A Comparison of Global Governance Across Sectors: Global Health, Trade and Development Finance

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Abstract:

The global governance of health, trade and development finance underwent drastic changes over the past two decades. While each topic has received some scholarly attention, we still lack of a comparative perspective across the three sectors. The purpose of this paper is to compare and analyze the developments in terms of governance of the three sectors. Most importantly, we find that in all three fields that number of actors has expanded drastically, especially since the early 2000. In the field of global health we observed the emergence of new significant players, such as Bill and Melinda Gates Foundation or the Global Fund. In the trade field, the number of bilateral and regional trade agreements has increased drastically over the past 20 years. Finally, in the area of multilateral development finance, we have witnessed the establishment of new, large development banks. In all three fields the new players have eroded the previous centrality of the incumbent, such as the World Health Organization, the World Trade Organization and the World Bank. The new entrants have also come along with new governance structures that challenge the old paradigms of global governance which wer based on intergovernmental cooperation. In the new global health governance is marked by a stronger involvement of private actors, such as philanthropic organization or the private sector. Finally, the new global governance structure stands of many pillars and is therefore more resilient to shocks. As long as redundant or even conflicting efforts can be avoided, the new global governance structure holds more and better opportunities to development.

Keywords: global governance, development, regional cooperation

1. Introduction:

Global Governance owes its existence to "the expansion, intensification and acceleration of global interconnectedness" brought about by globalization starting in the 20th century. The rapid independence of former colonies after the World War II and an unprecedented increase in transport and communications brought peoples, cultures and states closer than ever in human history. (Jang, McSparren and Rashchupkina 2016) The promise of peace and security and provision of basic human rights realized the need for a new global world order based on collaboration among all nations- rich and poor. The commitment to the Millennium Development Goals at the start of the 21st century moreover, also engendered a proliferation of non-state actors such as private foundations and Non-Governmental Organizations (NGOs) which have been crucial partners in providing global public goods such as basic healthcare and primary and secondary education. Nonetheless, the global economy, like the global financial system, has changed substantially from the "producing here-selling there" model to an integrated value-chain in which both inputs and intermediate inputs traverse multiple borders and any interruption along the production process endangers a global economic crisis. The integrated global economy requires robust global governance institutions responsive to its ever-changing dynamics. In this regard, Global Governance is defined here_ as *the set of procedures and practices which exist at the world (or regional) level for the management of social, political, economic, and social affairs."* (Weiss and Wilkinson 2014) In essence, it requires examining international, regional, national, and local power structures and the ways in which they interact and influence global norms and rules and affect change in the short and long term.

For the purposes of tis paper, we will limit our analysis to three key existing global governance organizations such as the World Bank Group (WBG) and International Monetary Fund (IMF) (for development finance), World Trade Organization (WTO) (for global trade) and World Health Organization (WHO) (for global health). Specifically, **this paper aims to analyze the common and similar challenges across these governance sectors, estimate the impact of new entrants on the performance of existing global governance institutions before attempting reconcile the roles of WBG, IMF, WTO and WHO with new entrants across their sectors to ensure better global governance across the three sectors.**

2. The Changing Global Health Governance

2.1 Global Health Governance- History of WHO

The creation of World Health Organization as a "scientifically grounded, technically focused institution" formalized global health governance defined here as "*the use of formal and informal institutions, rules, and processes by states, intergovernmental organizations, and non-state actors to deal with challenges to health that require cross-border collective action to address effectively"* (Kickbusch 2014). Since then, WHO has assisted developing countries in tackling the most prevalent communicable and non-communicable diseases such as small pox (in over 50 countries between 1966 and 1977) that caused over 2 million deaths annually, and "river blindness", besides administering immunization programs against communicable diseases. (Fidler 2010)

WHO operates in a two-tier governance structure. The WHO World Health Assembly, comprising of all member states, is a "supreme decision-making body" whose decisions are implemented through the Executive Board of 34 technically qualified members elected for 3-year terms who convene annually. The Director-General used to be elected by the Executive Board for five-year terms but starting June 2017, will be elected by all the 194 member countries. (WHO 2017) In principle, WHO provides *leadership,* shapes *research agenda*, sets *norms and standards* for *ethical* and *evidenced-based* policy options, provides *technical* support to developing countries and *monitors* health situations, and systems in member countries. It prioritizes development of "people-centered" and cost-effective national healthcare systems in developing countries to treat and prevent communicable and non-communicable diseases, promote a healthy lifestyle and provide surveillance, and enhanced emergency response preparedness to tackle any crisis affecting public health. (WHO 2017)

