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Shaping France and Europe's Foreign Policy in a New Globalized World

International Meeting

18-19 January 2008

Quai d'Orsay – Ministry of Foreign and European Affairs



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Programme

In the framework of the new French political environment and in view of the French Presidency of the European Union in July 2008, a Commission for the preparation of a White Book on French European and foreign policy was launched last October, led by the Minister of Foreign and European Affairs. Its goal is to identify the key missions of French diplomacy, based on an analysis of the international context, and more specifically of globalization, and to draw the consequences in terms of organisation and structure.

The aim of this meeting is to open up the debate initiated with the White Book exercise to international experts and gather their views on this new globalized world and what it entails for France and Europe's foreign policy.

18 January

All day

Arrival of participants at Hôtel d'Orsay
93 rue de Lille – 75007 – Paris

18:30

Opening address by Bernard Kouchner
Minister of Foreign and European Affairs

Quai d'Orsay, Ministry of Foreign and European Affairs
1, rue Robert Esnault Pelterie – 75007 Paris

20:00

Dinner

19 January

08:00 Registration and coffee – Grande Salle à manger

08:30 Opening: **Bernard Kouchner**
Minister of Foreign and European Affairs

Introduction – Global challenges in a globalized world: what is hot on the agenda?

08:40

The objective is to provide the most recent insight on “the paradox of our times”: “the collective issues we must grapple with are of growing extensiveness and intensity and, yet, the means for addressing these are weak and incomplete” (Held, 2006).

The questions: Why and how such collective issues have emerged in the multilateral agenda? Why and how the driving forces of globalization are making them more salient, necessary and in the meantime more difficult to address when compared with ten or twenty years ago? Why and how do the global issues pervade into the international relations fora?

- Laurence Tubiana, Director, IDDRI
- David Held, Co-Director, Center for the Study of Global Governance, LSE

09:10 Discussion

09:45 Coffee break

Round table 1 – Policy responses to global challenges: Current practices and available options

10:00

The objective is to focus on existing solutions privileged by different countries today, to provide a critical assessment of their efficiency and impact, and to map the alternative options.

The questions: How are specific global issues (climate change, biodiversity, global security, public health, trade and poverty) currently addressed? What have we learnt from the past ten years in terms of players involved, partnerships, negotiations process and rules? What kind of governance are the current deals crafting or about to craft? Are they sustainable and replicable to other global issues? What could be alternative options?

Moderator: Anne Gazeau-Secret*
Director, DGCID, Ministry of Foreign and European Affairs

- Ulrich Beck, Director. Institute for Sociology of Munich University.
- Robert Cooper, Director General. External Economic Relations, Politico-Military Affairs Council of the European Union.
- Carlos Pascual, Vice President and Director of Foreign Policy Studies, The Brookings Institution
- Anne Marie Slaughter, Dean, Woodrow Wilson School
- Jianmin Wu, President, China Foreign Affairs Institute

11:15 Discussions

12:15 Lunch

Round table 2 – Implications on France and Europe’s foreign policy: Does the EU punch below its weight?

13:15

The objective is to distillate from the above findings the main implications for the design of France and the EU’s foreign policy.

The questions: Does indeed EU punch on global issues below its economic weight? What are the internal and external factors which might explain this? Among the available options to deal with global challenges, which ones are conditioned to EU’s clarification of its own internal project and which are not? Is there a case for France to push for a specific option on some specific global challenges and gain support both inside and outside the EU?

Moderator: Christian Masset, Director of Economic and Financial Affairs
Ministry of Foreign and European Affairs

- Lloyd Axworthy, President, The University of Winnipeg
- Luis Ernesto Derbez, Director, Instituto para la Globalizacion, la Competitividad y la Democracia, Tecnologico de Monterrey
- Pratap Bhanu Mehta, President and Chief Executive, Center for Policy Research
- Joseph Nye, Distinguished Service Professor, John F. Kennedy School of Government, Harvard University
- Vladimir Milov, President, Institute of Energy Policy

14:30 **Discussions**

15:30 **Wrap-up:** **Pierre Levy**, Director, Centre d’Analyse et de
Prévision, Ministry of Foreign and European Affairs
Laurence Tubiana, Director, IDDRI

16:00 **Closing address:** **Bernard Kouchner**
Minister of Foreign and European Affairs

16:15 **End of meeting**

** To be confirmed*

List of participants

- Lloyd **Axworthy**. President and Vice Chancellor. University of Winnipeg.
- Ulrich **Beck**. Director. Institute for Sociology of Munich University.
- Robert **Cooper**. Director General. External Economic Relations. Politico-Military Affairs Council of the European Union.
- Luis Ernesto **Derbez**. Director. Instituto para la Globalización, la Competitividad y la Democracia. Tecnológico de Monterrey.
- Anne **Gazeau-Secret**. Director. DGCID. Ministry of Foreign and European Affairs.
- David **Held**. Co-director. Centre for the Study of Global Governance. LSE.
- Pierre **Lévy**. Director. Centre d'Analyse et de Prévision. Ministry of Foreign and European Affairs.
- Christian **Masset**. Director of Economic and Financial Affairs. Ministry of Foreign and European Affairs.
- Pratap Bhanu **Mehta**. President and Chief Executive. Center for Policy Research.
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- Joseph **Nye**. Distinguished Service Professor. John F. Kennedy School of Government. Harvard University.
- Anne Marie **Slaughter**. Dean. Woodrow Wilson School.
- Laurence **Tubiana**. Director. IDDRI.
- Jianmin **Wu**. President. China Foreign Affairs Institute.

Shaping France and Europe's Foreign Policy in a New Globalized World

Issue Paper

by Emmanuel Guérin, Laurence Tubiana and Tancrède Voituriez (IDDRI)

Background

The global governance of collective issues or “global public goods” has currently reached a crossroads. On the one hand, indisputable elements of crisis testify to the difficulty in governing globalization by means of concerted standards and rules (Tubiana, Lerin, 2003) – as seen in the postponement or laborious progress of multilateral negotiations, whether environmental or trade-related. On the other hand, the “objectivization” of specific global problems ensures that these problems develop an unprecedented consensus of knowledge and interest, which confirms their importance. This is particularly so for the climate issue, for the Millennium Development Goals (especially poverty and health), and for security issues (nuclear proliferation, nuclear terrorism). “The paradox of our times can be stated simply: the collective issues we must grapple with are of growing extensiveness and intensity and, yet, the means for addressing these are weak and incomplete” (Held, 2007: 240).

Against this background, the EU finds itself in an unprecedented situation. Relentless supporter of multilateralism and of a rule-based approach of global issues mirrored by the very functioning of its internal political system, EU's voice and propositions are expected to bring significant contribution to the governance of global issues. But the possibility for the EU to export its internal political system as a possible reference to design a rule-based global deal is challenged both because of EU's internal characteristics and because of characteristics specific to the inherent and evolving difficulties of governing global issues. The future governance still decisively depends on EU's capacity to align – as it has done so far – its internal and external political vision. Conversely, the future of global governance will be mirrored into the EU legitimacy and capacity to achieve its own internal objectives. The EU will shape global governance as much as the future governance will shape the EU's political project.

The aim of this paper is to look at the available options for the EU in this matter. It will be organized as follows (the first two parts correspond to the first round table and the last two to the second): the power status of the EU (section II); the capacity for the EU to export its model and make global governance a diluted or adapted version of the European governance (section III); the opportunity to create issue-linkages between negotiation fora (section IV); and the risk-assessment to create “club deals” instead of large multilateral deals (section V). The particular case of climate change will often be used as an example.

Why does the EU punch below its weight?

The EU's leadership role on the global scene is a function of its structural power. The EU has a combined population of around 500 million (450 million of which can be considered as « rich consumers ») and a combined GDP of about 15,000 billion euros. This makes the EU an economic giant as big as the US. The EU is also the world's biggest market, largest exporter, biggest aid donor and foreign investor. All of this makes the EU a force to reckon with at the international level. However, having structural power is not sufficient to give the EU a leadership role. In today's global governance

institutions, the EU seems to be paradoxically both overrepresented and underpowered. The reasons why the EU somehow punches below its weight are threefold.

Firstly, the EU is a fragmented power. It consists of 27 member States embedded in a subordination/participation relationship with the European Commission. Sometimes, conflicting national interests weaken its ability to speak with one voice. Internal weaknesses have been observed repeatedly on various issues such as security, trade liberalization and even climate change over recent years.

Secondly, the EU is a Kantian (and not a Hobbesian) power. Historically, the UE used the prospect of peace building to overcome the initial divisions between Nation States in a war-torn Europe. The EU can be considered as a political project turned to the utopia of cosmopolitanism putting values ahead of territory (Beck, 2006).

And thirdly, the EU is a normative power. It is unique in the sense that rules and standards are the main tools of its executive power. This normative drift is obvious in the Common Foreign and Security Policy more than anywhere else. It is deeply rooted in its history: rules and standards are the way by which the EU has managed to conciliate the differences in preferences of its Member States. But the EU also uses rules and standards as vectors of external influence since it does not really dispose of other assets to push forward its interests (Kagan, 2002). This approach is very efficient defensively: the transaction costs of building a consensus among European States around a common rule are so high that it is not easily unknotted (e.g. the Common Agricultural Policy strongly resisted any attempt of reform). But on the contrary, this normative approach is a drawback in terms of reactivity and mobility.

The uniqueness of EU's power has enormous but ambiguous consequences on the way other countries perceive it. They usually show difficulties in thinking about the EU as an important player of international relations, especially in issues such as security. But in the meantime these countries fully recognize EU's leadership on global issues, and especially in environmental negotiations.

Is the EU governance model replicable at the global level?

Unlike the US today, and probably unlike China tomorrow, the EU is not a super power. The EU lacks the assets of hard power, which makes it more acceptable, but also less credible. More broadly, the EU lacks leverage capacity, except when it deals with candidate States and can use accession as a carrot/stick. This statement needs to be qualified, the UE succeeded in engaging Russia into the Kyoto protocol, then launching effectively its implementation, by linking WTO accession negotiations with the climate change regime.

Some interesting conclusions can be drawn from global surveys, especially those conducted by the Pew Research Center (the Global Attitudes Project) on the perception of major world powers. Broadly speaking, whereas the global public opinion perceives negatively the US, especially since the war in Iraq, it perceives much more positively the UE. But the number of non-responses is far bigger in the case of the EU, especially in Asia, revealing the disinterest of the publics polled. In a prospective report written in 2005, Arvind Virmani, from the India Council for Research on International Economic Relations, pictures the 21st century as a "A Tripolar Century: USA, China and India". Peter Mandelson, the European Trade Commissioner, reacted quite bitterly to this report: "Just as Europe should take India seriously, I want India to take Europe seriously (...). I read recently a report that Indians do not think very much about the European Union. This is a shame if it is true."

Emerging countries (the so-called BRICS: Brazil, Russia, India, China and South-Africa) show even more difficulties than others in thinking about the EU as an important player of international relations. This could be something for the EU to worry about since these countries are the world powers of tomorrow. What is perhaps even more preoccupying is that this position seems to mirror that of the US. Joschka Fischer, former Ministry of Foreign Affairs of Germany, declared in the French newspaper *Le Figaro* on May 31, 2007: « The United States are in the process of defining a strategic change for the 21st century which evolves around a trio composed of the US, China and India ».

