The Institutional Dynamics of Global Governance in Hard Times: Innovation or Decline?

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The profound social, economic, (geo)political, and technological changes that characterize the current historical moment do not leave global governance unaffected. More precisely, contemporary global governance is affected by a set of significant developments revolving around the changing distribution of state power, the rise of nationalist populism, and the frequent occurrence of transnational crises. Meanwhile, global governance institutions seek to facilitate collective action on complex cooperation problems that penetrate deeply into domestic political spaces—such as climate change, migration, and the spread of viruses—often under considerable time pressure and uncertainty.[1] In short, global governance is currently facing hard times.

This roundtable assesses two interrelated institutional dynamics of global governance in hard times: first, the drift of formal intergovernmental organizations (FIGOs) that is caused by them being gridlocked in a period of significant changes

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in their social, economic, (geo)political, and technological environment;[2] and second, the proliferation of various types of low-cost institutions (LCIs),[3] such as ad hoc coalitions (AHCs),[4] informal intergovernmental organizations (IIGOs),[5] transnational public-private partnerships (TPPPs), and private transnational regulatory organizations (PTROs).[6] More precisely, this roundtable examines whether those two interrelated institutional dynamics indicate the *decline* of global governance and the return of traditional (great) power politics, or the *innovative adaptation* of its institutional structure to a significantly altered environment. Existing research largely focuses either on the various challenges FIGOs are currently facing[7] or on the proliferation of alternative forms of global governance institutions.[8] We seek to initiate a dialogue between both literatures to advance our understanding of how the various changes that define the current historical moment affect global governance.

Global Governance in Hard Times

Given the weakness of its enforcement mechanisms, in a certain sense global governance can *always* be said to face hard times. Indeed, it has been claimed that global governance has been "in a state of permanent crisis throughout the post-war era."[9] Thus, the current pressures on global governance institutions may not be unprecedented in their strength. However, the idea that global governance is currently facing hard times is not a controversial claim. We hold that this is due to the unprecedented concurrence of the following set of developments: first, a change in the global distribution of state power, which creates both declining and rising powers; second, the rise of nationalist populism, which often includes authoritarian elements;[10] third, the frequent occurrence of transnational crises, such as the Global Financial Crisis (GFC), the COVID-19 pandemic, and the full-scale invasion of Ukraine; and fourth, the emergence of complex cooperation problems. Let us elaborate on each of these developments.

The change in the global distribution of state power affects the geopolitical environment of global governance. More precisely, the transition from unipolarity to multipolarity increases the preference for heterogeneity in the international system and, by implication, the degree of discord among (major) states. Importantly, it creates both rising and declining powers that have diverging interests and pursue different norms and values. Thus, the normative consensus around U.S.-led liberal internationalism that characterized the "unipolar moment" has

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evaporated.[11] The changing distribution of state power therefore makes the current geopolitical environment less conducive to global governance than was the geopolitical environment of the unipolar moment that was ushered in by the dissolution of the Soviet Union.[12] The reason is that "more countries, representing a more diverse range of interests, must agree for global cooperation to occur."[13] Moreover, it is well known that a shift in the distribution of power challenges the operation of existing international organizations by putting them under pressure to adjust.[14]

The rise of nationalist populism changes the domestic political foundations of global governance institutions. Indeed, nationalist populism is opposed to compromising national sovereignty and, by implication, to authoritative global governance institutions.[15] Thus, compared to the unipolar moment, the domestic political commitment to global governance institutions has waned, especially in Western states. As a result, the "zone of agreement" among states that consider cooperating to address a global problem has shrunk.[16] Since it often includes authoritarian elements, the rise of nationalist populism is particularly disadvantageous to global governance in issue areas that depend heavily on the cooperation of domestic actors, such as human rights. NGOs seeking to promote human rights have been negatively affected by shrinking civic spaces. The rise of nationalist populism also implies that the political environment of contemporary global governance increasingly includes actors that deliberately spread false information to deceive people, a phenomenon commonly referred to as "disinformation."[17] Moreover, global governance institutions face countercoalitions that actively work against them.[18] Taken together, due to the shift in the global distribution of power and the rise of nationalist populism, the current political environment is less in favor of international organizations than was the case during the unipolar moment.

From the GFC of 2007–2009 to the COVID-19 pandemic, and from the Russian invasion of Ukraine to the conflicts in the Middle East, contemporary global governance must frequently confront transnational crises, which have become "ordinary rather than exceptional phenomena in modern-day policymaking."[19] Through their combination of threat, urgency, and uncertainty, transnational crises impose exceptional pressure on global governance.[20] While international collective action is always challenging, these three characteristics make collaborative responses even more difficult to adopt and implement. Thus, the high frequency of transnational crises contributes to giving contemporary global governance a hard time.

