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Pascal Lamy, Director General of the WTO discussed the issue: How to Enhance Global Economic Cooperation? The Role of the WTO in Global Economic Cooperation:

The WTO's business is trade opening. In this business, one must consider factors that affect supply, as well as the possibility to trade. In analyzing trade, one inevitably finds that every economy for instance, is inevitably connected with other areas that are indirectly related to trade such as transportation and tariffs. The WTO constitutionally recognizes that trade must ensure growth, expansion, and quality of life. The main portfolio of the WTO consists of rule making, rule enforcing, capacity building, and research. In all four aspects, the WTO is interconnected with the rest of the system.

Rule Making are issues relating to tariffs, subsidies, intellectual property rights, and government interference, among others. These are examples of explicit linkages that mandate international organizations. For instance, in evaluating products, WTO regulation must also recognize standards with the World Health Organization and environmental agreements, like in the case of CFCs. Recent efforts in this area also deal with the Doha Development Round and in making sure that marketable services do not contradict existing multilateral and bilateral commitments. For example, the role of subsidies is a big global economic connection that must be taken into consideration and carefully evaluated.

Rules Enforcement is playing an increasingly important role as the world exits the crisis. A committee has already been formed by the G20 and the WTO to monitor the exiting of the crisis, and written evaluations by others like OECD and the IMF will help determine the correct exit path. Rule enforcement also looks at creating a balance between private and public interest. In the case of Pharmaceuticals, the WTO looks to ensure that Intellectual Property law does not prevent developing countries from accessing important drugs. It is in this aspect of trade action that a mandated link exists between the WTO and the IMF; a partnership that the WTO hopes to expand in all sectors for the future.

The third aspect of the WTO is Capacity Building. Recently this area has been expanded to include a program specific to targeting the development process that would concentrate the efforts of the World Bank, WHO, IMF, and WTO in developing countries. As part of this process, UNCTAD is working with the WTO in putting together the right program.

All of these other aspects depend on the fourth, and final, aspect of the WTO's portfolio: Research. This past summer, the WTO published a joint report with UNEF about the effects of climate change. It has also been working on a special study regarding trade expansion, development, and employment in the informal sector. All of these research projects are cross organizational by nature and will continue to build relationships and partnerships with other Bretton Woods and multilateral institutions.

However, there is room for improvement. The WTO's future engagement goals are in the realm of field operations and ground coordination. This means building a working relationship with the United Nations. However, many of these multilateral institutions are member driven. Even if leaders believe in coordination, follow through is left up to the members to whom leaders of organizations are held accountable. Ultimately, coordination will and must start with increased coherence; some of which may only be derived from an erosion of national sovereignty at home. In the future, the number of new ideas will increase on all levels: global, national, municipal, etc. We have global problems that require borrowing from a variety of institutions which inevitably leads to a problem articulating goals. The WTO brings the capacity to adopt and enforce rules. A partnership with the UN would bring legitimacy.

World Bank President, Robert Zoellick on Challenges and Successes in Development: Global Recovery: The Role of the World Bank & Modernizing Multilateralism:

Globally, we no are no longer in the abyss, but we are not yet out of the woods. Institutions, countries, and individuals are alert to the global climate's evolving nature and open to opportunity. In the future, a double dip is looking increasingly unlikely. However, unlike years prior, we are seeing a multi-speed recovery led by East Asian countries, and that, could pose problems. Over the next few years unemployment will continue to increases and problems will plague financial transactions which could affect loans, real estate, and so forth. We must be careful to ensure that people do not turn to protectionism as a safe guard. The stimulus program has been relatively successful, and now begins the transition to private sector recovery.

Despite the increase in inventory and business investment there are several potential problems of which we must be aware of when moving forward. There is still a sense of uncertainly and no forward market for positive expectations. The re-pricing of foreign credit risk and running through credit market liquidity is one such area that must not crowd out the private sector. At the G7 Financial Meeting, there was a distinct feeling of forced cooperation, though domestic political pressure does present a challenge. Central Bankers were adept in their response early in the crisis, but now it is unclear as to the role counter reaction will play. The East Asian recovery is encouraging, but we must deal with asset price bubbles as East Asia follows the Federal Reserve model and is currently caught in a bind as currency appreciates with continued export growth.

Interestingly, this has also changed the future of business response and investment. Developing countries are leading the recovery. Looking at paid deal, fiscal space, and so on, numbers tell the story. Imports in developing nations beat the previous peak by 7%. High income countries are 14% below; higher income countries are financing the growth of developing countries. Learning from past growth in developing countries, we are aware of the necessity of also looking at macroeconomic solutions to social problems. It is not enough to just look at growth numbers because ignoring nutrition programs, education, and natural disaster response runs the risk of losing another generation. In addition to already existing programs, this means increasing partnerships with the UN with the help of the World Food Program.