WHO's performance was, however, sporadically mired by the Cold War conflict that dogged its ability to operate freely on both sides of the political divide. (Loughlin and Berridge 2002) The humanitarian assistance provided by developing countries for instance became a tool to influence their foreign policy objectives in developing countries rewarding those that sided with the "West" and chiding those that opposed it. For instance, the WHO push for better primary healthcare with the Declaration of Alma-Ata in 1978 was thoroughly opposed by the Western powers as an attempt by the Soviet Union and its allies to create a new Economic Order. Following year, the Afghan Invasion by Soviet Union and the Islamic Revolution of Iran diluted attention on WHO's "Health for all" initiative undermining its potency. (Fidler 2010)

The greater politicization and bureaucratic complexities of WHO have gradually led to the creation of "issue-specific" global institutions in the past 17 years to fill the health governance void.

2.2 Towards a Multipolar Multi-actor Global Health Governance

Global health governance has seen a "golden era" in the last 17 years with new entrants such as Global Fund to Fight AIDS, Tuberculosis, and Malaria (GFATM), Global Alliance for Vaccines and Immunization (GAVI), the Gates Foundation and the recently launched Global Financing Facility (GFF) (please see Chart 1 for details) (Kickbusch 2014).

Chart 1: Annual expenditures of the six biggest global health organizations

Number	**Name**	**Year Created**	**Total disbursements for health- related programs in $US (in the given year)**	**Number of Staff**
1	Bill & Melinda Gates Foundation	2000	1.18 billion (in 2015)[1]	1420 (as of Jan 2017)
2	Centre for Disease Control and Prevention	1946	12 billion[2]	13000 (as of Apr 2014)
3	GAVI, The Vaccine Alliance	2000	1.8 billion[3]	NA
4	Global Financing Facility (World Bank, Canada, Norway, Japan, and the United States)	2015	12 billion (total budget as of 2015)[4] Annual budget not available	NA
5	Global Fund to Fight AIDS, Tuberculosis, and Malaria	2002	3.65 billion[5] (2016)	NA
6	World Health Organization	1945	1.59 billion[6] (2016)	7000

[1] The Gates Foundation 2017
[2] Center for Disease Prevention 2016
[3] GAVI, The Global Alliance 2016
[4] World Bank 2015
[5] The Global Fund 2017
[6] WHO 2015

These new players not only bring with themselves an unprecedented amount of funding in global health programs but also work towards specific and sometimes overlapping healthcare issues with varying governance structures. The Gates Foundation, for example, has been a "game-changer" since it was established in 2000, investing US $10 billion in global health research and vaccination initiatives, becoming the "third largest contributor" to WHO after the United States and the UK. (Fidler 2010). It finances research and development in major communicable and non-communicable diseases globally both independently and in collaboration with global and local partners (Bill & Melinda Gates Foundation 2015). The Global Fund, one the other hand is primarily concerned with managing, assessing, and disbursing grants to eligible countries to help fight AIDS, TB and Malaria. Eligible countries apply for grants based on their proposals which are assessed by GF's Technical Review, who then consult with the host country officials to form a feasible roadmap for project implementation before releasing the necessary funding (The Global Fund 2017).

GAVI follows a similar strategy but toward a different end. Formed in 2000 with a $750 million seed money from the Gates Foundation, GAVI strives to better public health by increasing "equitable" use of vaccines in lower-income countries. It has four strategic principles: to increase universal coverage of vaccines, boost efficacy of immunization delivery in public health systems while making it sustainable, and shaping global markets for immunization products and vaccines. GAVI either provides grants to the host country and/or organization aligned with its objectives to implement the vaccination programs or supplies the vaccines directly to them (Gavi, the vaccine alliance 2017).

The GFF similarly targets "country-led five-year investment plans" for reproductive, maternal, newborn, child, and adolescent health (RMNCAH). It's part of the former United Nations Secretary-General Ban-Ki Moon's "Strategy for Women's, Children's and Adolescents' Health and Sustainable Development Goals" (The World Bank 2015) The GFF governance covers two functions. First is mobilizing resources and co-financing Investment Cases, health financing strategies, and Global Public Goods relevant to its agenda. Second is to utilize the GFF Trust fund to lead "catalytic" and sustainable health projects' financing (Global Financing Facility 2015). The Investment Case embodies key issues in RMNCAH in a country and prioritizes investment to tackle these issues. It is issue-specific and focused on a "limited set of priorities" attainable in a set period. Once the Investment Case is approved, the GFF mobilizes resources from national and international partners in their designated priority areas subject to implementation review by the host country according to their "particular situations and contexts." Each funding partner follows its own suitable financing