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In addition, contemporary global governance is facing not only familiar cooperation problems, such as facilitating international trade, but also new and complex cooperation problems, which often have a multifaceted character, such as combating climate change. These complex cooperation problems arise "less from problems between countries than from domestic politics within them."[21] Thus, they penetrate deeply into domestic policy spaces and the daily lives of individuals. To combat climate change, global governance must address individuals, firms, and other private organizations, in addition to states. Modifying the behaviors of such a wide range of individual and corporate actors requires a variety of competencies and resources.[22]

The Institutional Dynamics of Global Governance in Hard Times

The hard times that global governance currently faces have given rise to two interrelated institutional dynamics: The first is the drift of FIGOs, which is caused by them being gridlocked in a period of significant social, economic, (geo)political, and technological change. "Drift" is defined as "the changed impact of existing rules due to shifts in the environment."[23] The second dynamic is the proliferation of various types of LCIs, such as the G20; Brazil, Russia, India, China, and South Africa (BRICS);[24] the Quadrilateral Security Dialogue; and the security trilateral of the Alliance between Australia, the United Kingdom, and the United States, or AUKUS, which significantly increases the institutional diversity of global governance.[25] We address those two institutional dynamics in turn.

Each of the four developments sketched above—the change in the distribution of state power, the rise of nationalist populism, the frequent occurrence of transnational crises, and the emergence of complex cooperation problems—has made it more difficult for international organizations to facilitate the production of global public goods. FIGOs are widely perceived to be gridlocked, which creates a "growing gap" between the "need for global solutions" and the "flagging ability" of international organizations to "meet those needs."[26]

Why is this the case? Despite significant pressure to adjust to both a new political environment and new governance challenges, the rules and procedures of FIGOs are very difficult to change. In fact, FIGOs generally feature a strong status quo bias because they contain few mechanisms for "orderly gradual change."[27] And where such mechanisms do exist—for example, as amendment procedures for treaties—

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they include extraordinarily high hurdles (such as the requirement for consensus or a heavily qualified majority), which makes the (timely) adaptation of the rules and procedures of FIGOs to a new political environment and new governance challenges virtually impossible.[28] As a result, formal change in FIGOs is generally "limited and infrequent."[29]

Thus, FIGOs are highly prone to nonadaptation both to changes in their political environment and to new governance challenges.[30] Importantly, their failure to adapt to significant changes in their environment is bound to reduce the impact international organizations have on the behavior of states, a phenomenon a group of historical institutionalists describes as "institutional drift."[31] That is, due to their inability to adapt themselves to a changing world, FIGOs gradually lose their ability to impact that world; for example, because they are deprived of the support of those states whose power resources expand significantly due to the ongoing geopolitical change.[32] Writing in 1995, Robert Keohane and Lisa Martin made the case that FIGOs "can provide information, reduce transaction costs, make commitments more credible, establish focal points for coordination, and in general facilitate the operation of reciprocity."[33] Importantly, the transaction costs that FIGOs need to reduce to facilitate cooperation are now significantly higher than they were in the mid-1990s. The UN Security Council is a case in point: in 2024, it held a record number of meetings resulting in the lowest number of resolutions since 1991.[34] As a result of emerging powers seeking to capitalize on their increased power resources by asking for a larger say in established FIGOs, the transaction costs that incumbent (declining) powers have to incur also increase.[35]

However, the "large UN-based multilaterals that formed the core of the post-war order are no longer the only game in global governance."[36] Simultaneous to and partly caused by FIGOs losing significance, various types of LCIs have proliferated: informal intergovernmental organizations, such as the G20, BRICS, and the Proliferation Security Initiative; transgovernmental networks (TGNs), such as the Financial Stability Board and the Basel Committee on Banking Supervision; private transnational regulatory organizations, such as the Forest Stewardship Council and the Fair Labor Association; and transnational public-private partnerships, such as Gavi, the Vaccine Alliance and the Global Fund to Fight AIDS, Tuberculosis, and Malaria. LCIs have turned institutional diversity into one of the most notable features of contemporary global governance.[37] These alternative forms of global governance institutions are less highly institutionalized and cannot adopt legally binding rules. Their proliferation affects global governance in

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important ways: it reduces its status quo bias, diminishes the focality of incumbent institutions, and increases the complexity and informality of global governance.[38]

Innovation or Decline?

Is the drift of FIGOs and the proliferation of LCIs an innovative adaptation of the institutional structure of global governance to a different environment and, therefore, conducive to its problem-solving capacity? Or is it more likely to indicate the decline of global governance and the return of traditional (great) power politics, which does not respect institutional constraints? To be sure, as global governance features significant variation across issue areas, it is highly unlikely that there will be a single answer to this question.[39] Nevertheless, to help us structure our thinking on the two institutional dynamics sketched above, this section distinguishes between the innovation thesis and the decline thesis. Both theses synthesize points that have separately been made in the existing literature.

The Innovation Thesis

The "innovation thesis" starts from two premises: First, the global governance system that was established after the end of World War II and extended after the end of the Cold War did not give rise to "an inclusive global order" but was very much Western-centric.[40] More precisely, it "suited the power and purpose of the US and the West."[41] Thus, the legacy FIGOs created by Western states cannot accommodate the political, economic, and strategic diversity that is inherent in the current multipolarity of the international system. To make global governance fit for purpose, there is a need for genuine reform that goes beyond extending "the old international order dominated by the US or the multilateral institutions it created."[42] Importantly, given its significantly altered political foundations, such genuine reform needs to increase the ability of global governance to accommodate heterogenous preferences and distributive conflicts among (key) states. Second, hard times are not necessarily bad times for global governance, as they can give rise to both successful institutional changes, such as the repurposing of the International Monetary Fund (IMF) in the early 1970s, and significant institutional innovations, such as the creation of the G20 Leaders' Summit during the GFC. In short, hard times can lead to better global governance. At its core, the innovation thesis therefore revolves around the acknowledgment that "today's world is politically, economically and technologically more complex than when the institutional

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pillars of the current order were founded in the 1940s and 1950s" and extended in the 1990s.[43] Against this backdrop, the proponents of the innovation thesis suggest that, rather than being in decline, global governance is currently being adapted to its new social, (geo)political, economic, and technological environment.