In the meantime, EU's specificity gives it an indisputable comparative advantage to take the lead on global issues. The EU governance model is based on lengthy rule-elaboration processes and the

constitution of professional networks sharing information and common understanding. The governance of the process is as clear as its outcome unpredictable. The professional networks that are developed shape the decision making of Nation States even if they reluctantly share sovereignty. This governance model seems to fit well with the management of global issues. Even if the EU governance model seems unreachable at the global level, a diluted or adapted model is actually being developed (Slaughter, 2006).

The EU has demonstrated great leadership particularly in the climate change regime (Gupta, 2007). The EU is well prepared to develop and implement ambitious targets domestically (directional leadership) even if it seems to lack the capacity to convince countries in other parts of the world to follow its lead (instrumental leadership). It must be recognized that EU's engagement on climate issues created a precedent, which triggered action from other States (California for example, which is the 8th largest economy of the world).

Global issues could even be seen as a new "*raison d'être*" for the European Union (Miliband, 2007). It has been defined for the past 50 years by a focus on internal change: from a Franco-German Compact, to the creation of a single market and the drive for basic shared social standards, and o the painful enlargement to 27 countries. But this self-centered approach is no longer sufficient to cope with the hopes and fears of EU citizens: the true challenges of the 21st century are global in scope, and particularly for the EU, because States, for all their continuing strengths, are too small to deal on their own with these global issues; in the meantime, global governance is still too weak.

However, given the actual global dynamics, EU's comparative advantage to take the lead on global issues could rapidly wane. The emergence – or reemergence – of the BRICS deeply disrupts the functioning of the existing multilateral order. By the time we are discussing the future of the global climate change regime in a post Kyoto agreement, the EU's motto can no longer be: "Let's move forward, others will follow". The main problem is not so much that it penalizes the European economy, as only a few sectors such as steel and cement experience significant competitiveness losses, but that this method has not been very successful in engaging the US and the BRICS so far. In Bali, it appeared distinctly that the dominant vision of the negotiations was a painful burden-sharing exercise: each party was looking for the maximization of its gains and minimization of losses. This burden-sharing approach is therefore clearly undermining any perception of common and global gain on any issue. The US' vision therefore prevailed, offering a framework of discussion between emerging and OECD countries, while the EU's vision, based on binding quantitative commitments, failed to convince others. The EU has now defined its own targets and has nothing to offer as a new leverage, unless it uses issue-linkage to put in place an effective multilateralism.

Issue linkage between negotiations fora

The trade and climate change nexus has been gaining momentum throughout this year, under the increasingly convergent effort of the world community to craft the Post Kyoto and Post Doha agendas within a unified and global framework. Echoing Joseph Stiglitz (2007), and Nicholas Stern and Laurence Tubiana's (2007) propositions, the World Bank (2007) issued an ambitious report on possible avenues for a global deal on trade liberalization, development and climate change.

With unprecedented quickness, the debate has pervaded into the political arena, but unfortunately with a seemingly unilateral and protectionist biased approach, far from the idea of a "deal" as such. In Europe, suggestions for a border-adjustment tax mechanism protecting from carbon intensive import products the European firms submitted to ETS carbon costs internalization mechanism have been discussed over the past two years within the European Commission, with contrasted arguments and mixed support (Mandelson, 2006). President Sarkozy proposed to his Chinese counterpart during his official visit in Beijing on November 27, 2007 a New Deal for the climate, giving explicit support to a border tax adjustment (BTA) mechanism in Europe, while inviting China to become a pro-active player in the new global deal he is calling for.

However, ambiguities relating to the final content of this new global deal remain, as well as to the long-lasting momentum such a deal would actually create at the top policy level. Debates inside and outside Europe over the post Kyoto agenda further highlight that neither a unilateral commitment by the EU on greenhouse gases emission efforts, nor the accompanying protective measures such as a BTA,

would create the appropriate signal to gain other countries' support and make them join in the global deal at stake.

Therefore, linking trade liberalization and climate change negotiations could facilitate the solving of problems such as the competitiveness losses arising from the creation of a European carbon market in some sectors (cement, steel...) and the environmental outsourcing resulting from lax environmental standards outside the EU. Further, this approach could have the potential to disentangle the negotiations, which are more or less at a stand still, by providing extra-dimensionality. The basic idea about issue-linkage is to design a negotiating framework in which countries do not negotiate on a single issue (e.g. climate change), but on two joint issues (e.g. climate change and its interrelated economic issues). The additional idea is that these two joint issues should include the provision of a public good, such as climate stabilization, a typical issue characterized by strong incentives to free-ride, and the provision of a club good, such as market access.

Governance options: multilateralism and clubs

The climate change example highlights how much the competition in world market leads also to competition between social models of collective preferences. World market integration requires a common policy framework to organize the compatibility between different public policies. There lie the difficulties to make a governance regime based on rules effective. There lies also the need to combine flexible approaches with shared and common objectives. The structure of the governance system is in itself affected by all this. The quest for global deals may require, among other possible options, the creation of restricted groups capable of negotiating and concluding global deals. These deals negotiated within clubs would occur between both private and public players.

One possible option for the EU would be to put on the table a new deal, which would gather around the negotiating table the key players on global issues. These new coalitions or "clubs" would not be limited to the purpose of addressing one single issue, but would instead be much more inclusive so as to create issue-linkages wherever appropriate and find leverage factors in the design of the deal at stake. For example, a new deal on climate change could explore possible linking mechanisms and promising tradeoffs between trade in carbon-sensitive goods, technology exchanges, competitiveness and climate policies, so as to make globalization actually ease global warming. This in turn requires to bring together the main green house gas emitters on a range of sector-specific issues. This new deal, which would be smaller in scale than the multilateral Kyoto framework, should be understood as a means to be more global in scope.

Operational clubs do not make universal consensus useless. The governance within clubs creates the basis for the definition and implementation of global policies. The discussions therefore need to take place within a universal framework in order to be supportive of a shared understanding of common objectives for sustainable development. Still, the danger it raises for the EU's internal political system triggers harsh criticism from EU countries, arguing that the idea of "clubs", when applied to the EU's internal political system, could simply destroy it. A risk-assessment of a club-based approach of global governance should hence be quickly undertaken within the EU.

Complementary options do exist. Broad-based multilateralism, still supported by the EU on climate change negotiations, is an obvious one – one should insist that multilateralism is complementary and not an alternative to a club-based approach. Furthermore, the EU has several scenes where it can test for other possible options. The EU-China free trade agreement as well as other regional trade agreements can be a powerful place to frame comprehensive deals and advance the EU's vision on globalization. Another potential avenue is the technology and investment capacity of the EU. In a number of sectors (for example cement, steel, energy production...), new technology and investments are embedded in European regulations at national or regional level. The perspective of sectoral agreements where competitiveness and environmental constraints could be addressed together, mobilizing at the same time government and private sector, is another promising way for the EU.

Comments on issue paper

Shaping France and Europe's Foreign Policy in a New Globalized World

Lloyd Axworthy

Today's world is full of challenges that do not belong to a single state. These "problems without passports" (as Kofi Annan has called them) can only be addressed by collective action. No individual government, no matter how powerful, can solve them. And they are as urgent as they are numerous.

Whether one thinks of global warming, terrorism, migration, transnational crime or water management, this world-wide-web of shared challenges encircles and connects north and south, developed and developing, rich and poor, and will only yield to a shared response.

The political structures available at present to furnish collective solutions to these global challenges are wholly inadequate to the task. The most prominent political instrument remains the separate, sovereign state. Its traditional attributes lengthen and complicate, and sometimes render impossible, the job of forging common positions. Form frustrates function, and global problems worsen, as 193 governments work at their own pace to develop distinct policies through separate processes. Awkward machinery, designed for a distant, different world, now slows the production of effective responses and almost guarantees a lack of consistency among them, once produced.

As the EU transitions to a new presidency, there is significant potential for it to take a leadership role in the global governance of collective issues. Unfortunately, while its member states have been remarkably successful in dealing with climate change, the EU is failing to transfer this success to the rest of the world.

The EU would do well to look for guidance in the concept of Responsibility to protect ("R2P"), the set of principles unanimously approved by world leaders in September of 2005. R2P represents one of the "edge" issues of our time, involving efforts to redesign the global architecture in a way that may have huge implications now and in the future.

R2P declares that sovereignty will not serve as a shield to permit crimes that shock the conscience and involve mass killing; it is a commitment that the world will never again stand by and allow genocide, ethnic cleansing, war crimes and crimes against humanity within the borders of a state. It is revolutionary because it acknowledges for the first time in a global declaration that there are limits on the UN charter's prohibition against international involvement in a member state's "domestic jurisdiction".

One of the elements of R2P that made it politically acceptable is that it sees the state itself as the "first responder", with the primary responsibility to address the emerging threat to its own people. R2P includes recognition of the international community's duty to support and assist the state in meeting that responsibility. To that extent, R2P is consistent with "the golden rule" of non-interference. The point of departure occurs when the state is unable or unwilling to meet its responsibility, which then shifts to the international community.

There is a pressing need for solutions developed through a framework that is as global as the problems that confront us. I would suggest that a new approach to global action, and a bridge to get us there, derives from some of the principles that underlie the concept of R2P. Although R2P itself is uniquely and solely intended to deal with situations of mass atrocity, when R2P is "unbundled" and its component principles examined, it becomes clear that those principles can be applied to other problems that engage humanity as a whole.

Climate change as a case in point illustrates this. Imagine a global consensus on climate change that recognizes causes and effects and establishes targets and tactics. Imagine too the shared expectation that each state will do its part by acting as agreed to meet the challenge. Finally, imagine that the consensus is adopted against a background that includes the following agreed principles:

- Each sovereign state will be looked to first to do its part towards achieving the consensus goals;
- The international community will furnish such support as may be needed to enable each state to get the job done;
- Where a state fails or refuses to do its part, there will be consequences calibrated to meet the seriousness of the lapse. Those consequences will be determined by the international community, designed to enable achievement of the consensus goals, and sanctioned by a lawful authority such as the Security Council of the United Nations.

This new architecture would allow the achievement of shared objectives without departing from the primacy of the sovereign state, while also escaping the Westphalian straightjacket that impedes progress at present.

Finally, any such approach should also reflect the crucial role in global governance to be played by civil society, NGO's, transnational institutions, and networks of groups and individuals, all of whom have enormous influence over events—sometimes even more than some nation states. The success of widespread partnerships between such actors and governments, along with multilateral organizations, can be seen in the tsunami relief program and the convention to ban land mines.

The time has come to martial such common efforts on a range of pressing issues, if we are to save the planet from threats that thrive on indecision and division. And by calling upon individual states to implement a consensus decision or face consequences, we can put move beyond the paralysis induced by handing every state a veto over collective action.

The Arctic, with its shared opportunities, is a good example of how such collegial, cooperative action can take place between states. It can bring the Russians, Europeans and North Americans together to forge an international agreement based not on a dispute over little spits of island, but instead on the need to develop laws and regulations to guide the use of the Arctic's resources and the navigation of its rapidly emerging transport routes, while instilling an overarching plan to protect its fragile ecosystem.

With two member states sitting permanently at the Security Council, the EU has an opportunity to pursue an agenda that actively promotes the use of preventative measures (such as an early warning system).

Another chance to increase their role in global governance can be found with the changes imminent in the US administration which will lead to new opportunities for the EU to build partnerships and international collaboration on a wide range of issues. Central to this must be the engagement of the emerging powers of Brazil, Russia, China and India.