strategy recognizing the need for public-private partnerships when required (Global Financing Facility 2017). The GFF has also partnered with the International Bank for Reconstruction and Development (IBRD) to raise funds from capital markets and mitigate the funding gaps in developing countries. The GFF commenced its operations for Democratic Republic of Congo, Ethiopia, Kenya and Tanzania and has expanded it to Bangladesh, Cameroon, Liberia, Mozambique, Nigeria, Senegal, and Uganda (Global Financing Facility 2016). Like the GF and GAVI, it is a *targeted* financing mechanism toward specific health issues, in this case, the RMNCAH (The World Bank 2015).

CDC, on the other hand, operates in more than 60 countries protecting against pandemics, communicable and non-communicable diseases through early detection and/or prevention. It was active in Guinea, Liberia, and Sierra Leone during the recent Ebola outbreak operating 200 staff in Africa, and 400 in Atlanta, United States, to contain the virus and treat the patients (CDC 2016).

Global health governance has thus become "polycentric" with the emergence of new health players reducing WHO to "just one of the many players in global health governance." (Kickbusch 2014) The polycentrism, emblematic of the "constituency model" of global health governance, hinges on cooperation between the states, civil society, private sector and foundations, and multilateral organizations to develop "harmonized structures" to work jointly on global health issues. Secondly, the disproportionate amount of aid dispensed by newer global health players (Table 1) dwarfing WHO budget in some cases has significantly boosted their "norm" and "agenda-setting" roles in international forums such as Rio+20, the UN General Assembly, the G20 or COP21 (Kickbusch 2014).

However, the proliferation of new players and their excessive convergence on certain health issues also creates efficiency losses, or "collective action problems." Fidler calls this the "old-school anarchy"- whereby often conflicting national interests hinder the collective decision-making in tackling common health challenges such as infectious diseases that simultaneously affect communities across different countries. The problem, he argues, is compounded by the increasing role of non-state actors and private foundations in tackling disease outbreak, vaccine development, formulating and lobbying disease-specific agendas and delivering "much of the unstructured plurality present in contemporary global health" leading to an "open-source anarchy." The "open-source anarchy" affects global health governance in myriad ways. First, "vertical interventions"- (disease-specific programs) skew priorities towards "donor concerns" and duplication between problems (Woodward and Smith 2017). Secondly, it could marginalize certain diseases and healthcare issues as state

and non-state actors shift focus to more “pressing” concerns. For instance, health policy experts contend that global health governance focuses more on curbing communicable diseases- mentioned exclusively in the Millennium Developing Goals- somewhat neglecting the spread of non-communicable diseases. Thirdly, it could cause “tragedy of the commons” whereby uncoordinated actions of individual states with “rational self-interests” may stall or aggravate net progress on a particular health problem. The treatment of HIV/AIDS in sub-Saharan Africa is a prime example of a hodge-podge of relief efforts carried out by numerous international organizations, state and non-state actors (Fidler, Architecture Amidst Anarchy: Global Health's Quest for Governance 2007).

Moreover, developing countries are now proactively engaged in global health governance. For instance, bilateral health funding still constitutes the “single greatest source of global health assistance” followed by public-private partnerships in low- and middle-income countries. The fight against a plague outbreak by India in 1994, the containment of SARS by China in 2003 and H1N1 by China and Mexico, the trachoma control campaign in Morocco, the folic acid fortification of flour for neural tube defect prevention in Chile, and the HIV/AIDS programs in Brazil and Thailand showcase states’ organizational strength making them an indispensable ally in promoting public health. The “South-South” collaboration in primary healthcare delivery and affordable medication education has steadily increased in recent years. Cuba has led the way since 1960, by sending over 100,000 Cuban health professionals to 101 countries, staffing public health infrastructures and supporting 21,000 students from Africa, Latin America, Asia and the Caribbean who are currently enrolled in Cuban medical schools, not counting those in nursing and allied health professions (Aspen Institute 2007).

Similarly, powerful states, such as the G8, can also stifle development of global health by stalling or blocking key legislations to protect powerful industries (the tobacco industry for instance) or strengthening intellectual property rights and limiting drug access (Ng and Ruger 2011).

These problems pose the unique challenge of harmonizing global health governance from different stake-holders’ perspectives to make it both inclusive and efficient. The WHO in particular, needs to adapt to this changing global health governance landscape to account for the presence of different non-state actors in global health. These developments should prompt the WHO to act as a platform for other players to formulate, coordinate, and lead their efforts in improving global health governance (Fidler, Architecture Amidst Anarchy: Global Health's Quest for Governance 2007).