Importantly, due to the status quo bias that is inherent in FIGOs, this adaptation is bound to happen predominantly outside them. More precisely, adaptation happens primarily through the proliferation of LCIs. For the innovation thesis, the proliferation of LCIs reflects "broader forces of change in world politics," reduces the status quo bias of global governance, and leads to "more pluralization and the erosion of the dominance of US and Western governments."[44] Thus, the proliferation of alternative forms of global governance institutions in response to FIGOs being gridlocked is not interpreted as a "return to anarchy" and traditional great power politics but as giving rise to "some sort of post-American and post-western order that remains relatively open and rules-based."[45]

The innovation thesis stresses that the flexibility of all types of LCIs is not a weakness, but an asset in a period that is characterized by significant (geopolitical) change, which makes "institutional lock-ins" next to impossible. For example, the plethora of IIGOs that are either created (such as the Belt and Road Forum for International Cooperation, Lancang-Mekong Cooperation, and the East Asia Summit) or significantly influenced (such as BRICS and Brazil, South Africa, India, and China, (BASIC)) by China are seen as mediators of the ongoing power shift that help in "avoiding institutional disorder."[46] By emphasizing the potential of IIGOs to update and amend the existing international order, the innovation thesis interprets this institutional form as "a halfway house of institutional reform rather than revolution."[47]

To be sure, proponents of the innovation thesis concede that LCIs cannot perform important governance functions of FIGOs that emanate from their ability to credibly commit states to specific courses of action. Thus, LCIs are suboptimal institutional choices in settings where distributional conflicts are strong, defection from cooperative solutions is likely, and noncompliance is difficult to detect. However, the innovation thesis stresses the ability of LCIs to perform other governance functions, such as adopting coordination standards, disseminating information, and building trust. On that basis, it holds that, in a densely institutionalized international system, states often create LCIs to complement incumbent FIGOs. More precisely, proponents of the innovation thesis claim that LCIs often fill governance gaps that emerge because FIGOs are gridlocked.[48]

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Against this backdrop, productive interactions between both institutional forms are identified.[49] By stressing that LCIs often work together with FIGOs, which possess the operational capacities LCIs lack, the innovation thesis highlights the potential of institutionally diverse global governance structures to tackle contemporary governance challenges successfully.[50] More precisely, it hypothesizes that the layering of flexible institutions on top of legacy IOs gives rise to the most capable institutional configuration for addressing both familiar and new governance challenges. The reason is that it offers both a good "substantive fit" for multifaceted governance problems and a good "political fit" for the preferences of diverse constituents and stakeholders.[51] In a nutshell, the innovation thesis conjectures that combining diverse forms of global governance institutions through layering often produces the best overall governance outcomes in a challenging political environment.[52]

What are the normative implications of the innovation thesis? Its proponents suggest that the layering of LCIs on top of FIGOs leads to more inclusive global governance, which is likely to produce less "one-sided policy outcomes" than what is produced by FIGO-based global governance led by Western powers.[53] This is the case, first, because national governments have lost their gatekeeping role in global governance as LCIs empower various types of infrastate and nonstate actors, and make it easier to strike coalitions among them:[54] IIGOs empower executive officials (vis-à-vis legislatures), TGNs empower bureaucratic actors, and TPPPs empower societal actors, which is conducive to their legitimacy.[55] Second, they stress that the proliferation of LCIs enhances the ability of non-Western powers to make their voices heard at the international level. In sum, the innovation thesis interprets the institutional dynamics of global governance in hard times as giving rise to a transition from "a global order constructed around a few commanding international organizations dominated by powerful Western states" to a more multifaceted and inclusive global order that is based on diverse forms of global governance institutions.[56]

The Decline Thesis

Proponents of the "decline thesis" interpret the two institutional dynamics described above as developments that undermine rules-based multilateralism and that may result in a shift back toward a traditional (great) power politics that does not respect institutional constraints. Thus, proponents of the decline thesis suspect that it is the ability of global governance institutions to constrain the

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behavior of (powerful) state actors that is in decline. At its core, the decline thesis therefore suggests that the proliferation of LCIs deinstitutionalizes global governance.[57] Deinstitutionalization describes a process of bypassing established global governance structures, which leads to the weakening of FIGOs.[58]