China's investment in infrastructure during the 1990s has indicated the power of increasing present partnerships. Nevertheless, certain difference do exist between the recovery in the 1990s and the status quo; the most striking of which are the multiple poles of growth spread across developed and developing nations. In the 1990s, developing countries faced mainly food and fuel crises, while today support and aid now encompasses even broader agricultural goals. In the area of trade finance, there is the concern of supporting private players and avoiding nationalization. Japanese has been particularly adept at helping with bank capitalization. Support for microfinance has also increased cross border flows. Supporting infrastructure can also be used for innovatively solving budgetary problems, as India has done in the past.

Cross border exchanges used to be limited to North-South partnerships, but now South-South partnerships have increased in frequency, and even South-North connections are emerging. These developments have encouraged key players to go where the capital is. After the crisis, it was made clear that there is no risk-free zone. Investors have now turned to tapping the potential in developing countries. An intermediation model similar to the one used by the IFC is now being considered to manage capital flows. Fortunately, at the time of the crisis, the World Bank had enough in reserve to support programs for a short period of time. Now, the Bank's main goals are to help develop financial institutions to be self-sustaining. The last capital increase was in 1988, and the current request comes in a larger financial package that would increase the shares of developing countries. The IFC is experiencing a steady growth and good returns, albeit volatile, which lessens the burden on replenishing IDA and raises capital. The nature of the returns has invited proposals for certain core changes, particularly in Sub-Saharan Africa as the impact of the economic downturn and nature of a post trauma country present unique challenges in bringing countries together.

Other areas where collective action is necessary include climate change and a focus on government anti-corruption programs. These issues are spectral in nature and influence both wealthy and poor countries. The World Bank has worked to increase transparency by improving access to information in a manner similar to the United States' Freedom of Information Act. The traditional lending schema used to be an investment loan but did not monitor the loans very carefully, nor was risk thoroughly calculated. The World Bank has used its matrix of knowledge and learning in specific regions, but not yet across regions. Sharing information and knowledge is very important in networking and spreading responsibility. The Bank must also be flexible with its short term contracts, and open to change based on opportunity.

Of these ideals, the current US administration has been supportive. Changes in lending structure will be done with regional development bank packages. Lending will increase in conflict areas like Iraq, Haiti, and Afghanistan. Development regional integration will be particularly useful in Central American food security issues. As has been proven, aiding countries does not harm the business community because problems areas, like climate change, can be addressed via the confluence of NGOs and institutions. The World Bank has previously been characterized as a charity for the poor that stands in solidarity with the less wealthy. In actuality, it is a mutuality relationship that should not, and does not, depend on just the North-South transformative model.

Managing Director of the IMF Dominique Strauss-Kahn spoke on Maintaining International Financial Stability: International Financial Stability and the IMF's evolving role:

The Fund has adopted an overarching aim of promoting economic stability and supporting peace and progress; a mission firmly rooted in the core mandates of the Fund. Nevertheless, challenges remain in maintaining the role of guardian of stability. As such, the fund will continue to focus on the key elements and shared vision for greater coverage, faster and bigger reliable financing and an improvement of oversight. At present, the bulk of the Fund's efforts are devoted at country level, so the IMF needs clearer mandates and new ideas for procedures for a world ready for a more systemic vision. There is strong faith in the refined map developed by the G20 spring meeting, but in order for the largest economies to be held accountable, there needs to be a leader to induce change in economic policy so as to keep the plan consistent. This new approach is contingent on successful and routine multilateral surveillance that would encompass the already existing bilateral framework and that would work to greatly improve surveillance in major countries.

This new system would be greater than the current monitoring of individual institutions. It would focus on the nexus of common exposure, the construction of a global risk map similar to the one used to analyze default risk in Eastern and Central Europe. As the latter example proved with two years of consistent evidence, the impact in one region of Europe affected the ability of the entire region. Microeconomic necessities also indicate a need to devote more time to capital flows and liberalization of capital accounts. The pragmatic position should take into account appropriate balance of payment pressure. In cases of big capital inflow, for instance, one need not always re-evaluate currency, but consider capital control instead. In congruence with the usefulness of surveillance and oversight, there is a need to strengthen the capacity of member countries to adapt.