What has been signified as a weakness for the EU in terms of its inability to develop a coherent and clear strategy, in fact may be its asset; if its member states are able to agree on an objective, the EU could be given more latitude to make contacts and partnerships with other players (NGOs, like-minded governments and international organizations) and could start developing more effective coalitions and linkages. In order to achieve this, the EU would have to be willing to make these connections and be more outward-looking as opposed to being preoccupied with developing a 'one size fits all' strategy.

How to tell the story of climate change politics

Ulrich Beck

In January 1998 the White House assembled a ‘thinkers’ dinner’, one of a series President Clinton hosted, this time with a focus on globalization. He opened it by declaring ‘I have to be able to tell the story of America in a progressive way’. The brainstorming that followed underpinned his announcement ‘we have found the third way’ in his State of the Union speech later that month and ‘we have moved into an information age, a global economy, a truly new world.’ The speech managed to combine a globalization narrative with a litany of domestic achievements and a commitment to strengthening the social security system for the twenty first century. It ‘reinvented’ government, but it also projected a proactive global role, an extension of American power. Famously there was no longer any division between foreign and domestic policies.

We are in a completely different but at the same time similar situation today. What we are looking for is the story of Europe and of climate change politics (and other ‘global issues’). We all know the scientific narrative. Nicholas Stern added the economic narrative by demonstrating that what the world invest in climate protection today will be repaid with compound interest in the future. But what is totally missing is a political (or social scientific) narrative for climate change politics. Such a narrative includes much more than technocratic answers to global issues, it has to include some idea of motivating and mobilizing forces, the construction of consensus and meaning, the transnational networks of actors and counter-actors, the normativity of justice and accountability, the vision of a new institutional architecture. I know this is impossible. But how do we get there? The starting point has to be the confession: There cannot be climate politics in the old logic of national/international politics. This is good news in bad times: Climate politics gives us the opportunity to reconfigure power in terms of a ‘*cosmopolitan realpolitik*’. And the historical example for cosmopolitan realpolitik is cosmopolitan Europe.¹ Let me scratch this argument in three steps:

(1) Climate change is not solely a matter of hurricanes, droughts, floods, refugee movements, impending wars or unprecedented market failure. It has suddenly become much more than that: for the first time in history, every population, culture, ethnic group, every religion and every region in the world is living in the common presence of a future that threatens one and all. In other words, if we want to survive, we have to include those who have been excluded. The politics of climate change is necessarily inclusive and global – it is cosmopolitan realpolitik.

There appear to be two radically different models of climate policy emerging. The one adheres to the formula ‘climate protection doesn’t hurt’. The idea here is to try and lower greenhouse gas emissions in a consumer- and voter-friendly way by pursuing bold innovations in ecology and technology, in line with the old logic of progress.

However, by keeping a seemingly realistic eye on the power of the powerful (the automotive corporations, for example) one runs the risk of overlooking the power of the powerless. Climate change forces us to realise that the only way of setting up effective checks is through fairness and equality: only by taking account of the others – the poor – in our own decision-making can we ultimately protect ourselves effectively from the consequences of climate change. Thus cosmopolitan *realpolitik* is the politics of listening and the politics of global justice.

The other model is based on the realisation that, when taken seriously and thought through to its logical conclusions, climate change entails a *political paradigm shift*. Only a broad-based coalition that includes ‘old Europeans’, eco-conscious Americans, underdeveloped countries, developing countries, civil society movements and powerful fractions of global capital can win back national sovereignty in a world risk society that is ecologically fragile and vulnerable to terrorist threats. It is

¹ See my trilogy: *The Cosmopolitan Vision*; *Power in the Global Age* and *Cosmopolitan Europe* (with E. Grande), all Polity Press Cambridge.

not a matter of undermining, let alone abolishing nation-states. Rather, it is a matter of restoring to them the capacity to act effectively at all – i.e. together and in collaboration with one another. Thus cosmopolitan *realpolitik* is about *empowering* national societies and states.

(2) Is there a ‘revolutionary subject’ for climate politics? In an unexpected meaning, yes, there is. In order to discover it, let us look at global issues from the perspective of *global risk*: Risk is *not* catastrophe. Risk means the *anticipation* of catastrophe. And the mediating and staging of this anticipation has a huge mobilizing force which fundamentally changes global politics. The virtuality of climate change does not mean it is untrue or inconsequential. Indeed, because as the case of the Australian elections at the end of last year has shown, the anticipated future catastrophe, which can not be experienced in everyday life but has to be taken at face value on the basis of the strength of its mediation, shows the mobilizing power of hypothetical futures. Yet few of these individuals voting could have direct experience of the effects of climate change, all this knowledge is indirect, it comes from scientists, politicians, media, and the whole array of sub-politics. These sub-political forces are in essence not very strong and they were initially not well connected, they were marginal forces often ridiculed for their extreme views. And look at the world now, Al Gore received a Nobel Prize for his slide show on climate change. And it is not like he is such a powerful actor or that his allies are that powerful. Yet they managed to shape the political agenda on a global scale.

(3) The strategies of action disclosed by global risk are rudely overturning the order brought forth by the neoliberal coalition between capital and the state: climate risks *empower* states and civic movements, because they reveal new sources of legitimation and options for action for these groups of actors; on the other hand, they *disempower* globalized capital because the consequences of investment decisions create climate risks, destabilize markets and activate the power of the sleeping consumer giant. Thus there is an alternative option for neoliberal politics both in the national and global arenas: to connect civil society with the state, and that means to bring about a *cosmopolitan form of statehood*.

To put it more concretely, the state’s regained cosmopolitan scope for action *extends* its influence in the domestic *and* the foreign domains through action and governance in transnational networks to which other states – but also NGOs, supranational institutions and transnational corporations – belong. Thus the cosmopolitan state, freed from scruples concerning sovereignty, uses the unrecompensed cooperation of other governments, non-governmental organizations and globally operating corporations to solve ‘national’ problems.

Of course, this optimistic construction could easily collapse under its own weight. It is fragile because the costs and benefits of an active climate change policy are unequally distributed, both internationally and nationally, and because the burning question of justice in a radically unequal world is at the heart of the struggles of distribution. The costs will hit existing generations hardest whereas the benefits will fall to the grandchildren of our grandchildren. The wealthiest countries must demonstrate the greatest willingness to compromise even though they are not the most vulnerable to the impacts of global warming. In order to strike the required ‘global deal’, the agreement of the United States is most urgently needed, even though it would have to pay China, its archrival, gigantic sums in order to make that country carbon dioxide-free – at a point in history when this huge country is preparing to overtake the United States economically and to become a centre of world power. Here are reasons why cosmopolitan *realpolitik*, of course, is less attractive for superpowers, which believe in autonomy, and attractive for European powers, which believe in cooperation and interdependence.

Shaping France and Europe's Foreign Policy in a New Globalized World

Robert Cooper

The way we are governed is critical. The 19th/20th century state both enabled industrialisation and dealt with its worst effects. The state we live in today still makes a big difference: North or South Korea? Maoist China or Post Deng China?

Today this has an international dimension: A globally open economy and the global rules that enable it to function (covering - technological standards, legal standards, rules for navigation, air traffic, transmittable diseases, currency transfers, etc) are an essential condition for the escape from poverty of the poor and the continuing prosperity of the rich.

The problems that remains to be solved is the organisation of this world. The 19th/20th century nation state brought together politics, economics and security within the framework of a unified national culture. But in today's world **economics has become global, politics remains local whilst security has both a local and a regional dimension.**

Security

Lesson 1: **US Security dominance is a good thing:**

There would be no attraction in the world in which industrialised countries fought each other to see who should rule the world. Industrial warfare was already too destructive for this to be rational 50 years ago. To repeat balance of power politics on a global scale today would be crazy.

US security dominance will be acceptable only if it does not equate to political dominance. That means we need a plural world and one where other actors are sufficiently powerful and coherent that their voices are heard in Washington (for the EU this means we need more unity and capacity for action).

Lesson 2: **This is no longer a Euro-American world.**

Global and regional security problems can be mastered only with the cooperation of a wider range of countries: not just China, India, Russia but many others.

Lesson 3: **Military intervention should not be undertaken lightly:**

The use of military force is effective only if it is part of a wider political strategy. (This is also true of non-military intervention, including aid). International operations are more legitimate than national ones; but it is difficult to create coherent political strategies that command international consensus.

Those intervening need to be able to sustain the effort long enough to achieve results, or to have the courage to withdraw when it is clear that they are unlikely to meet their political goals.

The history of intervention should make us cautious. Western countries have a striking record of military success and political failure. In the end it is difficult to run other peoples countries for them; impossible without their cooperation.

Lesson 4: **Political control of international operations is difficult.** International bodies working by consensus have difficulty in making hard decisions, considering unpleasant contingencies, keeping secrets. The result is that strategy is often decided on the ground in response to events.

The international integration operates by functional disaggregation: separate organisations handle security, economics, migration etc. The result is that the international community has difficulty in achieving coherence.

International Governance (especially climate change)

Lesson 1: **International bodies operate best on technical subjects.**

The most successful international organisations are those which are least political: the ITU, IATA, WHO, etc. (In fact the only way we could create a monetary union in Europe was to make monetary policy into a technical issue, taking it out of politics).

Lesson 2: **Trans national organisations have little way of generating political support** (as opposed to vague feelings of good will).

Real political support is obtained in elections when governments explain their policies and the alternatives and allow people to choose. This never happens to international bodies, making them easy targets for criticism and unable to communicate effectively to the people they are helping. Politics is about communication; it is a missing dimension at the international level.

We are going to run into trouble on climate change. International agreements will have painful repercussions on the lives of ordinary people. Why, people will ask, should the price of gasoline should go up as a result of decision by some "undemocratic international body". Global cooperation is vital but political career depend on local events and reactions.

Conclusion: **We need to reconceive democracy.**

We have become used to the idea that democracy on its own is not enough it needs to be liberal democracy. In the 21st century we need to reconceive democracy as liberal, international democracy.

What role for the EU and France in the 21st Century?

Luis Ernesto Derbez

Introduction

Global warming, the energy crisis, terrorism, organized crime, and international emigration, are but a few of the issues displaying the need for a concerted global action to tackle the international agenda confronting the world at the start of the 21st century. And, as the war on Iraq demonstrated, a single country, powerful as it may be, cannot impose by itself peace and democracy in the world.

From these initial remarks the following issues emerge:

- **First**, the solution to increasing global issues affecting the international agenda demand action from several (not one) key nations which should become the leaders in defining the global geopolitical agenda of the 21st Century. It is important to understand how those key nations should coordinate to reach a truly global solution to the global issues of this century.
- **Second**, peace and security require a new multilateral architecture to define the institutions and rules of the 21st Century that can better guarantee both. The examples of such institutional set up existing today are limited, and only one seems to operate effectively. The definition of the new multilateral architecture should be founded upon the experience of the multilateral institution which has demonstrated its capacity to define rules of multilateral engagement: The European Union.

Both conclusions point clearly to the role that the European Union needs to play at the start of this global century: a leader in defining the geopolitical agenda for a new age of globalization.

It is the intention of my intervention in this meeting, to suggest a strategy under which the European Union can successfully fulfill the role I envision for it, as well as to propose some actions which could help the Government of France lead the way during its term as Temporary President of the Union.

