex, penetrating deep into domestic policies, and are often extremely difficult to resolve. Multipolarity collides with complexity, making negotiations tougher and harder.

Third, the core multilateral institutions created seventy years ago – for example, the UN Security Council – have proven difficult to change as established interests cling to outmoded decision-making rules that fail to reflect current conditions.

Fourth, in many areas, transnational institutions have proliferated with overlapping and contradictory mandates, creating a confusing fragmentation of authority.

To manage the global economy, reign in global finance, or confront other global challenges, we must cooperate. But many of our tools for global policy-making are breaking down or inadequate – chiefly, state-to-state negotiations over treaties and international institutions – at a time when our fates are acutely interwoven. The result is a dangerous drift in global politics punctuated by surges of violence and the desperate movement of peoples looking for stability and security.

Today, however, gridlock has set in motion a self-reinforcing element, which contributes to the crises of our time in new and distinct ways.² There are four stages to this process (see Figure 16.1).



FIGURE 16.1 The vicious cycle of self-reinforcing gridlock

² Thomas Hale and David Held, *Beyond Gridlock* (Cambridge: Polity Press, 2017), 252–57.

First, as noted, we face a multilateral system that is less and less able to manage global challenges, even as growing interdependence increases our need for such management.

Second, this has led to real and, in many cases, serious harm to major sectors of the global population, often creating complex and disruptive knock-on effects. Perhaps the most spectacular recent example was the 2008–9 global financial crisis, which wrought havoc on the world economy in general, and on many countries in particular.

Third, these developments have been a major impetus to significant political destabilization. Rising economic inequality, a long-term trend in many economies, has been made more salient by the financial crisis, reinforcing a stark political cleavage between those who have benefited from the globalization, digitization, and automation of the economy, and those who feel left behind, including many working-class voters in industrialized countries. This division is particularly acute in spatial terms, in the cleavage between global cities and their hinterlands.

The financial crisis is only one area where gridlock has undercut the management of global challenges. Other examples include the failure to create a sustainable peace in large parts of the Middle East following the post-9/11 wars. This has had a particularly destructive impact on the global governance of migration. With millions of refugees fleeing their homelands, many recipient countries have experienced a potent political backlash from right-wing national groups and disgruntled populations, which further reduces the ability of countries to generate effective solutions to problems at the regional and global levels. The resulting erosion of global cooperation is the fourth and final element of self-reinforcing gridlock, starting the whole cycle anew.

Modern democracy was supported by the post-Second World War institutional breakthroughs that provided the momentum for decades of geopolitical stability, economic growth, and the intensification of globalization, even though there were, of course, proxy wars fought out in the global South. However, what works then does not work now, as gridlock freezes problem-solving capacity in global politics, engendering a crisis of democracy, as the politics of compromise and accommodation gives way to populism and authoritarianism.

The 1930s saw the rise of xenophobia and nationalism in the context of prolonged and protracted economic strife, the lingering impact of World War I, weak international institutions, and a desperate search for scapegoats. The 2010s has notable parallels: the protracted fallout of the financial crisis, the clamour for protectionism, ineffective regional and international institutions, and a growing xenophobic discourse that places virtually all blame for every problem on some form of Other. In the 1930s, the politics of accommodation gave way to the politics of dehumanization, war, and slaughter. In the 2010s, we are taking steps down a dangerously similar path. The question remains: will knowing this help us choose a different route?