Part 2: The Changing Global World Trade

3.1 WTO's erosion of centrality

The main principles of the current world trade order were established after World War II. The allies, under the leadership of the UK and the United States, were eager to introduce new international rules that would prevent another great recession that helped nationalist movements to come to power in Germany and other countries. The main idea was that opening of markets should be encouraged and the world trade system should be based on rules that prevented unfettered protectionism. In 1947, 23 countries signed the General Agreement on Tariffs and Trade (GATT). GATT membership increased continuously over the next decades and surpassed 100 by the early 1980s. An increased membership also equaled a stronger voice of developing countries. The creation of the World Trade Organization in 1995 was the outcome of the Uruguay Round that had started in 1986. The Uruguay round was last successfully concluded multilateral trade round. It established international trade rules that cover not only trade in goods, but also trade in services as well as intellectual property rights. Since its establishment in 1995, WTO has helped raise global incomes by $510 billion through trade liberalization alone (Meltzer 2011).

Chart 2: **Share of global merchandise trade 2005 between "developed" and "developing" countries**

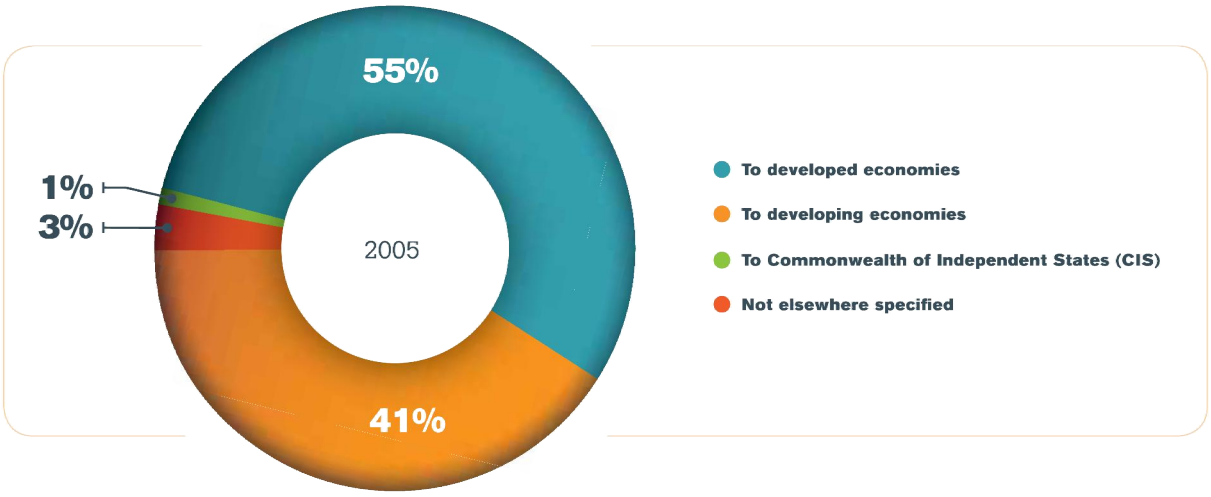
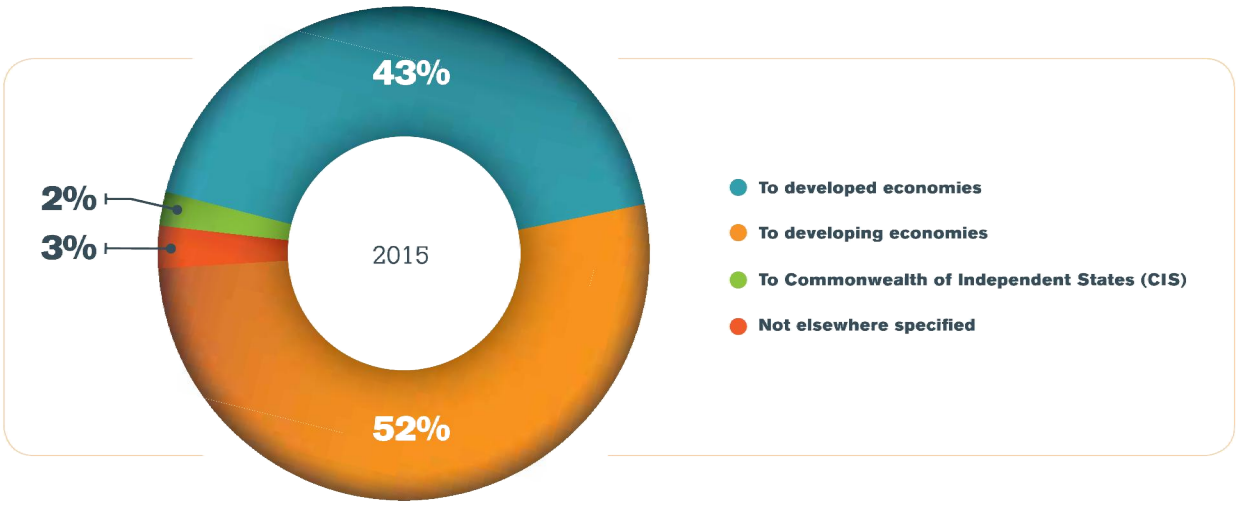


