The Relative Gains Theorem and the Stalling United Nations Security Council Membership Reform

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Abstract: The United Nations Security Council is the heart of our current global security order. This executive board of fifteen countries is the central transnational organ which discusses and sanctions global breaches of international peace and security. However, over the past two decades, and especially since the late 2004 United Nations high-level panel report on UN reform, there have been growing calls for the Security Council’s reform. Reform is often perceived as necessary because the current structure of the Council, and especially its five permanent seats is seen as out of date and not in touch with contemporary geo-political realities, and representation on the Council is seen as largely undemocratic. However, in the background of all efforts to reform the SC are considerations of power and prestige. Ranging from the current permanent five members to the candidate states who fancy themselves worthy of Security Council permanent membership, most actors involved seem guided in their decision making processes by considerations of relative gains and balance of power. This is why applying the realist, or neorealist, theorem of relative gains may be insightful in analyzing the power-plays related to SC reform. The paper first offers a brief overview of the applicable theoretical framework for examining SC reform, and then outlines a background to the actual proposals for that reform. This is followed by a discussion of how perceptions of relative gains are influencing SC membership reform debates, and how these perceptions translate into concrete action of undermining membership aspirations.

Keywords: United Nations, Security Council, Reform, Realism

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ALTERNATIVES TURKISH JOURNAL OF INTERNATIONAL RELATIONS www.alternativesjournal.net
Introduction

The United Nations Security Council (SC) is the heart of our current global security order. This executive board of fifteen countries is the central transnational organ which discusses and sanctions global breaches of international peace and security. However, the core of the SC is formed by its veto wielding five permanent members (the P5—France, the UK, US, Russia, and China), also the major architects of the foundation of the UN. With these five rests the real power of the SC. But, is the distribution of these five permanent seats really a reflection of contemporary global political power, or a relict of a time gone by? Are there new players on the international political scene who should have more say in global security matters? Whilst many commentators, historians and political analysts today would agree that the SC is in dire need of some sort of reform in regards to its membership, not many can agree on what kind of reform should be adopted. A major argument in favor of reform is that the membership of the Council should be extended in order to increase the credibility, legitimacy and efficiency of the SC in the eyes of the international community.

In the background of all efforts to reform the SC are considerations of power and prestige. Most members of the United Nations agree on the need for reform and adding more members to the structure of the SC, but few can agree on which countries should be added. Ranging from the current P5 members to the candidate states who fancy themselves worthy of SC permanent membership, most actors involved seem guided in their decision making processes by considerations of relative gains and balance of power. This is why applying the realist, or neorealist theorem of relative gains may be insightful in analyzing the power-plays related to SC reform. This paper seeks to discuss issues of relative gains and power balance in relation to SC reform and potential membership aspirations, and argue that it is exactly this perceived consideration of power and prestige, or status, that is holding back SC reform. The paper first offers a brief overview of the applicable theoretical framework for examining SC reform, and then outlines a background to the actual proposals for that reform. This is followed by a discussion of how perceptions of relative gains are influencing SC membership reform debates, and how these perceptions translate into concrete action of undermining membership aspirations.

The Theorem of Relative Gains and the framework for analyzing Security Council reform

As Robert Powell argues:

The problem of absolute and relative gains divides two of the most influential approaches to international relations theory. Neoliberal institutionalism assumes that states focus primarily on their individual absolute gains and are indifferent to the gains of others...In contrast, neorealism, or structural realism assumes that states are largely concerned with relative rather than absolute gains.¹

In the anarchic world of international politics, according to Kenneth Waltz, “relative gain is more important than absolute gain².”

For the purpose of this paper we are not concerned with absolute gains and neoliberal institutionalism, but primarily with the realist theorem of relative gains. The relative gains approach basically considers international relations a zero sum game in which states perceive another’s increase in power (or prestige) as a direct decrease of their own. Therefore, states are
always concerned with limiting the power of other states, and even if state cooperation could bring considerable benefits, they will refrain from it because it will also bring the same or more benefits to other states. This theory will be applied to the analysis of SC reform because it may prove useful in explaining the politics of power-play and balance of power which are important in understanding the problems UN member states have in agreeing on the outlook of possible SC membership reforms.

