

# Managing a Post-Crisis World:

## Reports of the Working Groups

**2009 ANNUAL CONFERENCE**

**PARIS 22-23 OCTOBER**

[www.iss.europa.eu](http://www.iss.europa.eu)

**Institute for Security Studies**

*European Union*

*43 avenue du Président Wilson*

*75775 Paris cedex 16*

*tel.: +33 (0)1 56 89 19 30*

*fax: +33 (0)1 56 89 19 31*

*e-mail: [info@iss.europa.eu](mailto:info@iss.europa.eu)*

**[www.iss.europa.eu](http://www.iss.europa.eu)**

*Director: Álvaro de Vasconcelos*

## MANAGING A POST-CRISIS WORLD

The EUISS Annual Conference in Paris on 22-23 October 2009 will discuss the implications of the current global economic crisis for the international order, in particular the added strain it places on effective multilateralism. The kind of world in which we will live after the crisis will depend on how the current crisis affects the distribution of power worldwide, and on how the most developed countries of the old G-8 as well as the so-called emerging countries are hit. After the crisis, will it still make sense to refer to countries such as China, India and Brazil as 'emerging powers'? Will the changes in power relations in the multilateral system that we have already experienced shift up a gear?



EU HR Javier Solana and Álvaro de Vasconcelos

The ability of global institutions to reform themselves during and after the financial crisis will be fundamental to the future of the multilateral order. The transformation of the G-8 into the G-20 is a first step in the right direction.

The Conference will take place after two, possibly three G-20 Summits, and it will then be possible to have a better understanding not only of the G-20's role in the regulation of globalisation, but also of the dynamics it will be able to create to reform other international institutions, in particular the United Nations. Are we heading towards an inner circle of powers - a 'directoire de puissances' - within the G-20? How can we ensure that the United Nations' universal system will be strengthened rather than weakened by the crisis?

The post-crisis world will be profoundly shaped by the new US policy, and by the willingness expressed by President Obama to involve a maximal number of regional and global actors in the resolution of global problems and

international crises. Despite the current crisis, the United States is still the major world power upon which the effectiveness of multilateralism will predominantly rely. What will be the priorities of the new US administration? What are the American views on global governance? What reforms to the international institutions are supported by the US?

The European Union (EU) with its model of democratic inclusion, association between states and social cohesion, faces serious challenges because of the global economic downturn, twenty years after having successfully contributed to the European order after the fall of the Berlin wall.

How will the EU emerge from the financial crisis? Will the EU be more cohesive or should a resurgence of nationalism be expected? How will its neighbouring countries be affected? What kind of European policy will sustain the EU's transition to a post-crisis world? What European order is the EU going to build with its Eastern neighbours and Russia? What place will the US assume in the European order?

The world's problems are not limited to the economic crisis, although most of them will inevitably be exacerbated by it. Upon what common principles can we build an international order able to protect citizens and guarantee their rights? After years of unilateralism, how can a new consensus on democracy, human rights and international justice be created? How can the development agenda and the fight against poverty be pursued in the current crisis?

In addressing the issues outlined above, the conference has been structured along four subsets of topics, which will be explored in a decentralised working-group format ahead of the conference, to be discussed in Paris in four plenary sessions, dealing with (1) the emergence of new opportunities for global governance, (2) the evolution of peace-building, (3) the challenges on development policies, and (4) the future of the European policy of democracy and peace "by inclusion". All these issues are high on the EU agenda and feature with equal prominence in the renewed engagement with the United States and in the 'strategic partnerships' with newer global players and major regional actors or organisations in promoting effective multilateralism.

*Álvaro de Vasconcelos*

## IMPLICATIONS OF THE ECONOMIC CRISIS FOR ENLARGEMENT AND NEIGHBOURHOOD

### Working Group 1

Warsaw, 19 June 2009 (in cooperation with Collegium Civitas and DemosEUROPA)

Against the backdrop of the 20<sup>th</sup> anniversary of the fall of the Berlin Wall, which made the consolidation of democracy and peace possible throughout most of the European continent, this Working Group considered what the EU's priorities should be in extending this process to the rest of Europe and its close neighbourhood, in a context of severe economic crisis.