Chart 3: Share of global merchandise trade 2015 between "developed" and "developing" countries



(WTO 2016)

In the last 3 decades, world merchandise and commercial trade have increased by about 7 per cent annually reaching US $18 trillion and US $4 trillion respectively in 2011 (WTO 2013). Moreover, the share of North-North trade has dropped gradually from 56% to 36% between 1990 and 2011 while the share of South-South trade which increased from 8% to 24% during those years whereas North-South trade has retained itself at 37% since 2000 (WTO 2013). The overall share of developing countries compared to developed countries in global merchandise trade has steadily increased from 41% to 52% of the total. (Please see Chart 2 and Chart 3 for details)

Despite these feats, WTO's centrality as the "prime mover" of global trade has eroded substantially over the past decade. One reason behind this erosion is the proliferation of Preferential Trade Agreements (PTAs). In fact, developed countries led by the European Union were the first ones to initiate PTAs among its regional and later non-regional countries. As of 2008, EU had 35 PTAs, making it the largest network of PTA's in the world (Ahearn 2011) Over the years, EU has expanded its PTAs' network from Europe to Africa, South and East Asia and the Americas. The US, too, has PTAs and Free Trade agreements (FTAs) such as North American Free Trade Agreement (NAFTA) and the Central American Free Trade Agreement Plus the Dominican Republic (CAFTA-DR) in the Americas, and PTAs with many countries in Middle-East and North Africa (MENA), and in the Asia Pacific (Acharya, et al. 2011).

Overall, by 2008, 43% of the North-South PTAs under negotiation were cross-regional while 80% of the ones notified to WTO were bilateral, whereas between 1990 and 2003, about 35 of the 70 new PTAs signed by the developing countries were South-South agreements (Mayda and Steinberg 2002). While only 205 out of 394 PTAs were in effect until 2008, with the rest awaiting implementation, their share of world trade since has increased by 40%. The

preference for PTAs has prompted the WTO to introduce a special Committee on Regional Trade Agreements (CRTA) to improve their monitoring. The PTAs have diversified over the years to include trade deals in services with provisions on competition policy, investment, and intellectual property rights (Heydon and Woolcock).

The overwhelming preference for PTAs among developed and developing countries alike promises flexibility and speed in pursuing trade providing a welcome break from the slow pace of multilateral trade treaties and trade negotiation facilitated through WTO.

However, the proliferation of cross-regional agreements could also erode *regional* integration by weakening intra-regional trade patterns. For example, the Economic Partnership Agreements (EPAs) between the European Union and African ACP states in 2007 were initially designed to promote regional integration in sub-Saharan Africa but ended up enacting bilateral EPAs with ACP states separately due to political and technical issues convoluting regional integration instead of enabling it. (Heydon and Woolcock)

Some experts remain skeptic about the economic impact of FTAs on global trade. Roughly half of the PTAs await implementation. Secondly, tariff reduction is more firmly implemented in agreements entered into with developed countries and the benefits accrued from such agreements are marginal. For instance, most trade under NAFTA between Canada and the USA took place at the Most Favored Nation (MFN) status rather than preferential rates. Baldwin similarly notes that utilization rate in ASEAN FTA was very low at below 10%. Thus, where preferential rates are already small, certification rates for FTAs can increase exports' costs invalidating the FTAs' benefits. (Brown and Stern 2011) Thirdly, a sizable number of goods, particularly agricultural products, are often exempted from the PTAs citing protectionist arguments, the same ones often used in multilateral trade negotiations.