Balance of power and relative gains have varying importance for the actions of actors in international relations depending on the nature of issues state actors analyze. For example, as David Rousseau has argued “states which are viewed as an economic or military threats are more likely to trigger concerns about relative gains than non-threatening states.” Rousseau’s research into the perceptions and ideas of university students in regards to relative and absolute gains and how states should act in certain situations found that “the importance of relative gains was higher for security issues than non-security issues.” This does not, however, mean that even though there may not be immediate security issues on the horizon, states will not act in terms of relative gains.

It has been noted that a seat on the SC “brings prestige, influence, and bargaining power” to those UN members occupying it. In the absence of immediate security threats posed by one SC membership aspirant to another, these issues of prestige, influence, and bargaining power are of key significance in understanding why states might still act in terms of relative gains. As Robert Keohane insightfully observed when discussing relative and absolute gains “it turned out that the question needed to be reframed: not, "do states seek relative or absolute gains?" but "under what conditions do they forego even mutually beneficial cooperation to preserve their relative power and status?" This observation is at the heart of the current SC membership reform debate. A brief examination of two examples will highlight the issue.

Although it is mutually beneficial to the whole African continent for African states to cooperate in securing a permanent seat on the reformed SC, they simply can not, or will not, decide who should occupy that seat. Is this because the aspirants who might have the best chance of securing the seat, for example, South Africa, Nigeria, or Egypt, all individually think they are the most worthy pick for the seat, or is it because they do not wish the other potential members to gain more power, prestige and influence in regional and global affairs?

On the other hand, even though current permanent members of the SC might recognize that in theory a membership increase is a good idea even for their own interests, they may still be skeptical about SC reform because it could have the potential to dilute and limit their political influence. As Ikenberry and Wright have noted “China knows that accession of either Japan or India to the SC would empower a potential rival” Therefore, China may also be guided by relative gains considerations in its negotiations and cooperation in SC reform.

Overview of Security Council reform proposals and the impetus behind them

That the SC is in need of reform has been a view widely advertised in the past decade, especially since late 2004 and the UN high-level panel report on UN reform in general. The recommendations of this panel pertaining to SC reform were concerned with the significant changes in global politics since 1945 and the fact that the SC should increase its member numbers, either with additional permanent members or rotational seats. Two reform models were proposed. The A model proposed the creation of six new permanent seats (two for Africa and two for the Asia/Pacific region, and one each for Latin America and Europe) and three two-year non-permanent seats, bringing the total number of SC members to twenty four. Model B proposed the creation of no new permanent seats but a new category of eight four-year renewable seats and one new two-year non-permanent (and non-renewable) seat, again bringing the total SC membership to twenty four. As we shall see later, support for these
models varies among countries depending on their perceptions of relative gains and balancing each other’s influence and power.

The arguments for SC reform are many. The geo-political changes in the last sixty years have been vast: the UN membership has almost tripled since 1945 and currently stands at 193 countries which vary significantly in size, population and military and economic power. Furthermore, the global influence and international political significance of certain P5 members has greatly changed since the 1940s: France, the UK, and Russia are no longer the “great powers” they used to be, and it is questionable what their real capacity for global political influence currently is. On the other hand, certain regional “players” have emerged which can contribute significantly to UN global economic projects, but also military operations around the world; countries such as Brazil, India, Pakistan, Italy, Japan, Germany, Nigeria, and South Africa.