*This report is based on the proceedings of Working Group 1 on 'Implications of the economic crisis for Enlargement and Neighbourhood policy' held in Warsaw on 19 June 2009.*

Rapporteur: **Pawel Swieboda**

### I. Lessons of the 1989 transition

The revolutionary changes of 1989 ushered in one of the most rapid transformation processes in modern times. This would not have been possible without the popular mobilisation across Central and Eastern Europe with major protest movements and events challenging the communist regimes in Hungary, Czechoslovakia, Poland and finally in East Germany. As the former Polish Foreign Minister Bronisław Geremek recalled, there was a strong sense of a European community united by a common purpose at this time: people throughout Western Europe were wearing the badge of the underground Solidarity movement which eventually undermined the Communist regime, in particular when people protested against martial law in Poland in 1981. 'This was the moment when Europe demonstrated what it was really about.' At

the Round Table talks in Poland in spring 1989 between the communist government and democratic opposition, the moral ascendancy of the anti-communist dissidents translated itself for the first time into a political power-sharing agreement which turned out to be crucial for the eventual success of the Solidarność movement.

The year 1989 was a landmark moment for the European Union as we know it today and holds the key to its continued relevance. It was an example of the powerful results which can be achieved by a shared community of purpose between the EU Member States as well as between them and the United States. The input from the United States was of crucial importance for the eventual success of the democratic transformation. Good understanding on both sides of the Atlantic that European integration was the best means available to unify Germany and bring democracy to Central and Eastern Europe provided the much-needed strategic orientation. Just as at the outset of the European process, also in this crucial 'hour of Europe', the United States was ready to stand by its values with an impressive strength of conviction.

One can distinguish two phases in the history of European integration, as Álvaro de Vasconcelos remarked during the WG discussion. Peace was the main objective during the first one, notably through the transformation of Franco-German relations, while democratisation and inclusion dominated the agenda of the second phase that started with the accession of Portugal, Spain and Greece. The latter is still ongoing with the efforts to consolidate democracy in Turkey by means of the accession process. If the EU loses its power of attraction, along with its distinguishing attributes such as solidarity, diversity, democracy and democratic values, it would forego its ability to transform the neighbouring countries.

The waves of enlargement that have taken place over the last two decades indicate that four aspects are most important:

- *conditionality*, which defines steps which are necessary on the part of candidate countries,
- *credibility*, which ensures that the EU will deliver on their promise of membership once the criteria are met,
- *coherence* of the European policy regarding enlargement and a consensus among the Member States on the future of the process,
- *solidarity*, which can be brought about by means of a gradual process of integration, starting with participation in different political cooperation plans.

What happened next from 1989 up until today was also an experiment in political engineering to create space for the various social groups, some of which suffered enormously as a result of the transformation. As it turned out, linking up countries economically, even though complicated

in itself, proved to be easier than doing the same at the level of historical memory. As Aleksander Smolar rightly recalls, many people considered the geopolitical dimension as the most important. For them, 1989 was seen as the outcome of a game between the great powers' rather than a quest for freedom. Not surprisingly, it is the fall of the Berlin Wall, the symbol of Europe's division, that is generally remembered better in the world than the Polish Solidarity movement and the Round Table talks, the first compromise between the communist government and the opposition, a model for many other transformations.

The European Union is the best thing that has happened to Central and Eastern European countries. It proved to be a unique formula for transforming the countries' politics, economy and way of life. It is also an example of the effectiveness of the EU policy of democratic inclusion, combining economic integration and political conditionality. The democratisation process led to a delegitimisation of extreme nationalism. In relation to the Western Balkans, the EU is now trying to demonstrate that there is another way of rethinking identity, namely through Jürgen Habermas's notion of constitutional patriotism where national identity is not built on a confrontational identity *vis-à-vis* the neighbour. Economic integration cannot proceed without the political dimension and complete integration is the only way of bringing about democratisation.

Transformation in Central and Eastern Europe was a challenging exercise. There was little evidence of a wholehearted embrace of the new members by the old, at least that was how the accession countries saw it. Just as with the 1986 enlargement to include Spain and Portugal, in the Central European enlargement of 2004 democratic conditionality was at the core of the process.

The EU has gained by enlarging but it still has to come to terms with how much it has changed as a result. Moreover, it will have to come to terms with the fact that shutting the doors to future new members would defy the logic of openness and inclusion on which it was built. Hence, reflecting on the possible accession of Turkey which is currently undergoing the second great wave of modernisation after Atatürk, the EU will have to sort out its attitude to Islam and accept the idea that Islam and democracy go together. The EU already has borders with dictatorships such as Belarus. The day may yet come when it has borders with Iran, Syria and Iraq. The problem is deeply rooted in the mindset of the European elites. As Jacques Rupnik once remarked, 'everyone is someone else's barbarian.' The Europeans have temporarily lost their appetite for transforming countries which do little to transform themselves. They will, however, realize that especially with regard to their closest neighbours, lack of engagement is not an option.