In looking at the response to the crisis, it is important to note that some key emerging market economies turn to their Fed, thus indicating a willingness of liquidity support. Multilateral institutions are ready for multi-country credit lines using regional reserve pools. In such cases, stabilizing forces are not competitors. The European Union could and does feasibly provide resources in Central and Eastern Europe. The IMF’s role would be relegated as a stopgap measure with the revamped lending framework to low income countries. The Fund would do as the G20 asked with a 0% rate lending and a reevaluation in 2012. It would provide low income countries insurance against climate change, security issues and so forth; potentially becoming a very strong stabilizing force guarding against shocks.

Climate change poses a critical problem of the 21st century, but it is a problem that low income countries cannot afford. The Fund’s 850 billion dollars is sufficient, at least in the short term analysis, of fulfilling future needs. Despite episodic problems, the system has been resilient in addressing issues plaguing global finance. The US Dollar continues to hold a safe role as the haven of assets despite theories of collapse. Still there is tension regarding the supply of reserve currency, and the IMF will continue to work to reduce tension in addressing global imbalance. The long term question of a new global asset still remains. Having multiple supplies will reduce dependence on a dominant country, and the Fund may be called upon to create a new asset similar to, though not exactly, SDR. This last point, however, is still at the level of ideas.

- The crisis response and monitoring has yet to address governance reform. A renewed mandate decreases in legitimacy without proper governance. Crisis prevention efforts lack credibility and long term interests are questioned. In this aspect, the Fund must make progress. This can be done by shifting economic reality to match those of emerging countries. Legitimacy can come from diversity, through the inclusion of more voices from the developing sector. In order to successfully implement a political shift, improving legitimacy is important on a symbolic level. Through an inclusion of different voices, member countries will feel more at home with a shift in voice which will make the implementation of the Fund’s ideas and strategies both effective and efficient. The idea is simple: the world is more multilateral not less. It is not about expanding in another direction but developing a new capacity to deal with systemic risk.

Bilateralism has been enough in the past to avoid crises but not it is impossible to fulfill commitment or to mitigate conflict without effective multilateral institutions. The world needs as much if not more than before. There has been unprecedented cooperation that has emerged as a result of this conflict. This continued multilateral framework is necessary to reach any future targets and successes. It is the spirit of multilateralism that underlies the framework of the IMF. As the crisis diminishes, the will to cooperate will follow. So, we need to push forward and shape the institution to fulfill the hopes of member countries. We need to clarify and strength the institution to meet global challenges, be effective, and build the fund in the 21st century.

Angel Gurría, Secretary-General of OECD discussed Global Finance Reform: The OECD as a Hub for Global Issues: Promoting Best Policy Practices:

Today's challenge is to ensure a smooth transition from a policy of recover to one of sustained growth. The transition will depend on good corporate governance and risk management for the 21st century. Over the last two years, global governance shores up to provide effective responses. The crisis has brought a new impetus. We may now benefit from multilateral support and tackle issues of global governance. The fight against corruption and climate change is multifaceted and needs more than the individual. It requires the effort of whole governments.

OECD facilitates the exchange of expertise in public policy and is an example of the shape that international cooperation may take to help governments to solve their own problems. Local and global agendas reinforce each other in helping to promote best practices. OECD extracts the analysis behind these discussions and converts them into policy recommendations in an effort to influence policy agenda. The OECD is not just a club for rich countries, but is a club of best practices. Its influence stems from technical credibility rooted in policy from its members. Though OECD does not have an enforcement mechanism, peer pressure causes many countries shift their policies to match the suggested best practices. This "name and shame" strategy has met with great success among OECD countries. Expertise and peer reviews are crucial because they add value and "buy in" for member countries. It has brings special attention of not only what to do but also, how to do it.

Recently, OECD has been reaching out in its efforts to be more inclusive with the additions of Chile, Russia, and Israel to its member ranks. It has also created a new category for emerging markets that may be ready to join member ranks in the near future. As part of its new efforts, the OECD delivered its own economic review and even questioned the quality of practices that are currently working. It has also been developing regional programs in the Middle East, Latin America, and South Asia with the intent of facilitating mutual learning. As such, the OECD identifies the best practices of nonmember countries as well. This is the right time to improve cooperation among nations as many countries may not have already heeded the advice. The problem of cognitive dissonance still remains. But the current economic climate combined with the OECD's clear messages will make issues of best practices more relevant.

In the future, there needs to be an increase in global policy coherence. OECD Secretary General Gurría encouraged the cross pollination of the World Bank, World Trade Organization, the IMF and others to improve cooperation. We should not increase in new bureaucracy, but rather should focus on strengthening current relations. Climate change, for instance, is an excellent example of when increased cooperation is proven to be necessary. Currently, efforts redressing climate change are focused on pairs so as to not upset the current architecture of global cooperation, but the problems could have been more effectively solved if everyone had been open and fully available to policy recommendations.