Instead of emphasizing the governance benefits that emanate from the institutional flexibility of LCIs, the proponents of the decline thesis describe those alternative forms of global governance institutions as being fickle. Thus, they consider LCIs to be unable to successfully tackle contemporary governance challenges. Moreover, to explain the proliferation of LCIs, proponents of the decline thesis highlight institutional factors that are different from those foregrounded by their intellectual opponents. For example, they argue that the United States has recently been disengaging from "legacy institutions" (such as the WTO) due to their inclusivity and is using "smaller clubs" (such as the G7, the G20, and clubs of democracies) due to their exclusivity.[59] Thus, while the innovation thesis highlights the functional advantages of LCIs, the decline thesis foregrounds their ability to reduce the institutional constraints that great powers face.[60]

Moreover, instead of celebrating institutional diversity and emphasizing complementarities between FIGOs and LCIs, proponents of the decline thesis point to LCIs reducing the focality and authority of FIGOs. More precisely, they worry, first, that FIGOs are moving down in the pecking order of global governance institutions because the most consequential decisions are being made in important IIGOs, such as the G7 and G20, which merely draw on FIGOs as intermediaries and, second, that the availability of a plethora of LCIs may crowd out new global initiatives within FIGOs.[61] In a nutshell, they lament that FIGOs are increasingly becoming service providers for powerful IIGOs.

Proponents of the decline thesis further suspect that the two institutional dynamics sketched above may give rise to regional spheres of influence,[62] and to a struggle between liberal and illiberal visions of world order promoted by the "Global West" and the "Global East."[63] Against this backdrop, IIGOs created or significantly influenced by China are interpreted not as mediators of the ongoing power shift or as complements to existing FIGOs that serve as halfway houses of institutional reform,[64] but as "strategic partnerships forged around transactional economic ties and ideological affinities."[65] They are therefore expected to reduce the geographical scope of global governance and to give rise to a constellation in which governance takes place predominantly *within* and much less *between* geopolitical camps. Thus, regional governance is seen as a substitute of global

governance, not as its extension. That Russia presented BRICS as "a counterweight to Western-led multinational financial institutions"[66] when it hosted the 2024 summit can be cited as one piece of evidence for this interpretation. From the perspective of the decline thesis, both China and Russia engage in "their own international ordering projects" that compete against existing global governance arrangements.[67] And as powerfully shown by the "flooding the zone" approach of the new Trump administration,[68] whereby the administration issues a seemingly never-ending flow of presidential directives disrupting national and international institutions, the United States is becoming one of the biggest threats to the institutional setup it was instrumental in developing. This illiberal streak was already notable during the first Trump presidency, but its networked properties have been amplified in the second.[69] For instance, Elon Musk (who was part of the administration at the time) meddled in the national elections of Germany. Indeed, the most extreme version of the decline thesis predicts that the "emerging multipolar world will consist of a realist-based international order" within which "the US and China will lead bounded orders that will compete with each other in both the economic and military realms."[70] Following a less dichotomic approach, Raj Verma and Malte Brosig propose that the Global South seeks strategic autonomy by avoiding alignment with either the Global West or the Global East.[71]

What are the normative implications of the decline thesis? To explain the proliferation of LCIs, proponents of the decline thesis highlight that these developments enable powerful actors to evade the accountability mechanisms of FIGOs. Thus, they suggest that the proliferation of LCIs results from powerful actors, such as the United States, turning to less transparent and equitable forms of global governance institutions, an outcome that cannot be described as normatively desirable.[72] Those supporting the decline thesis therefore worry about the influence that the proliferation of LCIs exerts on the transparency, accountability, and contestability, and, consequently, on the normative legitimacy of global governance.[73] In a nutshell, they stress LCIs' normative costs, which revolve around the absence of formal procedures and the institutional constraints that emanate from them.[74]

Conclusion

The proliferation of LCIs against the backdrop of gridlocked FIGOs considerably expands global governance outside of FIGOs. This development is bound to affect the significance of global governance for international affairs. However, the quality

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of that effect is uncertain. Is global governance in a period of decline, bound to lead to the return of (great) power politics? Or is it in a period of transition from a rather exclusive and hierarchical system revolving around FIGOs into a more inclusive and heterarchical system revolving around institutional diversity?

This introduction to the roundtable has developed the contours of two radically different analytical perspectives that can serve as springboards to meaningful answers to those questions: the innovation thesis and the decline thesis. In doing so, we aim to stimulate research on the impact that the gridlock and drift of FIGOs and the proliferation of LCIs jointly have on global governance.

The roundtable contains a set of contributions that catalyze this research agenda by critically engaging with both the innovation and the decline thesis: Yoram Haftel and Stephanie Hofmann argue that the decline thesis underestimates the durability of FIGOs and that, in a densely institutionalized global environment, states can substitute one FIGO for another. Thus, so their argument goes, even as one FIGO is drifting, other FIGOs, rather than or alongside LCIs, can take the mantle. Matthew Stephen argues that adaptation and decline are not mutually exclusive. According to him, the changing global distribution of state power has led to a decline in *global* governance: that is, the attempt to build authoritative rules and institutions that represent the common goals of the whole "international community." Even when FIGOs adapt to a new distribution of global power, this ultimately results in a hollowing out of their core tasks, Stephen claims. Julia C. Morse argues that the technological shifts that unfolded over the last two decades have affected the ability of FIGOs to cut through the noise and provide information that is able to guide the behavior of states and other actors. In short, according to Morse, information fragmentation exacerbates hard times. However, she expects the expansion of informal governance through the proliferation of LCIs to create a positive effect on information provision by global governance institutions. And Nina Reiners reveals the institutional dynamics of hard times in the issue area of human rights. More precisely, she argues that the emergence of informal lawmaking coalitions for the international protection and progressive development of human rights can be seen as the prime example of innovation in hard times in this field. However, the advocacy success of liberal human rights defenders has provided a playbook for advocates and governments from the illiberal end of the ideological spectrum. This playbook has given rise to "dark-side coalitions" that are working to effectuate the decline of global governance in this issue area. Taking also the pro bono work of certain private law firms in the UN system into account, Reiners asserts the need for

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regulating access to global governance institutions that seek to protect human rights.