## II. The future of the Neighbourhood Policy

The European Neighbourhood Policy (ENP) constitutes the trademark of the EU's engagement with its Eastern and Southern neighbours. However, it carries the imprint of a different historical period. Born in the context of the EU's most extensive ever enlargement to include 12 countries of Central and Southern Europe, the ENP was a policy designed to avoid new dividing lines between members of the club and the less distant outsiders. It emerged as a function of the EU's internal evolution and had the objective of cushioning the Union against any unwanted turbulence beyond its borders. The intention was more to protect the EU and its achievements than to expand its ability to project influence into new geographical zones. As such, it was a policy for the calm waters of a simple world in which the EU would continue to exercise influence in its immediate proximity by virtue of its unique prosperity and model of cooperation. Several years later, the world is a different place and the European Neighbourhood Policy must begin to reflect that new reality.

Since 1995, the EU has engaged in the Euro-Mediterranean Partnership (EMP) and became involved in the Middle East in the aftermath of the Oslo Process when peace seemed to be within reach. For the EU this was a way of enlarging the area of peace and stability through inclusion to the south but without the incentive of membership. The objective of the EMP was to combine economic integration and political cooperation although without strong political conditionality. Since then the enormous difficulties of the exercise have become apparent and the process has undergone several revisions, the latest being its transformation into the Union for the Mediterranean (UfM). The Gaza war in early 2009 demonstrated that peace remains a key prerequisite for a functioning Euro-Mediterranean community. It confirms as well that economic incentives are not sufficient on their own if they are not accompanied by a growing sense of stabilisation in political and security terms.

The most recent initiative aimed at enhancing the region's ties with the European Union is the Eastern Partnership which opens up a new chapter in the relationship between the EU and six neighbouring countries in Eastern Europe – i.e. Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine – with its promise of more political and economic integration. At the same time, its instruments are designed to create a relatively weak bond with the countries concerned unless they are revisited within a reasonable period of time. Thematic platforms which are created will serve the purpose of regional



dialogue and exchange of best practices but will need to be re-launched in 2010/11 with the aim of strengthening the relationship between the EU and Eastern Partnership countries.

### III. Prospects for further enlargement

The EU clearly does not exert the same power of attraction over the current candidates and would-be candidates that it did for the Central and Southern European states that acceded to membership. Apart from growing enlargement fatigue within the EU and the complexity of the post-civil war situation in the Balkans, this is due to the lost historical momentum. The 'big bang' enlargement was about overcoming the historical divisions of the continent. That motivation is no longer there although the perspective of EU accession remains a driver of transformation in the candidate (Croatia and FYROM) and potential candidate countries (Albania, Bosnia-Herzegovina, Kosovo, Montenegro and Serbia) in the Western Balkans. At the moment, we are in the post-conditionality stage, which is more incentive-oriented.



However, further EU enlargement remains firmly in the interest of the EU due to the imperative of consolidating democracy and stabilising countries in its direct neighbourhood as well as for reasons to do with the future character of the EU, the role it intends to play in the world and the influence it wants to yield beyond its borders. The EU's international influence will not grow through closing the doors to new members. Having said that, further EU enlargement must be the result of a conscious choice rather than be experienced as an undesired necessity.

### IV. Impact of the global economic crisis

#### The Eastern Neighbourhood

Neighbouring countries are facing enormous difficulties in the context of the current economic crisis. These countries suffer from a poor capital base and hence have a high dependence on external financing, now exacerbated by the crisis. The neighbouring countries are perceived as having the highest risk among emerging markets due to their unclear position versus the EU and/or Russia which means they will be crowded out in the competition for capital. The abundance of red tape and corruption

are deterring investment and domestic business growth. The biggest country of the region, Ukraine, remains potentially interesting as a destination for capital but requires more political stability and progress towards reform. Georgia has a reform-minded government and a liberal economic regime but is destabilised and isolated since last year's conflict with Russia. Belarus survived the worst and may benefit from its low starting-point base and the EU's proximity.

There is little prospect of EU membership due both to domestic reasons such as lack of reform and external factors — EU appetite for enlargement is even smaller than before the crisis. The crisis found many countries' political elites unprepared and lacking a coherent plan of action. It resulted in the weakening of the momentum for reform. Practically no progress was made in carrying out political reforms including constitutional and judicial reform as well as the fight against corruption.

As a result, popular unrest is likely as the effects of the economic crisis filter their way to the wider echelons of the population. There is a growing disenchantment with the governing political elites and

readiness to grant the benefit of the doubt to newcomers. In Ukraine, the pivotal country of Eastern Europe, the 2010 presidential elections are not expected to lead to substantially more political stability and improvements in the quality of governance in Ukraine. Reform of the constitution remains essential in order to avoid divisions among the executive branch.