Another issue which critics of the current SC have seen as a fundamental aspect of future reform is the legitimacy of the Council, as influenced by its membership base and rules of membership. An argument is made that the legitimacy of the SC is a “precious resource that is important to its effectiveness.” Having its work considered legitimate is important for the SC because it may increase the likelihood that states will respect the decisions made by the Council. For this to happen, the SC membership base has to be altered to reflect current geo-political realities, but also greater general representation of member states. The more democratic the SC is perceived to be, the more respected and legitimate its decisions will be. Furthermore, if certain countries bare the brunt of overseas military operations with manpower and finances, and regularly pay their UN dues, they should be allowed more say in what goes on around the SC.

Finally, amending the right of veto by the P5 is also a major issue in legitimating the work of the SC. The fact that a single country can completely halt SC actions and deliberations whenever it perceives certain decisions to go against its interests means that the work of the SC, but also the UN as a whole, can be significantly hampered due to the interests of one particular member state.

**Membership aspirants and membership criteria**

In regards to the A and B reform models outlined above, two groups of states have arisen as backers of particular models with their own suggestions, and in effect constitute an opposition to each other. The group of states backing something very similar to the A model are known as the Group of Four (G4). This group includes countries that can be considered as “major” regional powers; Brazil, India, Japan, and Germany. These countries are eyeing the possibility of gaining permanent seats for themselves plus allowing the other two permanent seats to be reserved for African countries. The most likely African contenders for these seats are Egypt, South African, and Nigeria. Those backing something very similar to the B model, one without any permanent membership, call themselves the Uniting for Consensus (UFC) group. This group includes many countries which fall in the “mid-range” regional power status; countries such as Italy, Spain, Pakistan, Argentina, Canada, Mexico, and South Korea.

In order to understand how complicated and unclear it is which countries could advance a strong and valid claim to permanent membership status in the SC it is important to understand some of the proposed criteria for SC membership. The UN high-level panel for reform has stated that, among other representative issues (such as broader membership and regional representation), the reforms of the SC should

*Increase the involvement in decision-making of those who contribute most to the United Nations financially, militarily and diplomatically — specifically in terms of*
Of the three main points of contribution (financial, military, diplomatic), two are really key for the unimpeded running of the UN as an organization; namely financial and military contributions.

Even a quick glance at recent figures of UN budget and military operation contributions highlights a very diverse situation. Looking at who contributes the most money to the UN budget, and who contributes the most troops to UN military operations it becomes very clear that in general the developed and richer countries contribute most of the money, while the developing and poorer countries contribute most of the troops. Therefore, even among potential aspirants for SC permanent membership there are no countries which contribute both money and troops in equally high proportions. For example, the largest contributors to the UN budget are the US (22% of the overall budget), Japan (12.5%), Germany (8%), the UK (6.6%), France (6.1%), and Italy (5%). Some SC permanent members like China (3.2%) and Russia (1.6%) contribute much less than some non-permanent members. On the other hand, the largest UN military and police personnel contributors come from Bangladesh (10498 troops), Pakistan (9333), India (8093), Nigeria (5662), Ethiopia (5233), and countries like Egypt, Nepal, Jordan, Rwanda, and Ghana.

If we accept the identification of Brazil, Japan, Germany, India, South Africa, or Nigeria as some of the SC permanent membership potential aspirants, it becomes apparent that these countries, for one reason or another, do not meet the SC enlargement criteria related to UN contributions. For example, although they contribute considerable funds to the UN budget, Japan is ranked 49th in troop contributions (258), and Germany 48th (266). On the other hand, although they contribute considerable troop numbers to UN operations, India contributes a mere 0.5% of the UN budget, Brazil some 1.6%, while South Africa contributes around 0.4%, and Nigeria a low 0.08%. Looking at it from the perspective of suggested membership criteria it is clear that many of the perceived potential SC permanent members do not fulfill at least one of the membership criteria, and their claims for permanent membership can be challenged.

The G4 vs. the UFC: the “murky” world of balancing power and relative gains

It can be argued that the theory of relative gains is actually at the heart of the problems with SC membership reform. Joseph Grieco argues that from a realist perspective the major goal of states in any relationship is not to attain the highest possible individual gain or payoff, but rather “the fundamental goal of states in any relationship is to prevent others from achieving advances in their relative capabilities.” What will become evident from our examination is that this is exactly the sort of behavior and philosophical outlook dominating SC membership reform.