As an analytical concept, global governance seeks to capture developments that represent a break away from traditional (great) power politics.[75] Thus, the usefulness of global governance as an analytical perspective on world politics depends on real, existing global governance not being in terminal decline. In other words, if the decline thesis turns out to be correct and traditional (great) power politics returns, global governance will cease to be an analytically useful perspective on world politics.[76]

However, if the innovation thesis turns out to be correct, the most fruitful period for global governance research may still lie ahead of us. After all, "global governance is a useful concept because it helps us identify and describe transformation processes in world politics."[77] More precisely, the essence of global governance as an analytical concept is a "multi-actor perspective on world politics" and "the assumption that a wide variety of forms of governance exist next to each other."[78] It therefore has the potential to make important contributions to the debate on how global cooperation can be sustained under conditions that are significantly different from those of the "unipolar moment."

What are the next steps in the research agenda on the institutional dynamics of global governance in hard times? We consider the following two to be particularly important: First, empirically, innovation and decline are not mutually exclusive. That is, as empirical trends, innovation and decline coexist in contemporary global governance. Thus, an important task for future research is to study the conditions under which we see innovation and those that precipitate decline. In other words, future research should work toward identifying the scope of conditions of both the innovation and the decline thesis. Doing so will put us in a position to identify the specific areas in which global governance is in decline and those in which it has been able to find innovative answers to contemporary challenges. Since the proliferation of LCIs varies significantly across issue areas, there is reason to believe that innovation and decline are not equally distributed across governance domains. Second, and relatedly, future research should work toward identifying the precise causes and consequences of both innovation and decline by deriving clear-cut and empirically testable hypotheses from the two theses developed in this introduction. This is an important stepping stone toward revealing the mechanisms that give rise to innovation and decline. Moreover, clearly delineating the consequences of both innovation and decline contributes to crucially expanding our knowledge on

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contemporary global governance by clarifying what exactly is at stake. Such knowledge, in turn, enables practitioners, who find themselves in a turbulent environment, to make better-informed decisions. In this regard, it is key to conceive of the two institutional dynamics that we have identified as contingent processes that can be changed by decision-makers. Thus, studying the institutional dynamics of global governance in hard times is a hugely important task with significant practical implications.

Notes

[1] Benjamin Faude and Kenneth W. Abbott, "Does the System Work? Global Stresses and the Resilience of Global Governance," Unpublished Working Paper (2022).

[2] On drift, see James Mahoney and Kathleen Thelen, "A Theory of Gradual Institutional Change," in James Mahoney and Kathleen Thelen, eds., *Explaining Institutional Change: Ambiguity, Agency, and Power* (Cambridge, U.K.: Cambridge University Press, 2010), pp. 1–37, at p. 16.

[3] LCIs have two characteristic institutional features (Kenneth W. Abbott and Benjamin Faude, "Choosing Low-Cost Institutions in Global Governance," *International Theory* 13, no. 3 (November 2021), pp. 397–426, at pp. 402–403): First, they are relatively informal compared to treaty-based institutions. More precisely, they are created by nonbinding agreements or understandings, not by legally binding treaties among states, and feature decision-making formalities and operating procedures that are less elaborate and complicated than those of treaty-based institutions. Second, LCIs involve executive, bureaucratic, and societal actors, rather than or in addition to states. Given these characteristic institutional features, what all types of LCIs have in common is that, on average, the costs of creating, operating, changing, and exiting them, and the sovereignty costs they impose, are substantially lower than those of treaty-based institutions (ibid., p. 397).

[4] Yf Reykers, John Karlsrud, Malte Brosig, Stephanie C Hofmann, Cristiana Maglia, and Pernille Rieker, "Ad Hoc Coalitions in Global Governance: Short-Notice, Task- and Time-Specific Cooperation," *International Affairs* 99, no. 2 (March 2023), pp. 727–45.

[5] Felicity Vabulas and Duncan Snidal, "Cooperation under Autonomy: Building and Analyzing the Informal Intergovernmental Organizations 2.0 Dataset," *Journal of Peace Research* 58, no. 4 (July 2021), pp. 859–69.

[6] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance"; Amitav Acharya, "The Future of Global Governance: Fragmentation May Be Inevitable and Creative," *Global Governance* 22, no. 4 (October–December 2016), pp. 453–60; and Miles Kahler, "Complex Governance and the New Interdependence Approach (NIA)," in "The New Interdependence Approach," special section, *Review of International Political Economy* 23, no. 5 (October 2016), pp. 825–39.