The role of the European Union in shaping the international agenda for the 21st Century

In the issues paper produced for this meeting² the following statements: *the European Union “punches below its weight”, and “unlike the US today, and probably unlike China tomorrow, the EU is not a superpower”,* suggest that the EU would find it difficult to influence the world’s agenda in the coming years. **In fact, I believe both statements should lead to the opposite conclusion if the EU follows the right strategy in choosing key partners, and key issues to support.** *First*, its rules-oriented approach in dealing with multinational issues makes the European Union’s experience determinant in defining solutions to the 21st Century world agenda. *Second*, the perception that it will not reach superpower status will in fact permit it to punch “above its weight”, when proposing solutions for world’s peace and security issues.

Key Partners. It is clear that the US will remain the most powerful nation of the world during the first half of the 21st century. However, its invasion of Iraq and obsession with Al-Qaeda has led to (i) its incapacity to define the correct geopolitical agenda for the new century, and (ii) its loss of moral authority to continue as the world’s leader in proposing the multilateral architecture required

² *Shaping France and Europe’s Foreign Policy in a new Globalized World*, Issues Paper, IDDRI, Paris 2007

to deal with global issues affecting peace and security in the world today. In order to be able to exert influence, the US needs the help of a set of key nations without whose participation it cannot meet the moral standards demanded to lead the rest of the world in the definition of a new geopolitical agenda and the building of a new multilateral structure that can guarantee the peace, security, and prosperity required in the coming years.

Population, trade, technology, energy, democratic culture, and military might, should count as criteria to put together the list of key countries needed to complement the US in defining the world's new geopolitical agenda. In all of the mentioned criteria the *European Union* qualifies with high grades, making its participation indispensable if the group of nations is to have the required moral authority to lead the rest of the nations of the world. Fulfilling many, but not necessarily all of the criteria we can enlist the following nations as part of that group: *China, India, Japan and Russia*. Additionally, nations such as *Brazil, Mexico, Nigeria, and South Africa* could be key players if they become leaders of larger geographical constituencies in Latin America and Africa³. Finally, in recognition to the mistaken conceptions brought about by religious cultural patterns on how to handle terrorism, nations like *Iran, Egypt, and Indonesia* will have to participate in defining the geopolitical agenda of this century, as part of a coalition of nations sharing the same religious-oriented political life.

Thus, it must be clear for the European Union that if it wishes to “*punch above its weight*,” it must organize its political relationships beyond the United States and Japan with the following strategic partners regardless of commercial, cultural, or military ties existing today: China, India, Russia, Brazil, Mexico, Nigeria, South Africa, Iran, Egypt and Indonesia⁴. What it implies also, is the need for the European Union to structure a program of cooperation and support to regional integration efforts. Thus, it must work more closely with structures such as the Ibero-American Secretariat, the Arab League and other regional organizations.

Key Strategic Topics for the European Union. Choosing key nations as strategic partners in defining the global agenda for the 21st century will advance the geopolitical agenda for the European Union if it wishes to “*punch at its weight*”. If it really wishes to “*punch above its weight*”, it needs to redefine its programs of aid cooperation, and strengthening of multilateral institutions in five major areas: ***Technological Development, Education, Democratic Governance, Environmental Standards, and Fair Trade.***

Technological Development. Investments in R&D of the EU should increase substantially from current levels to allow their scientific and technical communities to become the top creators of new technologies used in the world. Concomitant with this action, the European Union should also increase expenditures in sharing such new technologies with developing nations, an action that would allow it to simultaneously attain the lead in technological development and influence the path of economic and scientific growth in the world during this century.

Education. Expenditures in the provision of broad scholarship programs for students from developing and emerging nations are crucial to increase the EU's influence in the world. Through contact between people comes a better knowledge of each culture and national realities. From years of physical presence in the EU would derive the experience and education which would increase the willingness of future leaders in business, political, and religious spheres of other nations to follow the lead of the EU on global issues confronted by the world in the rest of this century.

Democratic Governance. A major element where the European Union stands out lies in the multiplicity of its democratic regimes. Unlike the United States, the EU can provide to fragile

³ ***The same will be true for nations in the European Union; only as part of the EU will countries like France, England, Germany and others be able to consistently influence the world's geopolitical agenda.*** This statement will undoubtedly ruffle some feathers as their political leaders believe they deserve to be considered individually. It is my belief, however, that these nations can only play a role in shaping the future world's geopolitical agenda as part of a coalition of nations representing a larger geographical region.

⁴ Obviously the list could be expanded in many ways and for many reasons. However, it is my belief that concentration in a consistent and limited, set of nations as strategic partners in defining the global agenda is what would make the European Union a leader in the 21st Century.

democracies in the world examples of democratic structures that respond to a variety of cultural and religious environments. The EU must show to the world that democracy is not an exclusive attribute of the US regime, by supporting and respecting various governance systems which are democratic in nature, albeit different from the structure defined by the Western culture. Latin America in particular, but also Asia, are regions requiring a deft management of the EU support for its fragile democracies. Such a support would increase the EU's influence in defining the global agenda of the world in the coming years.

Environment. Once again the issues paper written for this meeting suggests in a negative assessment that⁵ *the EU's possibility of influencing in environmental issues is limited by the emergence of the BRIC nations*". Once again I differ with this frustration originated in the short sighted view of the US and some other nations. Whereas it may be felt that at the Bali Conference the US model of negotiation may have triumphed, this victory will be of limited duration. As the world comes to perceive the real cost of solutions such as the ones reached in Bali, the EU's standing on the issues will be better appreciated by many nations. The EU must continue to lead with its example on issues as complex as these where the future of the world would be highly compromised if all nations fall in the easy solution offered by the US. The moral standing of the EU will increase as a result of such a resolution to go ahead where others fear to follow.

Fair Trade. Little needs to be said on this issue. The EU must make its role in the world negotiations of the Doha Round, one where fair trade becomes the norm to acquire.

Final reflexions on France's role

In this section I would like to present a set of questions that summarize some thoughts about the role that France as a single nation might wish to consider in the coming years.

First, in the relationship with the Muslim world, France should consider its relationship with key historical allied countries of hers. Topics such as migration, acceptance of theocratic regimes, and influence on its culture should be brought to the fore and discussed in an open environment that would allow her population to clearly understand their positive and negative implications, as well as the role that France has to play in leading the way in accepting other cultural and religious behaviors.

Second, as the performance of Mr. Sarkozy demonstrated in pushing ahead the political agenda of the EU, the role of France as one of the deciding nations in the internal architecture of the European Union, and in the external architecture of the United Nations, forces the nation to accept a larger burden than the one sustained by other nations in the region.

Third, the role that France must play at the multilateral institutions should equally be stressed as an important one. However, to successfully lead other nations of the EU into accepting such a role, France may wish to consider giving up on certain conditions which, based on the geopolitical architecture of the post WWII world, do not represent its current status as member of a supra-national structure that should be represented in those multilateral structures, e.g. The UN Security Council.

Finally, France could play a very important role in a region such as Latin America. At present it has limited its role to business issues, privileging its position as a strategic partner with Africa. Isn't it time that France reconsiders its role vis-à-vis Latin America and the benefits that such an alliance would bring to the world?

⁵ Page 4 when discussing the replicability of the EU governance model in relation to the Bali Conference on the environment.

Global Challenges: Accountability and Effectiveness

David Held

The paradox of our times can be stated simply: **the collective issues we must grapple with are of growing extensity and intensity and, yet, the means for addressing these are weak and incomplete.** Three pressing global issues highlight the urgency of finding a way forward.

First, **insufficient progress has been made in creating a sustainable framework for the management of climate change**, illustrating the serious problems facing the multilateral order. Second, **progress towards achieving the millennium development goals has been slow** and in many places lamentably so. Underlying this fact, is, of course, the material vulnerability of over half the world's population. Each year, some 18 million of them die prematurely from poverty-related causes. This is one third of all human deaths – 50,000 every day, including 29,000 children under age five. And, yet, the gap between rich and poor countries continues to rise and there is evidence that the bottom 10 per cent of the world's population has become even poorer since the beginning of the 1990s. Third, the threat of nuclear catastrophe may seem to have diminished, as a result of the end of the Cold War, but it is only in abeyance. Huge nuclear stockpiles remain, nuclear proliferation among states is continuing, new generations of tactical and nuclear weapons are being built and nuclear terrorism is a serious threat.

These global challenges are indicative of **three core sets of problems** we face – those concerned with **sharing our planet** (global warming, biodiversity and ecosystem losses, water deficits), **sustaining our life chances** (poverty, conflict prevention, global infectious diseases) and **managing our rulebooks** (nuclear proliferation, toxic waste disposal, intellectual property rights, genetic research rules, trade rules, finance and tax rules) (cf. Rischard, 2002). **In our increasingly interconnected world, these global problems cannot be solved by any one nation-state acting alone.** They call for collective and collaborative action – something that the nations of the world have not been good at, and which they need to be better at if these pressing issues are to be adequately tackled.

While complex global processes, from the financial to the ecological, connect the fate of communities to each other across the world, global governance capacity is under pressure. Significant governance innovations have been made in recent decades, but the global governance system remains too often weak and/or fragmented. Moreover, there has been a complex 'unbundling' of sovereignty, territoriality and political forces. This unbundling involves a plurality of actors, a variety of political processes, and diverse levels of co-ordination and operation. Specifically, it includes:

- Different forms of intergovernmental arrangements embodying various levels of legalization, types of instruments utilized and responsiveness to stakeholders.
- An increasing number of public agencies - e.g. central bankers - maintaining links with similar agencies in other countries and, thus, forming transgovernmental networks for the management of various global issues.
- Diverse business actors - i.e. firms, their associations and organizations such as international chambers of commerce - establishing their own transnational regulatory mechanisms to manage issues of common concern.
- Non-governmental organizations and transnational advocacy networks - i.e. leading actors in global civil society - playing a role in various domains of global governance and at various stages of the global public policy making process.
- Public bodies, business actors and NGOs collaborating in many issue areas in order to provide novel approaches to social problems through multistakeholder networks.

There is evidence that the **politicization, bureaucratization and capacity limits of multilateral institutions have been important factors in driving the expansion of new forms of global governance**, since powerful governments have sought to avoid either expanding the remit of existing multilateral agencies or creating new ones. Another factor that has been significant has

been the **normative shift towards 'self-regulation'**, as the private sector has sought to pre-empt or prevent international public regulation while governments have sought to share the regulatory burden with non-state actors.

Problem-solving capacities at the global and regional level are weak because of a number of **structural difficulties**, which compound the problems of generating and implementing urgent policy with respect to global goods and bads. These difficulties are rooted in the post-war settlement and the subsequent development of the multilateral order itself. Four deep-rooted problems need mentioning.

A first set of problems emerges as a **result of the development of globalisation itself**, which generates **public policy problems** which span the 'domestic' and the 'foreign', and the interstate order with its clear political boundaries and lines of responsibility. These problems are often insufficiently understood or acted upon. There is a fundamental lack of ownership of many of them at the global level. A second set of difficulties relates to the **inertia found in the system of international agencies**, or the inability of these agencies to mount collective problem-solving solutions faced with uncertainty about lines of responsibility and frequent disagreement over objectives, means and costs. This often leads to the situation where the cost of inaction is greater than the cost of taking action. A third set of problems arises because **there is no clear division of labour among the myriad of international governmental agencies**; functions often overlap, mandates frequently conflict, and aims and objectives too often get blurred. A fourth set of difficulties relates to **an accountability deficit**, itself linked to two interrelated problems: the power imbalances among states and those between state and non-state actors in the shaping and making of global public policy. Multilateral bodies need to be fully representative of the states involved in them, and they rarely are.