Nonetheless, multilateral agreements are on the rise. Despite the recent US withdrawal from the Trans-Pacific Partnership (TPP) with Japan, Viet Nam and nine other members, the US is still working on the Transatlantic Trade and Investment Partnership (TTIP) with the European Union. China on the other hand has concluded several bilateral trade deals with regional countries and is brokering a 16-country trade deal that includes India and Japan. (NY Times 2016) The rise of these "plurilateral" agreements has also created a "polycentric" global trade system threatening a perversion of labor rights and environmental protection and impeding access to medicine and other critical goods and services. (NY Times 2016) The Mega-trade agreements particularly threaten the economic interests of the non-member poor countries by lowering their competitiveness, lessening their preferential treatment in trade

and restricting access to capital and technology. The TPP, for example, features clauses on intellectual property rights, state-owned enterprises, and e-commerce so the fear of losing exports to competitors could prompt some developing countries such as Bangladesh for instance, to join the TPP to protect its formerly export competitive industries despite being incapable of adapting to the new trade regime provisions. To mitigate these concerns, TPP and other trade regimes must revise the rules of accession for newer members to ease their transition into the agreement depending on their level of development while minimizing the operational costs of joining the agreements. (Bohnenberger 2016)

Multinational Corporations- soaring from 35,000 parent multinational corporations with 170,000 foreign affiliates at the beginning of the 1990s to 60,000 parent companies with more than 500,000 foreign affiliates towards the late 1990s- have also fundamentally changed global trade landscape in the past two decades by making the production processes *global* amid the lack of effective international (and often national) regulation to protect workers, communities, and the environment (Florini 2003). Subsequently, many non-governmental organizations (NGOs) such as the Oxfam, Friends of the Earth, Greenpeace, Third World Trade Network, and Public Citizen's Trade Watch, as well as Act-Up and ATTAC have become increasingly crucial in *advocacy* for corporate social responsibility and improved business practices of MNCs through *mobilization* of public opinion and providing *technical knowledge* through multilateral fora. (Jones 2004)

Finally, the hierarchy (or its lack thereof) in WTO has frustrated both developed and developing country members. The one-member-one-vote is unnecessarily limiting for countries such as USA, Japan, China, and the EU who seem to have side-stepped the stalled Doha negotiations with "mega-regional trade agreements" such as the TTP and TTIP (Elliot 2016). Secondly, many low-income developing countries also complain about being left out of the decision-making process as they lack the necessary expertise and organizational capacity to meaningfully influence negotiations. Typically, a delegation from a lower-income country consists of two people while the European Union for instance, sends 140 experts to participate in WTO's 60 sub-committees rendering engagement by low-income countries virtually meaningless (Lee, Sridhar and Patel, Bridging the divide: global governance of trade and health 2009). Thirdly, emerging developing countries such as the BRICS, also stall, sway or side-step WTO regulations to its detriment. Fourthly, the bilateral and unilateral tariff cuts by developing and developed countries alike leading to the "spaghetti bowl" of RTAs signal a decisive shift towards a decentralized world trade system (Baldwin, Proposal - Erosion of WTO Centricity: Moving towards global trade under global rules 2009).

The changing landscape of global trade poses an existential crisis for WTO as RTAs assume the mantle of global trade governance (Baldwin 2011). As Baldwin iterates *"Without reform that brings existing RTA disciplines under the WTO's aegis […], the trend towards eroding WTO centricity will continue and possibly take it beyond the tipping point where nations ignore WTO rules since everyone else does. There is the risk of drifting back towards a 19th century 'Great Powers' world*" (Baldwin, The Systemic Impact 2014). In heeding this, WTO needs to realize the diversity of its members to revise its one-size-fits-all model. To initiate artificial integration, WTO must not trifle with the priorities of developing countries but seek a "deeper" integration where instead of enforcing same rules for all states. It must adopt a nuanced approach with mandatory core requirements for all members supplemented by plurilateral agreements to which only some members belong. These "plurilateral agreements" could range from extending MFN status to all members and agreements on trade facilitation or "full liberalization" of some sectors. Such multifaceted agreements could restore confidence in the WTO by allowing both developing and developed countries to benefit from only those agreements that better suit their interests and abide by the core WTO obligations while avoiding WTO's institutional red tape. It could also help utilize the FTAs in reaching a compromise from willing members by creating a multilateral global trade governance structure (Lawrence 2012).