[7] See, for example, David A. Lake, Lisa L. Marin, and Thomas Risse, "Challenges to the Liberal Order: Reflections on *International Organization*," *International Organization* 75, no. 2 (2021), pp. 225–57; Tanja Börzel and Michael Zürn, "Contestations of the Liberal International Order: From Liberal Multilateralism to Postnational Liberalism," in "Challenges to the Liberal International Order: International Organization at 75," special issue 2, *International Organization* 75, no. 2 (Spring 2021), pp. 282–305; and Tim Heinkelmann-Wild, Andreas Kruck, and Bernhard Zangl, "The Cooptation Dilemma: Explaining US Contestation of the Liberal Trade Order," *Global Studies Quarterly* 4, no. 2 (April 2024), Art. ksae024.

[8] See, for example, Kenneth W. Abbott, Jessica F. Green, and Robert O. Keohane, "Organizational Ecology and Institutional Change in Global Governance," *International Organization* 70, no. 2 (Spring 2016), pp. 247–77; Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance"; Malte Brosig and John Karlsrud, "How Ad Hoc Coalitions Deinstitutionalize International Institutions," *International Affairs* 100, no. 2 (March 2024), pp. 771–89; and Felicity Vabulas and Duncan Snidal, "Organization without Delegation: Informal Intergovernmental Organizations (IIGOs) and the Spectrum of Intergovernmental Arrangements," *Review of International Organizations* 8, no. 2 (June 2013), pp. 193–220.

[9] Mark Copelovitch, Sara B. Hobolt, and Stefanie Walter, "Challenges to the Contemporary Global Order. Cause for Pessimism or Optimism?," *Journal of European Public Policy*, no. 7 (2020), pp. 1114–25, at p. 1123.

[10] In the given context, "nationalism" can be defined as the advancement of the interests of one's own state at the expense of other states; "populism" can be defined as the advancement of the perceived interests of "the people" (conceived of as a homogenous group) in opposition to the perceived interests of "the elite" (likewise conceived of as a homogenous group); and "authoritarianism" can be defined as the rejection of integral elements of liberal political orders that facilitate democratic governance and the protection of individuals (Lake et al., "Challenges to the Liberal Order," p. 238).

[11] G. John Ikenberry, *A World Safe for Democracy: Liberal Internationalism and the Crises of Global Order* (New Haven, Conn.: Yale University Press, 2020).

[12] Charles Krauthammer, "The Unipolar Moment," *Foreign Affairs* 70, no. 1 (1990), pp. 23–33.

[13] Thomas Hale, David Held, and Kevin Young, "Gridlock: From Self-Reinforcing Interdependence to Second-Order Cooperation Problems," *Global Policy* 4, no. 3 (September 2013), pp. 223–35, at p. 227.

[14] Andreas Kruck and Bernhard Zangl, "The Adjustment of International Institutions to Global Power Shifts: A Framework for Analysis," in "Global Power Shifts: How Do International Institutions Adjust?," special issue, *Global Policy* 11, no. S3 (October 2020), pp. 5–16.

[15] Jeff D. Colgan, and Robert O. Keohane, "The Liberal International Order Is Rigged: Fix It Now or Watch It Wither," *Foreign Affairs* 96, no. 3 (May/June 2017), pp. 36–44.

[16] Mark Copelovitch and Jon C. W. Pevehouse, "International Organizations in a New Era of Populist Nationalism," *Review of International Organizations* 14, no. 1 (June 2019), pp. 169–86.

[17] Lisa L. Martin, "Global Governance: The Twin Challenges of Economic Inequality and Disinformation," *World Politics* 77, no. 1 (2025), pp. 127–35.

[18] Jelena Cupac and Irem Ebetuerk, "Backlash Advocacy and NGO Polarization over Women's Rights in the United Nations," *International Affairs* 97, no. 4 (2021), pp. 1183–1201.

[19] Christoph Knill and Yves Steinebach, "What Has Happened and What Has Not Happened Due to the Coronavirus Disease Pandemic: A Systemic Perspective on Policy Change," *Policy and Society* 41, no.1 (March 2022), pp. 25–39, at p. 26.

[20] Philip Y. Lipscy, "COVID-19 and the Politics of Crisis," in "IO: COVID-19," supplemental issue, *International Organization* 74, no. S1 (December 2020), pp. E98–127.

[21] Colgan and Keohane, "Liberal International Order Is Rigged," p. 36.

[22] Kenneth W. Abbott, "The Transnational Regime Complex for Climate Change," *Environment and Planning C: Politics and Space* 30, no. 4 (August 2012), pp. 571–90.

[23] Mahoney and Thelen, "Theory of Gradual Institutional Change," p. 16.

[24] BRICS has meanwhile been expanded and now includes ten members—Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran, and the United Arab Emirates, referred to as the BRICS+.

[25] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance."

[26] Hale et al., "Gridlock," p. 224.

[27] Robert O. Keohane, "Observations on the Promise and Pitfalls of Historical Institutionalism in International Relations," in Orfeo Fioretos, ed., *International Politics and Institutions in Time* (Oxford: Oxford University Press, 2017), pp. 321–36, at p. 332.

[28] Niko Krisch, "The Dynamics of International Law Redux," *Current Legal Problems* 74, no. 1 (October 2021), pp. 269–97, at p. 270.