The relative gains realist behavior is very evident in the activities of the UFC group contra the G4. The support for different reform models between the G4 and the UFC, although marked by rhetoric of wider general representation and the importance of consensus, is basically a division over who should, or rather, and who should not become a new permanent member of the SC. The main dividing line runs between those favoring an increase in permanent membership (G4), basically the possible candidates to the new seats and their allies; and those opposing permanent membership expansion (UFC), basically middle powers who have little chance of acceding to permanent membership but still want to have a stronger voice in the SC (and their allies). The UFC representative states argue that only a fully consensual
reform model will increase the legitimacy of the SC and be a viable option for membership expansion\textsuperscript{18}. However, UFC members know very well that a consensus of 193 UN member states on SC membership reform is very unlikely to ever take place.

The UFC was basically created to counter the G4 membership reform model, and it includes some 40 countries. Its leaders are counted among Italy, Pakistan, South Korea and Colombia\textsuperscript{19}. Many of these member states, and especially its leaders, are fiercely opposed to what they perceive as an unjust reduction of their international political relevance. Italy’s activity as one of the leaders of the UFC, as Pedrazzi argues, is “due much more to the will of preventing” a kind of reform that it feels “would severely damage its interests, than to a sense of urgency for seeing a renovated Security Council\textsuperscript{20}.”

For example, in February 2009 Italy hosted talks with delegations from nearly 80 countries seeking support for its view than no new permanent members should be added to the SC\textsuperscript{21}. However, those not invited to the conference included all members of the G4 (Germany, Brazil, India, Japan). Italy, Pakistan, and South Korea oppose the accession of Germany, India, and Japan to SC permanent membership because they perceive it as a loss of their own international political influence, and these regional rivalries are fueled by a philosophy of relative gains. As one commentator has argued Italy has interpreted its battle with Germany over SC membership expansion as “a big threat to the relevance of its role within the international community; an enlarged Security Council with Germany as a permanent member would have relegated Italy to a totally marginal position within and outside the UN\textsuperscript{22}.”

In battling the G4’s SC reform proposals Italy even went as far as actually accusing Brazil, Germany, India and Japan of using aid money to try to buy seats on the Council\textsuperscript{23}. Italian lobbying against Germany’s bid for a SC permanent seat was particularly intense in Washington, and actually met with some concrete success. The Bush administration in 2005 poured cold water over Germany’s aspirations stating that it favored adding only two permanent seats, one reserved for Japan, and the other for a developing nation. This view was interpreted privately by diplomats as the US’s payback for Germany’s opposition to the Iraq war\textsuperscript{24}.

However, it should also be noted that some of the UFC’s members’ dissatisfaction with the G4 permanent membership aspirations is not unfounded. Italy, although contributing some 3\% less to the overall UN budget than Germany, still contributes considerable funds, and on the other hand contributes some six times more troops to UN operations than Germany (Italy’s 1833 vs. Germany’s 266). It can rightfully ask why them and not us? Pakistan, on the other hand, does contribute significantly less to the UN budget than India (which doesn’t contribute all that much anyway - a mere 0.5\%), but provides some one thousand more troops to UN operations than India. Although the situation between Italy/Germany and Pakistan/India is perhaps not comparable in terms of neighborly relations, since the former two are NATO allies and EU partners, while the latter are involved in an on-off military conflict and explicit nuclear rivalry, there are still many similar aspects of the relative gains theorem applicable to both cases. As Grieco notes “states seek to prevent increases in other’s relative capabilities. As a result, states always assess their performance in any relationship in terms of the performance of others\textsuperscript{25}.” Therefore, be they in alliance and peacetime, or military confrontation and ongoing conflict, states always compare their capabilities to those of others (especially neighboring countries) and seek to keep them unchanged.