The International Monetary Fund (IMF) has been a key partner for countries in the region with Ukraine's agreement for a stand-by arrangement with the IMF of USD 16.4 billion being crucial for stabilising the extremely precarious economic situation. It helped Ukraine to avoid what many feared was a near-default in the spring of 2009 and contributed to the easing of the financial pressures although political uncertainty and deeper than expected contraction of the economy continued to pose challenges.

The European Commission began considering a large macro-financial assistance programme for Ukraine with the objective of covering Ukraine's external financial needs and supporting the government's reform programme, especially with regard to the social safety net. Ukraine remains heavily dependent on international commodity demand for steel, grain and chemical products. The January gas dispute exacerbated the situation and meant that the

Ukrainian government had to halt deliveries to industry to ensure heating for households. Consumer confidence and exports of raw materials have since shown signs of recovery.

## The Southern Neighbourhood

In the Mediterranean neighbourhood, the consequences of the global financial crisis have been less marked than expected. Many countries of the region had suffered more severely from the earlier rises in oil prices which pushed up energy costs in non-oil-producing states and compounded a parallel explosion of food prices. This generated popular resentment that expressed itself in riots in Egypt, Morocco, Algeria and Tunisia. On the other hand, non-oil-producing south Mediterranean economies benefited from high levels of direct private foreign investment from the Gulf during the second half of this decade, redirected from traditional Western recipients because of anger over Western policy in the Middle East.

Against the odds, 2009 has not been as difficult as expected, largely because of the immature state of the banking sector which was not exposed to the sophisticated financial products that created huge problems elsewhere. Harvests have been good and oil prices have moderated. Foreign direct investment did not decline as quickly as expected and is now expected to rise in 2010. Some countries, such as Libya, have themselves become significant foreign investors during 2009. Tourism continues to be a lucrative economic activity in Tunisia and is on the rise in Morocco. Having said that, the region has been affected by the decline in world trade and especially the drop in European demand. It is expected that economic growth in the Eastern Mediterranean in 2009 will reach 1.8 percent and 2.9 percent in North Africa. The privileged relationship with the European Union, visible particularly in Morocco's advanced status under the EMP, will be significant in the longer term although domestic resilience will be crucial for the immediate future and economic recovery.

## Conclusion

Enlargement is the best thing that could have happened to the EU in order to stimulate its internal transformation. The choice is all about a frame of mind. Some people think that the future of Europe lies not in a cosmopolitan version of the empire of Charlemagne but in a postmodern version of the feudal fragmentation that succeeded the Frankish empire. Hopefully, we are wiser

today. Turkey has the potential to be an enormously useful intermediary in talking to the Muslim countries and that ability will be one of the decisive skills for the future. The UK Foreign Minister David Miliband described enlargement in his Warsaw speech in June as being about the deepening of liberal democracy. One way or another, it seems likely that in the future the dichotomy between enlargement and deepening will no longer have the same resonance.

## List of Participants

**Andrés BASSOLS SOLDEVILA** - DG RELEX, European Commission, Brussels

**Krzysztof BLUSZ** - demosEUROPA, Warsaw

**Krzysztof BOBIŃSKI** - Unia & Polska, Warsaw

**Álvaro DE VASCONCELOS** - EU Institute for Security Studies (EUISS), Paris

**Maria Do Rosário DE MORAES VAZ** - Institute for Strategic and International Studies (IEEI), Lisbon

**David FAJOLLES** - EU Institute for Security Studies (EUISS), Paris

**Sabine FISCHER** - EU Institute for Security Studies (EUISS), Paris

**Zuzanna GODZIMIRSKA** - Royal Norwegian Embassy, Warsaw

**Agata HINC** - demosEUROPA, Warsaw

**Jadwiga KORALEWICZ** - Collegium Civitas, Warsaw

**Adam JASSER** - demosEUROPA, Warsaw

**Erwan LANNON** - EUISS, Brussels, University of Ghent and College of Europe (Bruges & Natolin)

**Iván MARTÍN** - Instituto Complutense de Estudios Internacionales (ICEI), Madrid / European University Institute, Florence

**Olaf OSICA** - Natolin European Centre & Collegium Civitas, Warsaw

**Işık OZEL** - Sabancı University, Istanbul

**Joanna POPIELAWSKA** - European Centre Natolin, Warsaw

**Eugeniusz SMOLAR** - Centre for International Affairs (CSM), Warsaw

**Paweł SWIEBODA** - demosEUROPA, Warsaw

**Jovan TEOKAREVIC** - Belgrade Centre for European Integration, Belgrade

**Tomas VALASEK** - Centre for European Reform (CER), London

**Anna WISNIEWSKI** - Institute for World Economics, Hungarian Academy of Sciences, Budapest

**Marcin ZABOROWSKI** - EU Institute for Security Studies (EUISS), Paris

**Anna ZIELIŃSKA** - Centre for Security Studies, Collegium Civitas, Warsaw

# PEACE-BUILDING, INTERNATIONAL JUSTICE AND HUMAN RIGHTS: PRINCIPLES FOR A COMMON EFFORT

## Working Group 2

Paris, 5 May 2009;  
New Delhi, 10 October 2009  
(In cooperation with the Delhi Policy Group)

This Working Group looked at the interplay between the use of force during international military operations and the respect of international justice and human rights, in the light of the most recent evolutions in the debate and the practice of peace-building.