Underlying these four difficulties is the breakdown of symmetry and congruence between decision-makers and decision-takers. The point has been well articulated recently by Kaul and her associates in their work on global public goods. They speak about the forgotten *equivalence* principle (see Kaul, *et al.*, 2003). At its simplest, the principle suggests that those who are significantly affected by a global good or bad should have a say in its provision or regulation, i.e., the span of a good's benefits and costs should be matched with the span of the jurisdiction in which decisions are taken about that good. Yet, all too often, there is a breakdown of 'equivalence' between decision-makers and decision-takers, between decision-makers and stakeholders, and between the inputs and outputs of the decision-making process. Among pressing examples include climate change, the impact of trade subsidies, AIDs management and the question of intellectual property rights. Thus, the challenge is to find ways to align the circles of those to be involved in decision making with the spill over range of the good under negotiation, i.e. to address the issue of accountability gaps; to create new organisational mechanisms for policy innovation across borders; and to find new ways of financing urgent global public goods. Legitimate political authority at the global level cannot be entrenched adequately without addressing the representative, organisational and financial gaps in governance arrangements.

Surprisingly perhaps, **it is an opportune moment to rethink the nature and form of global governance and the dominant policies of the last decade or so**. The policy packages that have largely set the global agenda – in economics and security – are failing. The so-called Washington Consensus and Washington security doctrines - or market fundamentalism and unilateralism – have dug their own graves. The most successful developing countries in the world (China, India, Vietnam, Uganda, among them) are successful because they have not followed the Washington Consensus agenda, and the conflicts that have most successfully been diffused (the Balkans, Sierra Leone, Liberia, among others) are ones that have benefited from concentrated multilateral support and a human security agenda. Here are clear clues as to how to proceed in the future. We need to follow these clues and learn from the mistakes of the past if the rule of law, accountability and the effectiveness of the multilateral order are to be advanced.

In addition, the political tectonic plates appear to be shifting. With the faltering of unilateralism in US foreign policy, uncertainty over the role of the EU in global affairs, the crisis of global trade talks, the emergence of powerful authoritarian capitalist states (Russia, China), the growing

confidence of leading emerging countries in world economic fora (China, India and Brazil), and the unsettled relations between elements of Islam and the West, business as usual seems unlikely at the global level in the decades ahead. It is highly improbable that the multilateral order can survive for very much longer in its current form.

The post-war multilateral order is in trouble. Clear, effective and accountable decision-making is needed across a range of urgent global challenges; and, yet, the collective capacity for addressing these matters is in doubt. The dominant policy packages of the last several years have not delivered the goods and a learning opportunity beckons. There are, of course, many ways that have been proposed to deepen the accountability and effectiveness of global governance mechanisms – from proposals for global issue networks, the expansion of key G clusters, coalitions of particular nation-states acting in clubs, to the reform of the UN and cosmopolitan democracy. But rather than end by making the case for any one of these, I want to finish by stressing a methodological point. It can be misleading and dangerous to over generalise about politics or policy from the present, or from a single time period, or from the point of view of one culture, country or region. Instead, **the test of deliberative generalizability needs to be built into reflections on ‘ways forward’ in order to help ensure a focus on global solutions to global challenges** – not just American, French, British, German, EU, Chinese solutions. In other words, **we require a multi-perspectival mode of forming, defending and defining political preferences** – a mode that is fact-, other- and future-regarding.

Why does Europe punch below its weight?

Pratap Bhanu Mehta

The issue paper is very thoughtful and mostly compelling articulation of Europe's predicament and the directions Europe should take. While there is much to agree with in the paper, in this brief note I will concentrate on a set of issues that seem to be missing in this paper.

There is a great deal of admiration for the European project: its commitment to the pacification of interstate rivalry within Europe, its pooling of sovereignty, and the creation of innovative institutions. But there is a sense in which, this is seen as a *historically specific* political trajectory, not a model with universalizable force. For a country like India the project of weaving together a political community out of a multitude of diverse peoples, learning to negotiate difference *is* the modern Indian project – and sometimes it is flippantly remarked that the future of Europe in some respects is India (language policy for example)! I suspect China does not quite see the political relevance of the European experience; and states in the rest of Asia are not compelled by their historical circumstances to take the European turn. This is not to say that there will not be experiments in the constitutionalisation of interstate relations. But these will be driven by the organic needs and power imperatives of various societies, not because of the pull of a European Model. **Europe is admired, but not as a model.**

There is also very frankly a great deal of scepticism about Europe being a “Kantian” power. In a sense this is true, especially when viewed within an intra-Europe context. Europe does not have the capacity to project its own military power. But this prevents Europe from being taken seriously: there is doubt whether it can defend itself, or even handle crises in its own backyard. The blunt truth is that mere financial power is not enough to get punching capacity. Just look at the case of Japan. **Europe will have to acquire characteristics of a state.**

While Europe has, within the context of Europe been a “Kantian” power, there is a great deal of scepticism that it is “rule bound” or “multilateral.” France and the United Kingdom continue to have nuclear weapons and thus implicitly legitimise their possession, and condone the preservation of hierarchical, discriminatory nuclear order that many countries want to press against. Absolutely no one believes that in trade negotiations Europe will be Kantian rather than conceding to raw power plays, and Europe's ethical standards for who they do business with seem, on the face of it, even more driven by real politick. **The idea that Europe is Kantian in its external dealings is not very convincing. It could acquire greater legitimacy if it were more Kantian, in the sense of justice, not only pacifism.**

The United States has one great advantage: the elites of the rest of the world, along with the rest of the society are materially, culturally and socially in a very intimate relationship with that country. According to some data the density of the top one to five percent of the elites in India and China (even apart from traditional relations with Latin America) now having family in the United States is extremely high. In fact this intimate social interdependence of elites across the world will be a new and unprecedented phenomenon in the way states relate to each other. Europe has the disadvantage that outside of the relationship between individual countries and former colonies, these kinds of relationships simply do not exist. Europe is still external to most elite imaginations in a way the United States is not. **Europe needs to facilitate a network of elite, and workforce dependencies across the world, not just trade and business. One possible way of doing this is labour totalization agreements with significant countries, possibly India and China.**

In large part due to immigration from former colonies, Europe is in a significant sense, multicultural. But, again, in comparison to the United States, Europe is at a disadvantage. There is a real worry that Europe does not have the intellectual and political resources to negotiate the challenges of deep diversity; that despite being more secularised (or perhaps for that reason), its capacity for negotiating with Muslims will be less than that of the United States. And that the Christian/racial identity of Europe will assert itself. **A capacity to negotiate deep pluralism is the**

best asset any society has and there are doubts about how much advantage Europe has in this respect.

There will be major power shifts in the world. For the first time since 1700 the Western World will be challenged both in mass manufacturing and knowledge production simultaneously. We are only at the beginning of this tectonic shift. Even though the United States government is wedded to the idea of U.S primacy, the American public discourse seems more attuned to these impending changes than Europe. Alas "Provincialising Europe" is a reality. **Europe's challenge will be to find niches; it will be self defeating for it to worry too much losing primacy.**

More concretely: The issue paper very imaginatively suggests newer and more flexible governance architecture for the world. This is premised on the idea that multilateralism is not longer going to have a single architectonic structure or ideology, located in a single institution. Instead, there will be a series of overlapping "clubs." We are in a stage in world politics where there is immense experimentation around institutional forms. Which of these are going to endure is an open question. But the paper is correct in thinking that effective clubs will have to be created: powerful enough to influence the course of events, large enough to be representative, but small enough to be effective. **But the way for Europe to meet the challenge posed by rising powers is to pro actively advocate their inclusion in these clubs, rather than resist or delay it.** For a substantial part of the world, France and Britain are now seen as beneficiaries of a Yalta system that has collapsed. But their presence in existing clubs (Security Council, G-8) seems to be an impediment in the reform of these clubs to accommodate new aspirants; and it also belies the notion that Europe should be given representation as a single entity. **Europe could think about where it can consolidate its membership,** perhaps in G-8 or elsewhere.

The issue paper has some interesting idea about inter linkages between negotiating fora. In principle this has great advantages, but in practice it produces great infirmities. First, to cut the kind of deal across issue fora, you need a sustained summitry process at the highest level that can make these tradeoffs. It is not clear that G-8 or G-13 can yet meet this challenge. But second, most emerging powers will resist this. **Interlinking of issues is often seen as a way of enhancing protectionism. There is going to be little political traction for this idea. Free trade agreements are a promising way of institutionalising comprehensive deals, but the more comprehensive the deal, the longer the process. In many instances, the issues that need addressing are more urgent.**

On climate change, Europe's lead has certainly been exemplary compared to any other power. The European development model, which on the face of it seems less energy intensive, will be crucial to thinking about the future. But as far as the developing world is concerned, Europe's position on the obligation of developing and developed countries is still not on the side of justice. Developing countries will demand more from industrialised countries and if Europe cannot demonstrate its power to move the U.S., Australia, Canada, it is unlikely India and China will budge.

There are many other issues we can think about, but the final one is this. For good or for ill, the United States still defines the parameters of world politics. Take all the major challenges facing the world:

A) legitimisation of nuclear weapons and an explosive missile race: the fact is that till such time as the United States and major powers, continue to insist on modernising their arsenals, till there is a credible missile and space treaty, the proliferation of the weapons of mass destruction will continue to be legitimised. It is unclear that any of the major powers will take any serious, credible and fair initiative in this respect. Will Europe be any different? Can it delegitimize WMD's?

B) Terrorism: This is a serious challenge, but it will have to handled in a politically supple manner. There is still a danger that the Islam versus the West conflict will becoming a self fulfilling prophecy. Who will take the political initiative to ensure it does not? Can it alter myopic US policy in Pakistan or Afghanistan?

C) Climate Change: Bali was a small victory in that the US is still talking; it was a step backward because the framework for future negotiations now equates developed and developing countries. Previously the former were supposed to undertake binding commitments, and the latter nationally appropriate actions; now both can take binding commitments *OR nationally appropriate actions.*

D) Doha round: Not clear Europe has too much locus standi.

E) Iran and Russia: Europe above all should understand that these countries are moved by a politics of self esteem more than “interests” or “ideology” Can it help in ensuring a discourse in world politics that these two powers do not feel even more wounded, closing of any chance of a satisfactory resolution of the crises.

The point is that despite surface differences most in the world are convinced that **Europe has very little influence over the United States. And if cannot effectively influence U.S. policy why should the rest of the world be interested in it? It will continue to punch below its weight in the rest of world, if it fails to be an effective counter puncher to the United States when appropriate. The question of why Europe punches below its weight, resolves in part into the question: To what degree is it willing to take on the Untied States?**

The civilized world has high hopes of Europe, despite its limitations. It may not be at the Centre, but it has enormous innovation of all kinds behind it. Its best conceivable role is as a bridging power, an honest broker. But it is often easier to preach your convictions than to live up to them. **The European Enlightenment’s great legacy to mankind was the ability to speak truth to power. If Europe can do that in international relations, it will start a new revolution and punch above its weight.** If it plays traditional power games, it will alas, meet the fate of those who play those games.