Angelos Pangratis, Chargé d'Affaires a.i. / Acting Head of Delegation, Delegation of the European Union to the U.S.A. discussed: Europe's Exit Strategy from the Economic Crisis

Many of the largest countries have been vocal on the need to address global imbalance. In 2005, OPEC, EU, Japan, China, and the US came together to decide what to do. The ensuing recommendations included balancing the US spending and savings, rebalancing of China's growth to match domestic demand and EU efforts to balance external problems. The EU and China were slow to take action. It took the emergence of an economic crisis for the U.S. to introduce the debate into Washington. The reaction to the crisis in the EU reflected the opinion of member states.

The EU’s principles drawn from the crisis are:

1. Withdrawal must wait
2. Fiscal sustainability and sustainable recovery are of paramount importance
3. Different situations and circumstances require differentiated methods of exit

The key points of the principals are simple: to support demand, increase communication of strategy, and develop an overarching program which the EU intends to commit by next year. The exit will not be preoccupied with the short term and will emphasize sustainable growth. Given this framework, the difficulties of Greece and its impact on Europe have been largely exaggerated as two aspects have gone unconsidered: first, the benefit of the Euro, and second, the uniqueness of the EU.

The Euro has given Greece an additional advantage of integrating markets and reducing market-relating pressures for all participating countries. This has helped Greece financially deal with its public debt. From market integration, 60 million jobs were created and the EU has gained markets and partnerships with other countries and neighbors who have also benefited from its coherent and accountable framework. The uniqueness of the EU comes from its balance between acting as a state without assuming the full responsibility of replacing a national government. In addition, the EU approach has defined only the process and not the destination based on evaluation, reaction, and response. Thus, the EU is able to avoid major crises and consolidate gains. Of most importance is the fundamental idea of responding to any difficult situation with solidarity and balance.

Greece has accepted to assume responsibility, but is in solidarity with member countries. Greece’s situation comes from a monetary debate that needs fiscal discipline. The EU faces a challenge at the level of Fiscal Policy coordination. Otherwise it is likely that it could have prevented Greece’s problems. Nevertheless, it is important to recognize how the EU handled the situation; through careful analysis of the situation, reaction, and response. The stability pact which forms the basis behind joint European action and pre-existing EU surveillance mechanisms in place allow for fiscal sustainability in the long term as is compatible with the goals outlined in Europe 2020 plans.

Matthew Bishop, New York Bureau Chief, American Business Editor, The Economist

Multilateral leadership marks the beginnings of a new world order. Current conditions do not only constitute an economic crisis, but an intellectual one as well. As such, we will need new ideas that both put aside efficient-market analysis and involve great moderation. Simply muddling through will not allow us to progress. This crisis is not being helped by the global imbalance and the lack of faith in the US dollar being the reserve country and currency. Nevertheless, coordinated global response will go undone without American leadership. This is clearly evidenced in Copenhagen, where agreements and discussions can go wrong without world. The United States also needs better coordination with China. The United States needs to participate in this debate or may face similar consequences to Britain whose error of following failing policy led to a shift in the global balance of power. Multilateralism and multilateral frameworks will be the preferred methods of the future. If the United States is to maintain its position in world politics, it too must adjust to new ideological frameworks.

James D. Wolfensohn, Co-Chair, The Bretton Woods Committee

OECD countries constitute 80 to 85% of global GDP. The continent of Africa with its 53 countries creates, by liberal estimates, around 1.5%. This means at the end of the last century, 900 million people were living with less than 2% of overall global GDP. This marked contrast was fairly stable until the resurgence of India and China. Over the course of the next forty years, the dominance of the OECD nations is predicted to drop with the combinations of China and India’s GDP increasing to 45% of global GDP. The last time global GDP shifted this significantly was in 1815, and the last time the shift was in favor of India and China was in 1500. Though there is some debate as to who will actually be on top, China and India should have approximately 23% each. In this new world order, the per capita income of US and OECD nations will be around 90,000 USD. In China and India, it will be a little lower at around 35 to 40,000 USD. In Africa, the per capita income is projected to be just 4,000 USD despite also housing 25% of the population due to an extraordinarily high growth rate. Though these estimates paint only the extreme cases and largely discounts middle income countries, the picture is clear. It is with this future in mind that we must consider future plans. In times of economic hardship, it is particularly difficult to rouse interest. Even among African leaders it is difficult to breed African unity. As we move into the future, it is important to bring with us into the modern era the two billion people that would otherwise be left behind.