Part III: The Changing Global Development Finance Governance

.1 Introduction to Development Finance

The end of the World War II marked the beginning of the new era of economic growth and post-war reconstruction in Europe. The World Bank (WB) was founded following the Bretton Woods Agreement in 1944 to channel funds for reconstruction projects first in Western Europe and later to the newly independent states of the Africa Asia and the Pacific during the 1960s. (The World Bank) This prompted the formation of regional development banks such as the Inter-American Development Bank (IADB), the African Development Bank (AfDB), the Asian Development Bank (ADB) and European Bank for Reconstruction and Development (EBRD) to cater to the growing infrastructure needs of developing countries. These Banks have steadily increased lending to member countries while gradually eroding the status of WB as the leading global financing institution. The recent formation of the BRICS (Brazil, Russia, India, China, South Africa) led New Development Bank (NDB) and the People's Republic of China led Asian Infrastructure

Investment Bank in 2015 and 2016 with initial capitals of $100 billion and $10 billion respectively, compared to International Bank for Reconstruction and Development (IBRD) at the World Bank which has $212 billion capital, seek to finance the burgeoning global infrastructure financing needs estimated to be $26 trillion for Asian alone between 2016-30 (ADB 2017). The AIIB for instance, focuses more on funding electric power, urban development and transport projects.

Yet, the emergence of new MDBs is also a sign of shift in the global balance of power. EU members are over represented in IMF and the WB and have more than twice (27%) the voting power than BRICS countries (12%) even when the total economic output of EU ($16.3 trillion) in 2015 was lower that of the BRICS ($16.9 trillion) whereas the US and Japan each have 12.8% voting rights in the Asian Development Bank as compared to 5.5% and 5.4% for China and India respectively. (Berensmann 2016) The two new Banks could thus be construed as part of the new wave of Development finance institutions with greater impetus from emerging developing countries. However, so far ADB has pledged to work with AIIB by investing $300 million in a joint project with AIIB. President Jinping also iterated following AIIB launch that AIIB "needs to follow multilateral rules and procedures" learn from "existing multilateral development institutions in their good practices and useful experience." (Lee 2014) Germany ($4.5 billion), France ($3.4 billion), UK ($3.1 billion) and the Netherlands ($1 billion) have already AIIB members as PRC tries to attract more members from Asia and Africa. (Berensmann 2016) Nonetheless, the entry of regional and emerging countries'-led Development Banks will surely dent the traditional dominance of WB and IMF in development finance.

Secondly, Multilateral Development Banks (MDBs) have traditionally relied on grants, concessional and non-concessional loans, risk sharing instruments and equity investments to fund development projects in developing countries. However, most MDBs are now diversifying their investment schemes especially in low-income countries to both foster development there while utilizing their funds more efficiently. African Development Bank for instance, is now offering non-concessional and concessional funding to the poorest countries while IMF has increased access to its loans for the poorest countries and those hit by natural calamities by 50%. In particular, MDBs stepped up their financial support from $50 billion to $127 billion in the 15-year period since 2000 to reach the MDGs and have pledged $400 billion for the initial phase (2016-2018) of the Sustainable Development Goals' (SDGs).

Apart from funding development projects, MDBs are now increasingly involved in better governance and implementation of infrastructure projects in developing countries. They are helping strengthen developing countries' technical and financial regulatory capacity, provide credit enhancement, structure finance and hedging solutions to make bonds (including local currency bonds) more attractive (World Bank Group 2016). MDBs view Public Private Partnership (PPPs) projects as key to maximizing returns to their investment as well as a sustainable way for financing development projects in developing countries. A World Bank study finds that for every dollar invested in the private sector, MDBs are able to generate another $2-5 of additional private investment (World Bank Group 2015). PPPs already comprise about 25-30 percent of infrastructure development projects in Brazil, India, and Mexico but a lack of transparency and technical expertise in managing, constructing and operating PPPs in developing countries hamper its scope. (Rillo and Ali 2017). MDBs can provide technical expertise to help mitigate these concerns. ADB for example, is already teaming with Indian and Philippines' governments and the Economist Intelligence Unit to gather information about public infrastructure projects in 11 Asia-Pacific countries benchmarked with the mature PPP countries such as Australia and the UK to better identify the PPP challenges in developing countries. (Chiplunker 2013)

As in global health and trade governance, non-state actors such as philanthropic organizations, NGOs and Foreign Direct Investment (FDI) have now become a crucial part of global governance for Development financing. Private financing by these non-state actors has "tripled" since 2000 in emerging developing countries making them few of the largest sources of development finance alongside MDBs. Many middle-income countries generate substantial revenues through tax reforms, increased remittances and FDI which could be used for domestic resources mobilization to sustain greater economic growth without perennially relying on MDBs' financing. An IMF study concluded that general fiscal revenues in select "emerging and developing" countries increased from $1.5 trillion in 2000 to $7 trillion in 2011 and are forecasted to be $11 trillion by 2017 (Greenhill and and Prizzon 2012) The tax revenues alone were about 5 times larger than FDI inflows in these countries and about 40 times greater than Overseas Development Assistance. Philanthropic organizations and NGOs based in 14 developed countries are also estimated to contribute about $56 billion $22 billion respectively to developing countries during the same time. The increased self-reliance of many emerging countries coupled with greater influx of private charities' and NGOs' funds have, thus, made many emerging developing countries less dependent on financial assistance

from MDBs and Official Development Assistance (ODA) from developed countries (Greenhill and and Prizzon 2012).