Delhi Policy Group - India Habitat Centre, New Delhi

This report is based on the proceedings of Working Group 2 on 'Peace-building, international justice and human rights: principles for a common effort' held in New Delhi on 10 October 2009, and on the previous preparatory meeting that took place in Paris on 5 May.

Rapporteur: **Radha Kumar**

The recent conduct of international peace and security operations has thrown up a number of challenges which are proving to be critical to the success or failure of ongoing missions, for example in Afghanistan. How should the international community respond to 'increasingly complex conflicts' (defined as those in which armies, rogue militias and human disasters collide)?<sup>1</sup> Under which conditions is military intervention for humanitarian purposes warranted? For sustainable peace, what should be the relation between civil and military operations, and what are the limits within which counter-insurgency should be circumscribed? How can it be guaranteed that all relevant actors, whether regional or global, function under commonly agreed principles and norms?

Equally important, these challenges have often been met with *ad hoc* and/or unilateral responses, which have in their turn led to a slew of new debates. Should the UN reassert itself as the multilateral forum in which global decisions on peace and security are taken?

1. See article: 'Increasingly complex conflicts put aid efforts at risk, warns UN refugee chief', UN News Centre, 28 September 2009. Available online at: <http://www.un.org/apps/news/story.asp?NewsID=32304&Cr=unhcr&Cr1.>

If so, should the Security Council be reformed to reflect the changing geopolitics of a rising Asia, active Africa and prospering South America? Given the rapidity with which financial governance is reforming, and the speed with which economic power has shifted to a wider multilateral forum, the G20, why has the same dynamism not emerged in the field of governing peace and security? Is the time ripe for a peace and security G20 to organise itself?

Based on these questions, we have prepared the following draft set of *principles for a common effort*, to be presented at the EUISS annual conference. The principles have been drawn from discussions at the EUISS (2008), the Indian Council of World Affairs (2009) and the Delhi Policy Group (2009).

## 1. Peace-Building and the Responsibility to Protect are core goals

Peacekeeping and peace-building constitute the core of international response to mass crises. In recent times, a set of key policy reviews have expanded the scope of each, based on the twin-pole principles: (i) Responsibility to Protect (R2P); and (ii) Peace-building.

Failures and/or inconsistencies in the international community's response to war crimes, genocide and crimes against humanity over the past two decades led the 2005 UN World Summit to adopt the principle of R2P and to define peace-building as a core goal of UN missions. The UN Peace-Building Commission was set up soon after, but it took longer to implement the Summit's agreements on R2P. In the UN Secretary-General's report A/63/677, dated 12 January 2009, three pillars were identified for follow-up on the recommendations of the 2005 World Summit, which meshed R2P and peace-building: (a) responsibilities of the State; (b) international assistance and capacity building; and (c) timely and decisive response. The report was quick to stress that R2P 'is an ally of sovereignty, not an adversary ... it seeks to strengthen sovereignty, not weaken it'.<sup>2</sup>

The EU, too, endorsed R2P in the recent *Report on the Implementation of the European Security Strategy - Providing Security in a Changing World*, which includes a formal commitment to help build international consensus to make R2P an *effective* principle, i.e. a core basis for effective multilateralism. Pillars 1 and 2 of the UN Secretary-General's report provide incentives for sceptical countries to come on board, because they emphasise aid and support for countries facing a potential humanitarian crisis to develop their own capacities to handle the problem. These provisions should reassure those who fear that powerful states might misuse R2P, but are unlikely to do so until R2P in practice is measured on the ground.

2. UN Secretary-General's report A/63/677, 'Implementing the Responsibility to Protect', 12 January 2009, pp. 7-8. Available online at: <http://www.responsibilitytoprotect.org/files/SGRtoPEng.pdf>.



Emerging mechanisms for the R2P appear to be:

- Early warning facility for data collection and intelligence at the UN, under the Special Advisors on Prevention of Genocide and R2P;
- Prevention through capacity development of the concerned State, to create peace-building institutions;
- Peer review mechanisms, global and/or regional;
- Deterrence of irresponsible leaders/ actors through the International Criminal Court (ICC); and
- Military intervention, if all else fails.