Shaping France and Europe's Foreign Policy in a New Globalized World

Vladimir Milov

Although these comments are written by a Russian, it should be mentioned that the author strongly sympathizes the European Union's positive role in global development, and regards the active involvement of the EU in the resolution of important global challenges as an extremely positive factor, as well as encourages broader partnership between Russia and the EU in joint efforts focused on governance of such issues. Unfortunately, an approach seeing the EU as a full-scale partner, and its leadership on the global scene as a positive factor, is not currently a mainstream among the Russian political elite, some representatives of which see the EU as a competitor and a proponent of an alien political philosophy, based on Western-style democratic values and the rule of law, a philosophy currently not welcomed by the Russian authorities. However, the author believes that, over time, Russian and European approaches to development and critical global issues will inevitably become more aligned than today.

The main observation is that the "Issue Paper" appears to be somewhat exclusively focused on technologies of representing the EU as a global power in the process of governance of the global issues, rather than on the nature and substance of critical global issues themselves. However, a closer look at these global problems may suggest that EU's ambition to "take the lead" on the most important global issues is challenged either by its limited actual capabilities (like the issues of climate, security, or energy), or by the lack of EU's ability to reform its own traditional policies (as far as trade is concerned).

The "Issue Paper" mentions the fact that EU is "underpowered" in certain crucial global issues. But these issues are not just general, some most important of them are very specific, and it appears that the general references should as well be supplemented by the focused analysis of the specific limitations of the EU international power regarding these issues.

This should help to better understand the possible ways to overcome such limitations, and to find the best ways to secure the EU's leadership in the resolution of the global issues, taking into account the clear benefits for the global community arising from such a leadership. The "Issue Paper", as it appears, would benefit from extending its scope from the general analysis of the EU approach to the international issues to a more issue-specific approach, since the global challenges are issues of scale in themselves,

For instance, in the climate change issues the EU has only a limited leverage: it is responsible only for 15% of the overall global greenhouse gas emissions, whereas the majority of the global CO₂ emissions (over 45%) are caused by the United States and China. Such high level of emissions is the fundamental consequence of the energy policies of these two countries, which are characterized by the domination of coal in their energy mix. The switch of the U.S. and China to alternative energy policies, promoting more climate-friendly energy sources, appears to be problematic from a realistic point of view, taking into account the energy security and energy import dependence concerns of these nations.

It's not clear how the EU is capable of changing the U.S. and China approach to their energy policies, which is vital for climate, taking into account that, in the area of energy, it is itself confronted by the growing energy import dependence as a result of increasing energy demand and sharply declining indigenous energy production. In the area of security, the EU potential leadership is challenged by the fundamental lack of "hard power", mentioned in the "Issue Paper"; in this regard, the results of the recent NATO mission in Afghanistan, and the disputes among the European states on the issue of sending troops to this country, actually raises the fundamental question, whether the EU can develop a capacity to play a significant role in international security and peacekeeping missions in the near future. In the area of trade, further progress in international

trade liberalization may require reconsideration of some fundamental EU approaches to agriculture subsidies policy.

Therefore, it looks like what will be helpful is the analysis of the substance of the issues, and answers to the questions on what the EU can offer to the international community on the critical global issues, taking into account its limited capabilities in certain areas outlined above. Otherwise, the “Issue Paper” appears to be somewhat incomplete.

France and Europe's Foreign Policy: an American Response

Joseph S. Nye, Jr.

The issue paper prepared for this meeting with Foreign Minister Bernard Kouchner is thoughtful and provocative, but it is somewhat too pessimistic about Europe's power and possible policies. Yes, Europe punches below its weight because it is fragmented, Kantian, and normative in a world of hard power, but as Robert Cooper has pointed out, much of the world is not a world of hard power. The use of force among advanced industrial democracies is virtually unthinkable, even though it remains relevant in industrializing and pre-industrial areas and for some non-state groups. In their relations with each other, the most powerful OECD countries are all from Venus. They exist in a Kantian island of complex interdependence with its own politics which Robert Keohane and I described three decades ago. That is not the whole world, but it is a very important part.

As for these other parts of the world, a recent Pew poll found that many Europeans would like Europe to play a larger role, but European publics are not willing to pay the price to invest in the military power that would be required to balance American hard power. That would require a doubling or tripling of defense as a percentage of Gross Domestic Product in most European countries. There is little indication the Europe's post industrial societies are interested in such expenditure. I have argued that effective policies rest on smart power – the ability to combine hard and soft power effectively. In recent years, America has ignored its soft power, but Europe has underinvested in its hard power. Even though Europe cannot balance American military power, a smart strategy for Europe in the industrializing and pre-industrial parts of the world will require investments in hard power.

But the picture for Europe is not as bleak as the pessimists assume. Power is the ability to get the outcomes one wants, and the resources that produce such behavior depend upon the context. In world politics today, there is not only the tripartite geographical context referred to above, but enormous variation by functional context. In functional terms, power is distributed like a three dimensional chess game in which you play vertically as well as horizontally. On the top board of military relations among states, the United States is the world's only superpower with global reach. Europe (or China) are very unlikely to overtake the Americans in the next two decades. Here the world is uni-polar.

But on the middle chessboard of economic relations among states, the world is already multi-polar. This is the board where Europe acts as a union, and other countries like Japan and China play significant roles. The United States cannot reach a trade agreement or settle anti-trust cases without the approval of the Commission of the European Union. Just recently, after the World Trade Organization ruled in favor of a European complaint, the United States Congress had to rewrite billions of dollars of tax legislation. This hardly fits the description of a uni-polar world. Or to take another example, Europe was able to lead the removal of Paul Wolfowitz from the World Bank.

The bottom chess board includes transnational relations that cross borders outside the control of governments – everything from drugs to infectious diseases to climate change to transnational terrorism. On this board, power is chaotically distributed among non-state actors. No government can control the outcomes without the cooperation of others. Here the United States needs the help of the Europeans to deal with these new challenges. It makes no sense to call this world uni-polar.

On this bottom board, close civilian cooperation is important, and the degree of cooperation is affected by a country's attractiveness or soft power. Here Europe is well endowed. The success of European countries in overcoming centuries of animosity, and the development of a large successful market has given them a great deal of soft power. At the end of the Cold War, Eastern European countries did not try to form local balances as they did in the 1920s, but looked toward Brussels as the magnet for their futures. Similarly, countries like Turkey and Ukraine have adjusted their policies as they have been attracted toward Europe. One of the dangers of the recent setbacks would be if the EU were to halt its enlargement talks. That loss of soft power would be a setback for Europe, the Balkans and larger stability. While this power is difficult to project, it is an important resource.

Recently, the National Intelligence Council of the US published four widely different pictures of the world in 2020: Davos World, in which economic globalization continues but with a more Asian face; Pax Americana, where the US continues to dominate the global order; New Caliphate, where Islamic religious identity challenges the dominance of western norms; and Cycle of Fear, in which non-state forces create shocks to security that produce Orwellian societies. Like any exercises in futurology, such scenarios have the limits, but they stretch out thinking if they make us ask which is most likely? Technological change will continue to push globalization but three or four major political factors will help shape the outcome

First is the rise of Asian power and how it is used. The big question will be China and its internal evolution. It has lifted 400m people out of poverty since 1990 but another 400m live on less than \$2 per day. Unlike India, China has not solved the problem of political participation. If China turns to nationalism as a social glue to replace its eroded communism, it could lead to a more aggressive foreign policy and unwillingness to deal with issues like climate change. Or it may deal with its problems and become a "responsible stakeholder" in world politics. Europe can contribute significantly to the integration of China into global norms and institutions. In general, Europe and the U.S. have more to fear from a weak China than a wealthy China.

Political Islam and how it develops will be the second factor. The struggle against extreme Islamist terrorism is not a "clash of civilizations" but a civil war within Islam. A radical minority is using violence to impose a simplified and ideological version on a mainstream with more diverse views. While the largest number of Muslims live in Asia, they are influenced by the heart of this struggle in the Middle East, an area that has lagged behind the rest of the world in globalization, openness, institutions and democratization. Here European economic power and soft power have a lot to contribute. More open trade, economic growth, education, development of civil society institutions and gradual increases in political participation might help strengthen the mainstream over time, but so could the way Muslims are treated in Europe and the US. Equally important will be whether western policies towards the Middle East satisfy mainstream Muslims or reinforce the radicals' narrative of a war against Islam.

The third major political determinant of which scenario prevails will be American power and how it is used. The US will remain the most powerful country in 2020, but the paradox is that the strongest state since Rome will not be able to protect its citizens acting alone. American military might is not adequate to deal with threats such as global pandemics, climate change, terrorism and international crime. These issues require co-operation in the provision of global public goods and the soft power of attracting support. The vision of a democratic Atlantic alliance remains relevant here. No part of the world shares more values or has a greater capacity to influence American attitudes and power than does Europe. That suggests that a fourth political determinant will be whether European attitudes and policies evolve in a smart way so that Europe and North America are better able to cope with the formidable transnational challenges which none can handle alone.

Toward Rule-Based International Order

Carlos Pascual

More than 15 years after the end of the cold war, we do not have a concept of international order. Both the philosophy and institutions underpinning the multilateral security system, including the United Nations, must be revitalized or risk giving way to unilateralism or further disintegration of a rule-based international system. Europe must help shape the rebirth of multilateralism. Without Europe as a partner, the United States will not commit to a rule-based international order needed to advance global peace and prosperity for the coming 50 years.

There is a moment of opportunity. Americans increasingly recognize the failure of unilateral use of force in Iraq and its limits in Afghanistan. In recent polls, **over 75 % of Americans responded that the United States has lost respect in the world and that this is problem: it affects America's ability to lead.** About two thirds of Americans support principles of international partnerships and global cooperation. A new American president can help restore America's image by rebuilding partnerships that reflect shared interests and burdens in an interdependent world.

The international community must understand the limitations of the international system, constructed after World War II, based on sovereign states functioning as rational actors, where mutual scrutiny could mitigate egregious behavior. **Today, global threats – proliferation, transnational terrorism, conflict, climate change, and poverty – transcend borders and challenge Westphalian sovereignty.** Non-state actors often are immune to international condemnation. Nations acting alone cannot solve these problems. Nor can individual nations isolate themselves from harm.

A new notion of responsible sovereignty must guide both national and international behavior. **To exercise their sovereignty responsibly, nations must be accountable for how they treat their citizens and their actions across borders.** Today, the only way to protect national sovereignty requires rules and norms negotiated with other nations that guide actions that reverberate beyond national boundaries. Only such negotiated rules can establish order in ungoverned spaces beyond the reach of national actors. Rules must be tailored to the problems at stake. To work, nations must invest systematically in an international order and build trust.

Nation states are at the core of responsible sovereignty because they are the foundations of multilateral and regional organizations, and they set incentives for the private sector and NGOs. A revitalized multilateral system must mobilize capital, technology, knowledge and information, most of which lies outside of official channels. The combination of actors, and the rules that bind them, must realign like a Rubik's cube based on the challenge. On issues of peace and conflict, for example, the UN will play a central policy and operational role. On climate change, the UN can mobilize and coordinate policy, but the private sector will supply the bulk of technology and capital.