Nonetheless, most bilateral and multilateral aid comes from the G7 countries. In 2007, Development Assistance Committees' (DAC) member countries disbursed a record $78 billion in bilateral and $28 billion in multilateral assistance to developing countries (Kharas 2009). Yet, bilateral aid with "strings attached" to them may potentially erode good national and global governance. As Werker argues, most development aid is deeply political (Werker 2012). During the Cold War, both the US and Soviet Union lured allies through financial and technical assistance. As Hans Morgenthau once remarked: "*the transfer of money and services from one government to another performs here the function of a price paid for political services rendered or to be rendered*" (Werker 2012). Though not always, instead of encouraging socio-economic development in most developing countries therefore, bilateral aid and technical assistance by developed countries is often exchanged for political loyalties to serve "their strategic interests" and the assistance is often expropriated by the ruling elites to tighten their hold over power. Anderson et. al. found that low-income targeted International Development Assistance lending at the WB is *correlated* to US political interests based on UN voting on issues concerning the US and its allies. IMF and WB loans also increase for countries who become non-permanent members of the Security Council suggesting a "complex system of global horse-trading between votes at the Security Council by developing countries and aid decisions by the donors through the Bank and the Fund." (Werker 2012) Given the political benefits of ODA, Brazil, China, India, Turkey have also followed suit and increased their bilateral assistance to their neighbours and regional members whose lasting impacts are yet to be discerned. Nonetheless, it seems that politically motivated development aid could end up weakening the same institutions it was conceived to protect.

Lastly, the influx of newer public and private financing has greatly increased the risk of investment in unfeasible and poorly designed projects. Indeed, a lack of bankable"- well-designed and feasible projects- are scarcer than the resources used to fund them for the projects that are socially and economically viable are often turned down based on technical and engineering flaws (The World Bank 2014)**.** Financiers determine the bankability of the projects based on social, economic, financial, technical, environmental and administrative feasibility reports which are often hastily conducted and/or mired in red tape in many developing countries due to lack of technical expertise or mismanagement of resources. (Institution of Civil Engineers 2010).

Conclusion

Global governance in health, trade and finance has undergone dramatic changes over the past two decades. The change is emblematic of the inability of the leading global governance institutions to adapt to changing global landscape. G7 countries for example, helped form the Global Fund to protect against specific diseases such as AIDS, TB and Malaria after WHO was deemed unable to lead a concerted and decisive efforts against them. Similarly, many developed and developing countries have opted for PTAs and FTAs to bypass the complex and slow pace of multilateral trade negotiations at the WTO whereas new development banks led by emerging developing countries could be proof of weariness of their increased economic weight not being reflected in the existing financial institutions. These changes surmise that existing global institutions unable to respond to the changing global economic and political realities are being replaced by newer ones.

Nonetheless, global governance structures across health, development, and trade are very complex, comprising of global, regional, national, local and private institutions. The sprawling of these institutions has corresponded with more funds for health and development in developing countries, and faster and hassle-free trade. On the downside, the entry of more actors often account for overlapping priorities and efficiency losses, which may do more harm than good to existing global governance structures if not handled properly.

While the current global governance structure is polycentric it's also more stable. The mantle of health governance, for example, is steadily shifting towards private foundations who are increasingly becoming more independent and arguably, more efficient than the WHO in tackling some of the most prevalent and pressing healthcare problems. WTO is also reshaping itself primarily as a dispute settlement body for countries who are increasingly favoring bilateral and regional trade agreements. The consistent economic growth, tax reforms in emerging developing countries and new development financing institutions led by emerging developing countries has lessened their reliance on traditional development banks.

All in all, the global governance structures have only become more resilient. Perhaps this resilience has also made them more complicated to access. WB, IMF, WTO and WTO must now assume a new role of coordination, facilitation and dispute settlement among the new players to harmonize their efforts for better global governance. Global economic and political power has changed dramatically in the past two decades, traditional global governance institutions must adapt themselves to these

changes to stay relevant.

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