While there is as yet little consensus on the ICC, the conditions under which military intervention can be sanctioned are still interpreted differently, with countries such as India and China agreeing to it with the limits that it will apply to the gravest of mass crimes, such as genocide. Both India and China, along with a host of other countries, would accept military intervention only under a UN mandate. Among regional organisations, the African Union is the most advanced on R2P, with clauses defending R2P incorporated in both security and development forums.

## 2. Military interventions should be framed within guidelines

It is now accepted that dealing with most complex conflicts requires a combination of peacekeeping, peace enforcement and peace-building, as the given situation may require. These measures can rarely be neatly phased to follow one after the other, most often the requirement is for them to overlap. This entails a high risk of human rights violations, so it needs to be stressed that R2P applies to international forces as much as it does to state and non-state forces. Even, or especially, in peace enforcement operations, adherence to the principle can win or lose hearts and minds and determine success or failure.

A key recommendation in the UN Secretary-General's report is that military force can be used against non-state actors where the R2P is threatened. Criteria for such use will presumably take into account their capabilities and the scope for negotiations, and plan for the impact of military force, while enforcing the Geneva Conventions binding humanitarian action in situations of armed conflict.

It is also now accepted that military actions will benefit from having peace-building operations built in, but it is not clear what the balance between military and civil components should be.

Emerging mechanisms:

- Creation of a code of conduct for peace enforcement operations;
- Periodic assessment of performance in the field;
- Human rights and transitional justice components in military missions;
- Capacity-building of national security forces, including civilian police; and
- Development and reconstruction activity alongside military operations.

Other points that are under discussion and deserve follow-up include:

- Major existing and potential UN troop-contributing countries assign/dedicate troops and civilian, including police, units for a UN Standby force; and
- Troop-contributing countries and organisations conduct regular exercises to prepare for interoperability in the field.

## 3. More inclusive decision-making and planning procedures

Received wisdom from past experience indicates, as the UN Secretary-General's Report recommends, that local and regional knowledge can provide the key to success or failure in a mission. National and regional consensus legitimises and enables peace-building or R2P missions; it also contributes to national and regional capacity-building and 'ownership' of the peace-building process.

Moreover, as the constitution of the Peace-Building Commission (PBC) suggests, involvement of troops' contributors in the strategic decisions and planning of a mission is also likely to enhance its prospects of success. We have seen some policy planning coordination between donors and mission chiefs, but little of it between troops' contributors before deployment. Interoperability exercises will help develop coordinated policy planning, as will the creation of a UN Standby Force.

Most important of all, there is now a developing set of pools of experience. More and more countries are getting involved in peacekeeping and peace-building missions – notably in Africa, with South Africa and Kenya leading the way, and Asia, where Japan, India and South-East Asian countries have re-engaged, and China is the newest entrant. More and more regional organisations are also getting involved in peacekeeping and peace-building missions, from security to economic organisations – e.g, the EU, NATO, the African Union (AU), ASEAN, the ASEAN Regional Forum (ARF), the World Bank and the African Development Bank (ABD).

In other words, a wider group than the UNSC already exists on issues of global peace and security. The PBC taps into that group, but its mandate is limited.

Emerging mechanisms:

- The PBC to engage in policy planning and decision-making on military missions;
- Mission troops' contributors to also engage in policy planning and decision-making;
- Inter-Agency coordination; and
- Collaboration between global and regional organisations to ensure widest possible legitimacy. For the PBC to assume this role, its mandate and resources would have to be far wider and stronger than they are. But a larger policymaking and public role for the PBC members would improve the legitimacy of current and ongoing missions.

#### 4. Conclusion: A G20 for global peace and security?

Most observers agree that the stage is set for the old and new peace-builders to engage in more than *ad hoc* discussions and planning for dealing with humanitarian crises. Many are also asking whether such a body should be formed under the UN (the PBC, Human Rights Council and Special Advisors already constitute new policy planning inputs), or whether it should, like the G20, be an outside mechanism to spearhead institutional reform.

At the mission-specific level such groupings already exist. Bosnia's Peace Implementation Council had 59 member countries, international organisations and UN agencies. Coordination efforts for Afghanistan and Pakistan, again involve a large number of countries and institutions. But the reforms engendered through such initiatives tend to be slow and compartmentalised.

The discussion on a G20 for global peace and security was triggered by the emergence of the G20 as a mechanism for change to deal with the financial crisis. Afghanistan, Pakistan, Iraq and the Israel-Palestine conflict are similarly in a political and security crisis, but as the jockeying for influence and regional tensions surrounding each indicate, a G20 for their peace and security would be extremely difficult to achieve.