Five key challenges must capture our focus:

- **Renewal of the bargain on nonproliferation and disarmament.** High oil and gas prices and pricing carbon to combat climate change will drive more nations to civilian nuclear power. Some will seek to control the fuel cycle. Firewalls must be raised between civilian nuclear programs and weaponization. To create a regime of safeguards, nuclear weapons states must commit to disarm, beginning with the U.S. ratifying the Comprehensive Test Ban Treaty.
- **Emergence of a counter-terrorism regime with law enforcement at the core.** Extremists will use religion and any other means to attract the disaffected. Countering extremism requires people and nations to buy into a rule-based order with law enforcement structures and intelligence capacity to protect societal interests. The greatest challenge will be the management of relations with authoritarian states who run security within their borders, yet may also be a cause of extremism.

- **Preventing conflict when we can and helping nations create sustainable peace.** Voids of governance in post-conflict states drive the largest international military interventions since World War II. Failure can reverberate in terrorism, proliferation and crime. Global capacity to respond is slow and ad hoc. Civilian capacity to rebuild is miniscule, even in Afghanistan with both the UN and NATO engaged. If Pakistan were to explode, the international community would be ineffectual.
- **Arresting global climate change while protecting energy security.** Technology and policies do not align with the cuts needed in greenhouse gas emissions to stop irreparable damage to the planet. Any solution fails without China, India and the United States. A new framework must get their commitment, however imperfect, with the intent to tighten the arrangements as technology and experience create new possibilities. A common global approach is needed on carbon disclosure to ostracize and reward based on performance.
- **Giving poverty eradication a central focus in the global security agenda.** Poverty and inequality are the biggest causes of instability. Trade, investment, aid, national policy, and good governance must be part of a strategy to eradicate poverty. Institutional flaws will not disappear easily. But formalized scrutiny through global summits can help us understand success and condemn failures, generating a learning process to underpin policy and institutional change.

American leadership is essential, yet trust in the United States has collapsed. **Europe can help by engaging a new administration on American actions to build trust in American commitment to a rule-based system:** closing Guantanamo, rejecting torture, embracing the Geneva conventions, ratifying the CTBT, joining the International Criminal Court.

For Europe's part, it must also see America's world of crisis: Iraq, Iran, Afghanistan, North Korea, the Middle East, and Pakistan – not to mention Russia, China, India and a populist Latin America. Europe needs to help the United States see how international partnerships can address these challenges. Creative diplomacy with the UN and Europe on Iraq and the Gulf is a starting point. Success will be elusive. Yet **if partnerships are not useful in crises, they will seem irrelevant.** We need to renew trust in cooperation to build the new order that will help us emerge from crisis to leadership in building a safer world.

Changing Course: An EU Strategy of Creating Global Government Networks

Anne-Marie Slaughter

Summary

The EU is pursuing the wrong strategy with regard to multilateralism and international institutions. Instead of playing the model multilateralist, seeking to use traditional international organizations to do all global business, it should emphasize the need for an intermediate infrastructure of networks of national government officials. These networks are essential to tackle the global problems of the 21st century, all of which require direct action at the local, provincial, and domestic level. The EU is a model for governance through transgovernmental networks; it should take the lead in calling for and creating them. France in particular could lead the way through the creation of a global health network, by supporting the creation of an L-20, and by pushing for the reinvention of the OECD as a hub of government networks in many different policy areas.

Global Problems Require Domestic Solutions

Far more than the inter-state conflicts of the 20th century, the global problems of the 21st century require the cooperation of local, regional, and national officials outside the foreign ministry states to solve. If local and national Indonesian health officials cannot recognize and report cases of avian flu, the WHO system cannot swing into operation. If local or state officials in Pakistan, Afghanistan, Morocco, or France cannot detect, track, arrest and convict terrorists operating in loose networked cells, those cells can plan and carry out attacks in neighboring countries or even further away. And even if the world were to adopt strict emissions controls and other carbon-limiting measures, those obligations would have no impact if they could not be enforced against energy producers and consumers at the local, state and national level.

Governments Must Network Too

The only way to organize effectively to tackle global issues is via global networks of national government officials. National and even international hierarchies are too narrow, rigid, and slow. Corporations, civil society actors and even criminals have understood this and reorganized in network form. Governments are following suit in various ways, most notably in the financial sector with networks of finance ministers, central bankers and securities regulators, but they lag far behind other sectors. Yet they are needed, to exchange information and best practices, build the trust that allows effective technical assistance, promote convergence of national policies, and speeding the process of implementing agreed policies. Although NGOs can do many of these things, networks of public officials have greater democratic legitimacy and provide valuable interlocutors for NGOs and private actors.

The best example of effective governance through transgovernmental networks is the EU, which actually does far more business through networks of national regulators, judges, and even legislators than it does directly through the Commission, the ECJ, and the Parliament. Within the EU, however, the importance of these networks and their wider significance is often overlooked. The EU is thus perfectly positioned to point out the need for the creation of these kinds of transgovernmental networks and to provide the model.

A New EU Strategy of Promoting Transgovernmental Networks

To play this role, however, the EU would have to substantially change its current strategy toward international institutions and multilateral governance. The EU has been the model multilateralist, supporting the UN, the World Bank, the IMF, the WTO, and a host of regional institutions. It has

typically favored formal international institutions over informal networks. In the antitrust arena, for instance, the EU wanted to empower the WTO to have authority over competition policy; the US wanted informal networks. Ironically, in the end the EU came to favor and support the International Competition Network, but as a second-best alternative. Similarly in the environmental arena: the EU is much more likely to support a World Environmental Organization.

Although traditional international organizations remain both important and indispensable actors in the international system, this EU strategy makes little sense, other than as a way of positioning the EU as the anti-U.S. It positions the EU as the status quo power, stuck in the world of 1945. It also blinds the EU to the many ways that Asian forms of organization – the informal networks of national government officials in APEC and ASEAN – actually provide prototypes that could be developed into more effective forms of governance with EU assistance. China and India might look more to the U.S. than the EU, but the ASEAN countries can only survive by integrating politically and economically, much like the Benelux countries between France and Germany. They should be looking to the Europe as an economic and organizational prototype.

The EU should take the lead in pointing out the need for a set of institutions between formal international institutions and national governments, institutions that can work with international institutions but that can also operate independently to address the kinds of problems that must be addressed at the local, provincial, and national level. The EU should constantly insist on *institutions that work*, reversing the usual European insistence on process versus the American insistence on results. In this case, the EU has pioneered the process, and the institutions, that can actually deliver results.

At the same time, the EU should focus on deficiencies in existing networks, emphasizing the need for much more active network management. The most effective corporate networks are “orchestrated,” created and managed for maximum speed, flexibility, and effectiveness. Managing a network is a particular skill and requires specific capabilities – the ability to identify all the members of the network quickly, select specific members to tackle specific problems, disseminate key information quickly and efficiently, coordinate multiple sub-networks, resolve disputes, and, in the international system, coordinate with traditional international organizations.

France at the Forefront

France can lead the way to empower the EU and its member states at the same time, in three ways.

- France could take the lead in organizing a global health network of key health officials at the national and provincial levels in countries on the frontline of various global epidemics. Such a network would work closely with the WHO and also with non-governmental health organizations. But it would have much broader reach and capacity than the WHO, as well as a much greater ability to coordinate efforts at all levels both to identify and stop epidemics from spreading and for providing treatment and preventive care for epidemics that have already broken out. France would have to identify the members of an initial pilot network, bring them together at least once physically and then virtually through information systems like those used by big humanitarian NGOs that operate across borders. It would have to establish a secretariat or “network manager” in Paris. It would have to link to the WHO and other regional health organizations, as well as to key actors in the private and civic sectors.
- France should strongly support and even take the lead in the creation of an L-20, a network of the leaders of roughly the same countries that currently participate in the G-20 of finance ministers (G-8, BRICSAM, Indonesia, Australia, South Korea, and either Egypt or Nigeria, as well as the EU itself). Such an organization is a perfect forum for authorizing the creation of transgovernmental networks in different policy arenas that could include many countries beyond those 20 or so and could gradually expand. These are networks, not clubs; they could impose technical criteria for membership but would then have to admit all countries who meet those criteria. Overall, though, the point is to be able to reach out to countries and affect government action within them, not to exclude them.

- France should support the reinvention of the OECD as a collection of transgovernmental networks that can play a more active role in actual policy implementation and that can form the nuclei of larger networks. Admission to OECD networks, rather than to the OECD itself, could provide an incentive for individual national government departments to meet specific technical and even political criteria. Those networks, in turn, would provide more active technical assistance and ongoing personal support for members in less developed countries.

Shaping France and Europe's Foreign Policy in a New Globalized World

Ambassador Wu Jianmin

Three global trends

To better develop the cooperation between Europe and Asia, we need to put it in the global context. In other words, we have to bear in mind the global trends.

At the dawn of the 21st century, three global trends emerged in international relations. The first trend is the rise of quite a few developing countries. In PPP (Purchasing Power Parity) terms, the GDP of developing country is about half of the global GDP. The centre of gravity of international relations is shifting from the Atlantic to the Pacific. What drives this shift is the rise of the developing countries. The rise of Asia is at the centre of this global trend. European centrism is almost over. The rise of developing countries is still in its initial stage. The consequences of this rise are far from being fully felt by the international community.

The second global trend is the challenges facing the world, which are becoming more serious. To name a few, climate change, environmental degradation, terrorism, drug trafficking, and pandemics. No country, no matter how powerful it is, is able to meet these challenges alone. Should the humanity fail to meet these challenges, the consequence would be disastrous.

The third trend is the confrontation between US, Europe on the one hand and the Islamic world on the other. The clash of civilization between Christian and Islamic civilizations is going on. This clash has been aggravated by Iraq war. This trend will continue in the coming decades.

How do we Chinese look at Europe?

1. We admire Europe for its great contribution to the progress of the human civilization in the past three centuries or so. Europe has been the centre of innovation of the world. Modern science and technology originated from Europe. The world owes a lot to Europe.

2. We admire European culture. In the past two centuries, when we Chinese were humiliated, down and out, we came to Europe to look for the way to save China. At the beginning of last century, many young Chinese came to Europe to study. Some of them became the leaders of Chinese revolution and modernization, such as Zhou Enlai, Deng Xiaoping, Chen Yi, etc. Their thinking was influenced by European culture.

3. We believe that European construction is very important. Through European construction, you have made the war between Germany and France impossible. What a remarkable achievement! Your example gives us a lot of inspiration and encouragement. We Asians are committed to East Asian Community building for lasting peace and common prosperity in East Asia.

4. Europe is in transition. The world is undergoing tremendous change. European countries have to adapt to this change. In China, we pursue the policy of reform and opening up to the outside world. What does it mean? It means that we have to change ourselves to adapt to and embrace the globalization. China's reform is popular. People like it. Thanks to the reform, we are able to make great progress in modernization. However, reform in Europe is unpopular. People are afraid of it.

Cultural diversity is the wealth of mankind

We all understand the importance of biodiversity. Biodiversity is vital to the nature. It is nature's gift to us. Our planet is colorful and marvelous because of the biodiversity. Should biodiversity diminish, the humanity would suffer a lot from it.

Cultural diversity is the wealth of mankind. It is shaped by history, economic development, tradition, faith and religion. The world has different civilizations. This is an asset, not a liability of human race. Different civilizations can learn from each other. Clash of civilizations is not a fatality,

provided that we take a right approach. It is in the best interests of humanity to preserve cultural diversity.