Italy and Pakistan are not the only countries contesting the G4’s permanent membership aspirations. South Korea has joined on as one of the main actors in the UFC group, and its participation is directed mainly at opposing Japan’s permanent membership bid. In April 2005, as the UFC group outlined its proposal for SC reform, Korea’s UN mission press-attaché stated that his government’s position on SC reform was that they supported “an expansion of elected seats, not permanent seats.” However, another Korean mission press officer more bluntly stated that the whole purpose of Korea’s involvement in the UFC meeting was to oppose “Japan wanting to join as a permanent seat on the Security Council\textsuperscript{26}.”
There is also the case of African representation on the SC which is plagued by perceptions of relative gains and regional rivalry. This is perhaps the clearest case of relative gains theorem at work. Robert Keohane framed the relative gains theorem question as under what conditions do states “forego even mutually beneficial cooperation to preserve their relative power and status?” Even though mutual cooperation by the African bloc would be beneficial for all involved, since Africa as a whole could gain one or two permanent seats on the SC, membership reform talks are lagging because there is no agreement on who a potential candidate for a permanent African seat should be. The African Union has failed to pick a candidate which has left potential aspirants undermining each other’s efforts. South Africa is seen by some as having more credibility among G-8 nations on account of the size of its economy (almost 40% of Africa’s economy), and as being the frontrunner for the possible African permanent seat. However, with significant oil reserves, a growing economy, and largest population in Africa, Nigeria has expressed its view as being worthy of the African seat. Although South Africa contributes the most to the UN budget of all African countries (0.3%), its share of troops in UN operations is more than twice as less as that of Nigeria. This regional rivalry has sparked controversy with Nigeria dismissing South Africa as not being “black enough” to represent African on the SC.

In fact, in addition to the “usual” regional rivalries which hold back any significant SC reform effort, some of the existing SC permanent members are also active in thwarting G4 membership aspiration. China, for one, may not perceive it as being in its best interest for India or Japan to become SC permanent members. China has much to be fearful of India; it has the world’s second largest population which is markedly younger than China’s, a developing economy which could in the near future outpace China’s, and an established nuclear power. India is also a bordering neighbor of China who offers sanctuary to Tibetan dissidents and its spiritual leader Dalai Lama, and has a history of diplomatic and military quarrels with China over disputed territory near Kashmir, and the north-east tip of the country. India’s potential rise as not only a regional, but perhaps global power in the next half-century would be significantly aided by the prestige of SC permanent membership.

On the other hand, China’s perceived interests would also not benefit from Japan’s accession to permanent membership in the SC. In this case China has already started stepping up its efforts of thwarting Japan’s bid for SC membership. For example, in 2005 two events took place which highlighted China’s tactics in undermining Japan. First, at the end of March an apparent Chinese grass-roots campaign to keep Japan out of the SC gathered some 22 million signatures. Organizers of the campaign stated that Japan had to recognize and apologize for World War II atrocities it committed against the Chinese population. The petition effort was conducted through popular Chinese Web-sites and enjoyed tacit support from the government which allowed state-controlled media to cover the campaign prominently.

The second event was an anti-Japanese demonstration staged on the streets of Beijing. The main reason for the protest was reportedly the publication in Japan of history textbooks which, in China’s view, basically whitewash the Japanese record prior to, and during World War II. However, the protests were overseen and manipulated by the Chinese government. Police officers reportedly “herded protesters into tight groups, let them take turns throwing rocks, then told them they had “vented their anger” long enough and bused them back to campus.” The Chinese government skillfully used a situation of sincere dissatisfaction and anger over Japan’s view of its World War II history to advance its case of Japan’s present unsuitability for SC membership. In fact, during the protests Chinese leaders explicitly stated that Japan did not have “the moral qualifications to become a permanent member of the United Nations Security Council.” Roughly at the same time, half way across the world, the president of South Korea on an official visit to Germany expressed his country’s reservations about a permanent Japanese seat on the SC. Perhaps for completely different reasons, but guided by a common logic of relative gains, both countries attempted to thwart Japan’s SC permanent membership aspirations, and six years later their efforts are still successful.
What is evident from this examination of regional rivalries and the methods employed by states in undermining each other’s SC membership aspirations is that no matter which region of the world they are from, and no matter how economically developed and interdependent they are on cooperation and trade, when it comes to perceptions of power and self-importance in international affairs, most states are guided by a logic of relative gains in maintaining a status-quo of power and prestige, or diminishing the potential increase in these aspects of their neighbors.