On the other hand, efforts to engage countries and institutions that are already involved in these conflicts in policy formulation for collective security could put brakes on their relatively unfettered ability to pursue their national interests irrespective of the potentially destabilising impact.

The time may not be ripe for a G20 for global peace and security. But the idea is in the air.

## Participants

**Paris, 5 May 2009**

**Seyed Mohammad Hossein ADELI** – Ravand Institute for Economic and International Studies (RIEIS), Tehran

**Rosemary BYRNE** – Trinity College, Dublin

**Álvaro DE VASCONCELOS** – EU Institute for Security Studies, Paris

**Aymeric DUPONT** – EU Council Secretariat, Brussels

**Atila ERALP** – Center for European Studies, Faculty of Economic and Administrative Sciences, Middle East Technical University (METU), Ankara

**David FAJOLLES** – EU Institute for Security Studies, Paris

**Karen FOGG** – DG External Relations, European Commission, Brussels

**Shisheng HU** – Institute of Asian and African Studies, China Institutes of Contemporary International Relations, Beijing

**Juha JOKELA** – Unit for Policy Planning and Research, Ministry for Foreign Affairs, Helsinki

**Riina KIONKA** – EU Council Secretariat, Brussels

**Victor KORGUN** – Institute of Oriental Studies in Moscow, Moscow

**Radha KUMAR** – Nelson Mandela Centre for Peace & Conflict Resolution, New Delhi

**Stephen LARRABEE** – RAND Corporation, Washington, D.C.

**Luis PERAL** – EU Institute for Security Studies, Paris

**New Delhi, 10 October 2009**

**Astha Alang** – Research Associate

**Ambassador Virender Dayal** – former UN Under Secretary General

**Álvaro de Vasconcelos** – EU Institute for Security Studies, Paris

**Richard Gowan** – New York University

**Wajahat Habibullah** – Chief Information Commissioner

**Lt Gen. VK Jetley** – PVSM, UYSM, Retd.

**Zalla Khatak** – Research Associate

**Radha Kumar** – Nelson Mandela Centre for Peace & Conflict Resolution, New Delhi

**Veena Nayyar** – Women's Political Watch

**Luis Peral** – EU Institute for Security Studies, Paris

**Bertrand Ramcharan** – former UN High Commissioner for Human Rights, Geneva

**Anand Sahay** – Asian Age

**Col. Shiva** – UN Peace Keeping

**S. Shriram** – Managing Trustee

**Manish Tewari** – Spokesman, Congress Party

## THE IMPACT OF THE ECONOMIC CRISIS ON DEVELOPING COUNTRIES: WHICH GLOBAL POLICIES?

### Working Group 3

New York, 18 September 2009 (in cooperation with the Portuguese Secretariat of State for Foreign Affairs and Cooperation)

This Working Group looked into the impact of the economic crisis on the development agenda, trying to understand how it is affecting the development agenda and donors' aid policies.



### L'impact de la crise sur les pays en développement : quelles politiques globales ?

Ce rapport reflète les travaux du Groupe de Travail préparatoire 4 qui a eu lieu à New York le 18 septembre 2009, en coopération avec le Secrétariat d'Etat aux Affaires étrangères et à la Coopération du Portugal.

Rapporteur : Azzam Mahjoub

Le Groupe de travail s'est assigné pour objectif de répondre aux trois problématiques suivantes :

- (1) Quels sont les impacts de la crise globale sur les pays en développement (PED) et en particulier sur les pays d'Afrique subsaharienne (ASS) ?
- (2) Quelles en sont les conséquences sur le développement (modèle et politiques y compris celles relatives à la coopération) ?
- (3) Quels en sont les effets sur la gouvernance globale (politique, économique, financière, etc.) et les multilatéralismes à l'œuvre ?

## Les impacts de la crise mondiale

### Remarques préalables

*La crise est multiple* : Pour nombre de PED (en ASS en particulier), il y a de fait une confluence de crises : alimentaire <sup>1</sup>, énergétique, financière et économique. Cette simultanéité/succession de crises au cours des deux/trois dernières années s'inscrit dans un contexte de fragilisation environnementale planétaire marquée par le changement climatique.

Une analyse exhaustive doit nécessairement prendre en compte l'aspect pluridimensionnel de la crise mondiale du point de vue de ses impacts cumulatifs et combinés, en particulier dans les PED fragiles sur le plan structurel.

*Les impacts sont multiples* : Au-delà de la confluence des crises, les impacts sont aussi bien financiers, commerciaux, économiques, sociaux et politiques qu'environnementaux.