Policy options for the relations between Europe and Asia

The past three decades witnessed tremendous growth of trade and economic cooperation between Europe and Asia. In 1975, China and the European community established diplomatic relations. The trade volume between China and Europe in 1975 amounted to 2.4 billion US dollars. In 2007, the trade volume between China and Europe exceeded 330 billion US dollars. This development was achieved on the basis of mutual interests. The same thing applies to the relations between Europe and Asia. However, the labor-intensive industries in Europe suffered from the competition from China and Asia. European wages are 15-20 times that of China or Asia.

Faced with this situation, Europe has two policy options:

First, to resort to protectionism, in order to please some European constituencies, which do not like the change or reform. Europeans can blame China and Asia for taking away jobs from them. With the protectionism, Europe can delay the reform, but the price will be higher. Protectionism can only lead to lose-lose result.

The second policy option is to recognize the rise of Asia as inevitable. The rise of Asia provides Europe with huge opportunities. To seize these opportunities, Europe needs to adapt to the change. To cooperate with China and Asia is the only viable policy option. We Chinese favor the second option. We want to develop further cooperation of mutual benefit with Europe to achieve win-win result. It takes two to tango, it's up to you to decide.

Biographies



Lloyd Axworthy is President and Vice Chancellor of the University of Winnipeg. Canada's Foreign Minister from 1995 to 2000, his political career spanned 27 years. Dr. Axworthy became internationally known for his advancement of the human security concept, in particular, the Ottawa Treaty - a landmark global treaty banning anti-personnel landmines. For his leadership on landmines, he was nominated for the Nobel Peace Prize.

Dr. Axworthy is a Board member of the MacArthur Foundation, Human Rights Watch, Lester B. Pearson College, University of the Arctic, the Pacific Council on International Policy, the Joan B. Kroc Institute for Peace and Justice. He currently sits on the Commission for the Empowerment of the Poor – UN Development Program; the Advisory Board of the Ethical Globalization Initiative; and the Aspen Atlantic Group.

He graduated in 1961 with a B.A. from United College (now The University of Winnipeg), obtained his M.A. in Political Science from Princeton University in 1963, and his Ph.D. from Princeton in 1972.

His book *Navigating a New World - Canada's Global Future*, Knopf Canada, was published in 2003.

Ulrich Beck is Professor for Sociology at the University of Munich, and the British Journal of Sociology Visiting Centennial Professor at the London School of Economics and Sciences. Ulrich Beck is co-editor of *Soziale Welt*; editor of *Zweite Moderne at Suhrkamp* (Frankfurt a.M.). His interests focus on 'risk society', 'globalization', 'individualization', 'reflexive modernization' and 'cosmopolitanism'. He is founding-director of a research centre at the University of Munich (in cooperation with four other universities in the area) - /Reflexive Modernization -, financed since 1999 by the DFG (German Research Society).

His latest books are: *Power in the Global Age* (2005); *The Cosmopolitan Vision* (2006); *The Cosmopolitan Europe* (2007, with E. Grande); *World Risk Society* (2008).



Robert Cooper is Director-General for External and Politico-Military Affairs at the General Secretariat of the Council of the European Union. He was brought up in Britain and Kenya, returning from Nairobi to the UK to attend Oxford University (Worcester College PPE) in 1966. He spent a year at the University of Pennsylvania in Philadelphia joining the Diplomatic Service in 1970. He has served in New York, Tokyo, Brussels and Bonn. His Foreign Office career was divided broadly between Asia and Europe. From 1989 to 1993, he was Head of the Policy Planning Staff. Later in the 1990s, he was Director for Asia and was then Deputy Secretary for Defence and Overseas Affairs in the Cabinet Office.

Before moving to Brussels in 2002 he was Special Representative for the British Government on Afghanistan.

He has published a number of essays and articles on international affairs and, most recently, a book of essays: *The Breaking of Nations*, Atlantic Press 2003.

Since January 2007, **Luis Ernesto Derbez** has been the President of the Centre for Globalization, Competitiveness and Democracy at the *Instituto Tecnológico de Monterrey, Campus Santa Fe.*, and Secretary for International Affairs of the PAN – Partido Acción Nacional. Between January 2003 and December 2006, he was the Minister of Foreign Affairs of Mexico; and between December 2000 and December 2002, he was the Minister of Economy. From July to November 2000, he chaired President-elect Vicente Fox transition team, which defined Mexico's 2000-2006 economic and social programs. Prior to joining Mr. Fox's Presidential campaign



team in 1997, Mr. Derbez had a distinguished professional and academic career working for the World Bank Group, the Inter-American Development Bank, Johns Hopkins University and Instituto Tecnológico de Monterrey. He also did consulting work for some of Mexico's leading private sector companies.

He holds a B.A. in Economics from Universidad Autónoma de San Luis Potosí, Mexico (1970). He was awarded the Fulbright-Haynes Scholarship and completed a Master's degree in Economics from University of Oregon (1974). He finished a Ph.D. in Economics at Iowa State of Science and Technology (1980).



Minister plenipotentiary (first class), **Anne Gazeau-Secret** is currently Director General of the International Cooperation and Development Department at the Ministry of Foreign Affairs. She is graduated of the Institut d'Études Politiques (IEP Paris) and the École Nationale d'Administration (ENA). She has held various positions such as Counsellor at the Permanent Mission of France to the United Nations in New York (1989-1986); Chief of cabinet of the Minister in charge of Humanitarian affairs (1991); Secretary General of the French delegation at the 51st United Nations General Assembly (New York 1996); Plenipotentiary and extraordinary Ambassador in La Haye (2000 – 2004); Plenipotentiary and extraordinary Ambassador in Copenhague (2005 – 2007).

David Held is Graham Wallas Professor of Political Science at the London School of Economics and Political Science (LSE). Among his books are: *Democracy and the Global Order* (1995), *Global Covenant* (2004), *Models of Democracy* (3rd edition 2006). He is the co-author of *Global Transformations* (1999) and *Globalization/Anti-Globalization* (2002); and editor or co-editor of *Taming Globalization* (2003), *Global Governance and Public Accountability* (2005) and *The Global Inequality* (2007).



Minister plenipotentiary, **Pierre Lévy** is currently Director of the Policy planning staff at the French ministry of foreign affairs. He was until February 2005 head of the Service for common foreign and security policy (CFSP). He was previously deputy director of the cabinet of Pierre Moscovici, Minister for European Affairs, between 1997 and 2002. He has held various positions at the Quai d'Orsay, as assistant director at the Department of economic and financial affairs, and at the Department for European cooperation. He has been posted in Germany and Singapore. He had held previously several positions at the Ministry of Economy and finance (Directorate for economic external relations), dealing with trade policy and relations with Asia. Pierre Lévy teaches

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Christian Masset holds a degree in economics from the ESSEC Business school and is a graduate of the *l'Institut d'Etudes Politiques* and the *École Nationale d'Administration*. Mr. Masset joined the Foreign Service in 1984. He alternated between foreign postings and positions at the headquarters. In Paris, he has held various positions in the Ministry of Foreign Affairs, in the Space and Nuclear issues sector (1984-1987) and in Economic and Financial Affairs (1989-1991) before being appointed as First Secretary at the Embassy of France in London (1987 -1989). In 1991, he is appointed as Second Counsellor at the Embassy of France in Pretoria for three years and upon his return to Europe, he served as Second Counsellor with the Permanent



Representation of France to the European Union in Brussels from 1994 to 1997. Back in Paris, he was subsequently Technical advisor to the Private Office of the Minister of Foreign Affairs in June 1997 and advisor to the Minister of State for European Affairs (1998-1999). In 1999, he was assigned as First Counsellor at the Embassy of France in Rome (Quirinal). In 2002 he went back to Brussels where he held the position of First Counsellor at the French Permanent Representation of France to the European Union until 2007. Upon returning to Paris, Christian Masset was appointed Director of economic and financial affairs at the Ministry of Foreign and European Affairs on August, 2007.



Pratap Bhanu Mehta is the President and Chief Executive of the Centre for Policy Research in New Delhi. The Center for Policy research also houses PRS Legislative Research, India's leading resource for briefings to legislators. He was previously Visiting Professor of Government at Harvard University and Associate Professor of Government and of Social Studies at Harvard. He was also Professor of Philosophy and Law and Governance, JNU. He has held important policy positions as well. He was Member Convenor of the National Knowledge Commission appointed by the Prime Minister of India; Member of the Supreme Court Committee of University Reform; Advisor Planning

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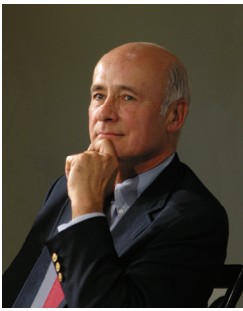
Carlos Pascual is Vice President & Director of the Foreign Policy Studies Program (FPS) at the Brookings Institution. Mr. Pascual joined Brookings in 2006 after a 23 year career in the United States Department of State, National Security Council (NSC), and the United States Agency for International Development (USAID).



In 2007, Mr. Pascual launched a major new initiative at Brookings called "Managing Global Insecurity: American Leadership, International Institutions, and the Search for Peace in the 21st Century." This project will generate substantive materials and international support networks in order to give the next American President and key international partners a platform to launch a new United Nations reform effort in 2009. He has written several opinion pieces and articles on this topic, including: "The Critical Battles: Political Reconciliation and Reconstruction in Iraq" with Ken Pollack in *The Washington Quarterly*; "A Brokered Peace," in *The Washington Post*.

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Vladimir Milov is the President of the Institute of Energy Policy, a Moscow-based independent consultancy, and former Deputy Energy Minister of the Russian Federation.

In 1997-2001, he was with the Federal Energy Commission of Russia, the natural monopoly regulator, where in 1999-2001 he headed the economic analysis department. In 2001, Mr. Milov leads of the energy expert team within Center for Strategic Research (CSR), the Government-linked policy development think tank. In December 2001, he became adviser to the Minister of Energy of the Russian Federation. From May to October 2002, he

was Deputy Minister of Energy of the Russian Federation. After voluntary resignation from Government in late 2002, Mr. Milov is heading the independent energy policy think tank, which operates under the name Institute of Energy Policy since 2003.

He is the author of numerous concept and analysis papers related to Russian energy and infrastructure problems, his opinion is frequently quoted in the Russian media. He contributes as a regular columnist to the daily Russian business edition *Vedomosti*, and, as a periodical contributor and commentator to major international media editions. Since 2007, he is also a visiting scholar at the Carnegie Endowment for International Peace in Washington D.C., United States.

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Ambassador Wu Jianmin is the President of China Foreign Affairs University, Executive Vice President of China National Association for International Studies (CNAIS), Co-interim Coordinator of NEAT, and Under-Secretary-General and Spokesman of Chinese People's Political Consultative Conference (CPPCC). He previously served as China's Ambassador to France (1998-2003); to the United Nations Office in Geneva and to other international organizations in Switzerland (1996-98); and to the Netherlands (1994-95). Earlier, Ambassador Wu was Director General of the Foreign Ministry's Information Department and served as the Ministry's Spokesman (1991-94).

He was Political Counselor and Deputy Chief Mission at China's Embassy to Belgium and its Mission to the European Community in Brussels (1980-90) and was Counselor at China's Mission to the United Nations in New York (1985-89). In June 2003, WU Jianmin was awarded Grand Officer, Légion d'Honneur by President Jacques Chirac in recognition of his outstanding contribution to the relations between China and France.