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## **SHAPING THE POST-CRISIS AGENDA**

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1) **The financial crisis** – the causes of which were created in just a few states of the world – has developed into a global economic crisis which has dispossessed millions of people around the world of their daily bread. For this reason, the crisis must be understood as a *catharsis*, as a *clearing of the soul through a catastrophe*. The first steps in the right direction have been made: the result of the meeting of the G 20 states in Washington was disappointing, yet this conference was important because it meant the *de facto* end of the G8. Until now, the representatives of a handful of developed industrial nations have made decisions which affect the lives of billions of people worldwide. Who gave the G 8 this mandate? Where does its democratic legitimacy come from? History teaches us that institutions without legitimation have no future. From this point of view, the G 8 is the victim of its own birth defect. Now it is important that the G 20 avoids making the same mistake. A system of rules must be created which, on the one hand, gives this institution its internal legitimacy and, on the other hand, uses this legitimacy to grant it power. This is not a simple task, above all because it is bound to the ceding of national sovereignty. This applies especially to the US, which has always had difficulties in this arena. But there is no way around it. Not only because US actors were primarily responsible for this crisis, but also because America has no other choice. The “splendid isolation” of the 1920’s ended in global disaster, for which the United States was not responsible, but which would not have taken on such monstrous dimensions had America remained involved in global affairs. Today, a refusal of the US to be part of the solution and not part of the problem would not end in world war, but it would mean the end of America’s exceptional position in the world in the medium term.

2) **The US is not the only party in demand for the rebuilding of the global institutional architecture.** An institution like the United Nations must be tied more resolutely into the solution of these problems. Ideally, a newly created G 20 would be embedded into the UN. But this also means that the UN must reform itself. The UN needs a stronger mandate in many questions, for which its democratic basis must be renewed. How modern is an institution like the Security Council with its five permanent members? Why are states of the so-called “Third World” and Muslim states so strikingly underrepresented? My proposal is that the Security Council be rapidly expanded with permanent members like Nigeria, Indonesia, India and Brazil. But also that other states remove themselves from this body. Why is it that today, including Russia, fully three European states are represented in this club of five? France and Great Britain should relinquish their seat in lieu of a common EU representation. Expanding the Council to include Germany – yet another European state – as demanded by some would be the wrong way.

3) **The crisis of the financial markets is also a crisis of leadership.** By what standards do our executives in the financial and business world actually act? Which values are imparted to them in the business schools of this world? We need a fundamental discussion about leadership. Too many confuse leadership with authority. Many CEO’s consider themselves leaders because they occupy an important position. But this is not the right understanding of leadership. A real leader understands how to recognize the problematic reality in which we are living. That he or she needs to mobilize others to solve these problems jointly. That he or she may not be fixated on personal interest, but must be committed to the good of others. That his or her actions must be guided by moral and ethical principles. Berthold Brecht once said, “food comes first, then morals”. That may be true in the short



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term, but we are seeing today that we will be choked with this motto by the greed of the few. I see many authorities today in politics and the world of business, but only a few true leaders. This has to change. It will not be easy, but why don't we begin today with a discussion about the correct understanding of leadership?