Conclusion

The purpose of this paper was to analyze the power struggles behind SC reform. Specifically, using the realist (or neo-realist) theorem of relative gains, this paper has examined the influence this ideological outlook has on potential SC membership aspirants and their efforts to realize that membership. We have used the theorem of relative gains as an analytical framework which helps us understand the actions undertaken by states in their attempts to accede to SC membership, or more frequently, undermine the accession of others. The paper has argued that countries such as Italy, South Korea, and Pakistan have become loud proponents of a specific SC membership reform model which allows them to potentially play a greater role in the SC, but also blocks regional rivals such as Germany, India, and Japan from realizing their own goals of attaining SC permanent membership. It has also been argued that the theorem of relative gains can quite successfully explain the problems African states have in determining their potential SC permanent members. While it is significantly beneficial for all African states to have a regional permanent representative on the SC, this potential benefit is so far completely cast aside as potential membership aspirants undermine each other’s bids. In a situation where many countries contribute significant funds to the UN budget and other contribute most of its manpower for military and policing operations it is difficult to argue that some SC membership aspirants have a more valid claim to membership than others. This raises a key question which will frame most future discussions of SC reform: Is the money used for running the UN and paying for its decision making processes more important than the manpower used to actually enforce those decisions?

There are many problems plaguing SC membership reform. There is no general consensus on what model of membership reform should be adopted, and neither is there any consensus on who the potential future members of a reformed SC should be. States aspiring to SC membership are constantly undermined in their efforts by regional neighbors who either see themselves as worthy aspirants, or simply do not wish to see their neighbors in membership seats because of a perceived loss of international importance and prestige. This view has indeed relegated SC membership reform to a zero-sum game in which countries see the advancement of their neighbors as their own loss of influence and status. This logic of relative gains plays right into the hands of the permanent five SC members who are quite happy to allow potential membership aspirants to undermine each other’s efforts and maintain the status-quo. Suffice it to say that unless there is a significant shift in the ideological outlook of many SC membership aspirants or unless someone comes up with a reform model which will appeal to a significant proportion of UN member states (including the P5), the reform of the United Nations Security Council is unlikely to happen anytime soon.

Notes

2 Kenneth Waltz, 1959. Man, the State, and War, New York: Columbia University Press. p. 198
4 David L. Rousseau, 1999, p. 17
7 Ikenberry and Wright, 2008, p. 15
9 United Nations 2004, 3, par. 252, 253
11 There is also a third model, that of the African Union outlined in The Ezulwini Consensus, which basically seeks no less that two permanent seats with full veto rights and five non-permanent seats for African states. Because this models concerns itself mainly with African representation on the SC it is not discussed in detail here; see African Union 2005, THE COMMON AFRICAN POSITION ON THE PROPOSED REFORM OF THE UNITED NATIONS: “THE EZULWINI CONSENSUS”, Addis Ababa, March, 9-10.
13 United Nations 2004, 3, par. 249
19 Martini 2009
22 Pedrazzi 2006, 6
24 Bone, James 2005. “Payback for Germany in wrangle over UN top seat.” The Times (17 June)
27 Robert Keohane, 2002, p. 31
29 Ori 2009
31 The town of Dharamsala in the Indian state of Himachal Pradesh is the headquarters of the Tibetan government in exile (Sidner 2009); for a history of the Sino-Indian border disputes see The Economist 2010.
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