[29] Ibid., p. 271.

[30] To be sure, we are not suggesting that FIGOs have not adapted *at all* to their changed environment and the new governance challenges. While there is significant variation across FIGOs, it is undeniable that at least some of them have adapted. (See, for example, Andrew Lugg, "Re-Contracting Intergovernmental Organizations: Membership Change and the Creation of Linked Intergovernmental Organizations," *Review of International Organizations* 19, no. 3 (September 2024), pp. 545–77; and Felix Biermann and Benjamin Daßler, "The Contender's Momentum? COVID-19 and IO Relations in the Regime Complex of Financial Assistance," *Chinese Journal of International Politics* 17, no. 4 (July 2024), pp. 346–78.) Our point is that, given the magnitude of the changes in their environment, the institutional change that we can observe in FIGOs is both relatively infrequent and relatively insignificant. (See, for example, Jakob Vestergaard and Robert H. Wade, "Still in the Woods: Gridlock in the IMF and the World Bank Puts Multilateralism at Risk," *Global Policy* 6, no. 1 (February 2015), pp. 1–12.)

[31] Mahoney and Thelen, "Theory of Gradual Institutional Change," p. 16. According to the authors, drift "occurs when rules remain formally the same but their impact changes as a result of shifts in external conditions" (p. 17). To be sure, drift is only one of four types of gradual institutional change in the historical institutional tradition (alongside layering, displacement, and conversion). While layering has successfully been applied to *individual cases* of FIGO reform in the absence of consensus (see, for example, Hylke Dijkstra, "The UN Summit of the Future: Leadership, Layering, and the Limits of Liberal International Order," *Global Governance: A Review of Multilateralism and International Organizations* 30, nos. 3–4 (2024), pp. 361–70; and Orfeo Fioretos, "Historical Institutionalism in International

Relations," *International Organization* 65, no. 2 (April 2011), pp. 367–99), we hold that drift best captures the *overall trajectory* of FIGOs in the face of ongoing changes in their environment.

[32] Martha Finnemore, "Dynamics of Global Governance: Building on What We Know," *International Studies Quarterly* 58, no. 1 (March 2014), pp. 221–34, at p. 222.

[33] Robert O. Keohane and Lisa L. Martin, "The Promise of Institutionalist Theory," *International Security* 20, no. 1 (Summer 1995), pp. 39–51, at p. 42.

[34] "Highlights of Security Council Practice 2024," United Nations Security Council, main.un.org/securitycouncil/en/content/highlights-2024.

[35] Ole Jacob Sending, Leonard Seabrooke, and John Karlsrud, "Search Costs in Global Governance" (NAVIGATOR working paper on global governance in transition, Norwegian Institute of International Affairs, Oslo, February 2024).

[36] Amitav Acharya, "After Liberal Hegemony: The Advent of a Multiplex World Order," *Ethics & International Affairs* 31, no. 3 (Fall 2017), pp. 271–85, at p. 273.

[37] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance"; and Kenneth W. Abbott and Benjamin Faude, "Hybrid Institutional Complexes in Global Governance," *Review of International Organizations* 17, no. 2 (April 2022), pp. 263–91.

[38] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance."

[39] Miles Kahler, "Global Governance: Three Futures," *International Studies Review* 20, no. 2 (June 2018), pp. 239–46, at p. 240.

[40] See Acharya, "After Liberal Hegemony," p. 271.

[41] Acharya, "The Future of Global Governance," pp. 453–454.

[42] Ibid., p. 454.

[43] Mette Eilstrup-Sangiovanni and Stephanie C. Hofmann, "Of the Contemporary Global Order, Crisis, and Change," *Journal of European Public Policy* 27, no. 7 (2020), pp. 1077–89, at p. 1078.

[44] Acharya, "The Future of Global Governance," p. 454.

[45] G. John Ikenberry, "The End of Liberal International Order?," *International Affairs* 94, no. 1 (January 2018), pp. 7–23, at p. 8.

[46] Felicity Vabulas and Duncan Snidal, "Informal IGOs as Mediators of Power Shifts," in "Global Power Shifts: How Do International Institutions Adjust?," special issue, *Global Policy* 11, no. S3 (October 2020), pp. 40–50, at p. 48.

[47] Ibid., p. 44.

[48] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance," pp. 413–15.

[49] Abbott and Faude, "Hybrid Institutional Complexes in Global Governance."

[50] Charles Roger, "The Coral Reefs of Global Governance: How Formal IOs Make Informality Work," *Journal of European Integration* 44, no. 5 (2022), pp. 657–75.

[51] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance."

[52] Layering "does not introduce wholly new institutions or rules, but rather involves amendments, revisions, or additions to existing ones" (Mahoney and Thelen, "A Theory of Gradual Institutional Change," p. 16). It is a common strategy used by actors that are interested in institutional change, but face gridlock.

[53] Eilstrup-Sangiovanni and Hofmann, "Of the Contemporary Global Order, Crisis, and Change," p. 1083; and Acharya, "The Future of Global Governance," p. 453.

[54] Kahler, "Complex Governance and the New Interdependence Approach," p. 834.

[55] Abbott and Faude, "Choosing Low-Cost Institutions in Global Governance," p. 399.

[56] Eilstrup-Sangiovanni and Hofmann, "Of the Contemporary Global Order, Crisis, and Change," p. 1085.

[57] Brosig and Karlsrud, "How Ad Hoc Coalitions Deinstitutionalize International Institutions"; see also Jonathan White, "The De-Institutionalization of Power beyond the State," *European Journal of International Relations* 28, no. 1 (2022), pp. 187–208.

[58] Brosig and Karlsrud, "How Ad Hoc Coalitions Deinstitutionalize International Institutions," p. 775. Deinstitutionalization has three features: first, the bypassing of formal decision-making procedures; second, the whittling down of established institutional scripts; and third, the shift in the allocation of resources away from FIGOs (ibid., pp. 772–73).

[59] Heinkelmann-Wild et al., "Cooptation Dilemma," p. 2.

[60] White, "De-Institutionalization of Power beyond the State."

[61] Lora Anne Viola, "Orchestration by Design: The G20 in International Financial Regulation," in Kenneth W. Abbott, Philipp Genschel, Duncan Snidal, and Bernhard Zangl, eds., *International Organizations as Orchestrators* (Cambridge, U.K.: Cambridge University Press, 2015), pp. 88–113.

[62] See Ikenberry, "End of Liberal International Order?" p. 8.

[63] G. John Ikenberry, "Three Worlds: the West, East and South and the Competition to Shape Global Order," *International Affairs* 100, no. 1 (January 2024), pp. 121–38, at p. 127.

[64] Vabulas and Snidal, "Informal IGOs as Mediators of Power Shifts," p. 44. For a summary, see Matthew Stephen, "China's New Multilateral Institutions: A Framework and Research Agenda," *International Studies Review* 23, no. 3 (September 2021), pp. 807–34.
[65] Ikenberry, "Three Worlds," p. 130.
[66] Alexander Cooley and Daniel Nexon, "Trump's Antiliberal Order: How America First Undercuts America's Advantage," *Foreign Affairs* 104, no. 1 (January–February 2025), pp. 16–24, at p. 22.
[67] Ibid., p. 17.
[68] Peter Aitken, "Steve Bannon's 'Flood the Zone' Strategy Explained amid Trump Policy Blitz," *Newsweek*, February 6, 2025, www.newsweek.com/steve-bannon-flood-zone-strategy-explained-trump-policy-blitz-2027482.
[69] Alexander Cooley and Daniel Nexon, *Exit from Hegemony: The Unraveling of the American Global Order* (Oxford: Oxford University Press, 2020).
[70] John J. Mearsheimer, "Bound to Fail: The Rise and Fall of the Liberal International Order," *International Security* 43, no. 4 (Spring 2019), pp. 7–50, at p. 8.
[71] Raj Verma and Malte Brosig, "The Russia–Ukraine War, the Evolving Global Order, the Global South and Emergence of Non-Alignment 2.0," *Global Policy* 15, no. 4 (September 2024), pp. 740–45.
[72] Kahler, "Complex Governance and the New Interdependence Approach," p. 837; and Heinkelmann-Wild et al., "The Cooptation Dilemma."
[73] Allen Buchanan and Robert O. Keohane, "The Legitimacy of Global Governance Institutions," *Ethics & International Affairs* 20, no. 4 (December 2006), pp. 405–37.
[74] White, "De-Institutionalization of Power beyond the State."
[75] Michael Zürn, *A Theory of Global Governance: Authority, Legitimacy, and Contestation* (Oxford: Oxford University Press, 2018).
[76] Klaus Dingwerth and Philipp Pattberg, "Global Governance as a Perspective on World Politics," *Global Governance* 12, no. 2 (April–June 2006), pp. 185–203. To be sure, global governance has historically coexisted with great-power politics. We are not arguing that contemporary global governance is the opposite of great-power politics. While also acknowledging that contemporary global governance institutions are prone to hegemonic control, we maintain that the dense institutionalization of the international system and the rise of international authority have given rise to a different type of great-power politics.
[77] Ibid., p. 196.
[78] Ibid., pp. 191–92.

Abstract: In the introduction to this roundtable, we argue that global governance currently faces hard times because it is affected by a set of significant developments revolving around the changing distribution of state power, the rise of nationalist populism, and the frequent occurrence of transnational crises, while seeking to facilitate collective action on complex cooperation problems. Against this backdrop, the essay identifies two major institutional dynamics of global governance in hard times: first, the drift of formal intergovernmental organizations (FIGOs) that is caused by them being gridlocked in a period of significant changes in their social, (geo)political, economic, and technological environment. Second, the proliferation of various types of low-cost institutions. To help us think systematically about how these two interrelated institutional dynamics affect global governance, the essay develops the innovation thesis and the decline thesis. The "innovation thesis" suggests that by transitioning from a rather exclusive and hierarchical system revolving around FIGOs into a more inclusive and heterarchical system revolving around institutional diversity, global governance is currently being adapted to its new environment. The "decline thesis," by contrast, argues that the two institutional dynamics undermine rules-based multilateralism and may lead to a shift back toward traditional (great) power politics that does not respect institutional constraints.

Keywords: global governance, multilateralism, international organizations, great power politics, power transition