Rares sont les analyses englobant toutes ces dimensions, notamment celles liées à la fragilisation écologique et au changement climatique. L'aspect politique en termes de nouvelles turbulences et d'instabilité politique accrue, sur fond de fragilité politico-institutionnelle de type structurel dans de nombreux pays d'ASS en particulier, mérite d'être analysé de manière plus globale et complète.

*L'hétérogénéité des situations* : S'il existe des impacts à caractère commun pour tous les pays y compris les PED (accroissement du chômage, de la pauvreté, de la précarité, etc.), leur intensité peut être variable, et les effets négatifs vont concerner plutôt certains pays que d'autres.

Une typologie par groupe de pays ayant des caractéristiques plus ou similaires en termes de fragilité structurelle et de degré de confluence de crises s'impose.

Quoi qu'il en soit, une différenciation est nécessaire afin d'éviter les réponses standards appliquées de manière uniforme à toutes les situations.

---

1. Les prix des denrées alimentaires ont certes baissé progressivement depuis juillet 2008, mais ils restent élevés par rapport aux niveaux d'avant la crise alimentaire. Selon la FAO, la situation alimentaire est critique : un individu sur trois souffre de la faim de manière chronique.

## Les impacts à l'échelle mondiale

*La pauvreté* : Selon l'ONU <sup>1</sup>, près de 200 millions d'individus, la plupart vivant dans les PED, basculeront dans la pauvreté si aucune action rapide n'est menée.

*Le chômage* : Selon l'OIT, par rapport à 2007, le chômage a touché 30 millions d'individus supplémentaires et il pourrait atteindre 50 millions si la situation continue de se détériorer.

Selon la FAO, pour la 1<sup>ère</sup> fois, le nombre de personnes souffrant de faim de manière chronique dépassera le milliard, soit une augmentation de 11% (+85 000) par rapport à l'année dernière.

Les OMD : Alors que des progrès ont été enregistrés en matière d'OMD, notamment en ce qui concerne la mortalité infantile et la scolarisation, la crise va provoquer une détérioration de la situation, ce qui va accroître encore la fragilité de nombreux pays et conduire à des crises humanitaires<sup>2</sup>.

## Les impacts en Afrique sub-saharienne (ASS)<sup>3</sup>

*Impacts financiers directs* (faibles et limités comparative-ment) : Seuls les pays dotés de bourses de valeurs significatives sont touchés en raison de leurs connections avec les marchés financiers mondiaux et le système bancaire international (Afrique du Sud, Ghana, Nigeria, Kenya).

Du fait du voisinage et de la migration, les pays situés à proximité subissent indirectement les effets de la crise financière ayant affecté leurs voisins.

*Impacts économiques* : Il y a quatre voies de transmission de la crise :

- Les **IDE** (Investissements directs étrangers) – qui représentaient 3,2% du PIB en ASS et progressaient ces dernières années – subissent un reflux (arrêt/gel/report).
- Les **transferts des émigrés** : (2,5% du PIB en ASS) venant à 80% des pays développés frappés par la récession entraînant l'augmentation du chômage y compris pour les immigrés. On estime qu'une baisse de 1% de la croissance dans les pays d'accueil entraîne une chute de 4% de transfert des immigrés<sup>4</sup>.

1. The commission of experts on reform of the international monetary and financial system (Recommendations March 1, 2009).

2. On estime à plus de 400 000 le nombre de nouveaux décès pour les enfants de moins de 5 ans.

3. Ces remarques concernant l'Afrique subsaharienne s'appuient sur les conclusions préliminaires du Rapport européen sur le Développement (European Development Report, ERD) de 2009, soutenu par la DG DEV, sous la direction de Giorgia Giovannetti (EUI, Florence).

4. Dans quelle mesure une substitution du travail au capital pourrait-elle résulter de la crise et contrebalancer les licenciements des migrants ?

- Le **commerce** : En ASS, les exportations représentent 34% du PIB. La demande extérieure (émanant en particulier des pays riches) en baisse (40%) entraînera en 2009 un manque à gagner de 250 milliards de dollars. De ce fait, les revenus fiscaux publics liés au commerce extérieur accuseront des pertes équivalant à 1% du PIB et à 4,6% des revenus publics.
- **L'Aide publique au développement** : L'APD représente 4,5% du Revenu national brut de l'ASS. Les prévisions sont plutôt à la baisse : 119 751 milliards de dollars en 2008 et 97 544 milliards de dollars

- La Chine prend-elle la relève et comble-t-elle l'écart ?

L'objectif de doubler l'APD chinoise entre 2000 et 2009 est maintenu malgré la crise.

L'APD chinoise à l'ASS prend la forme de dons en nature ou de prêts aux conditions très libérales, dont les taux d'intérêts sont quasi nuls, et sans conditionnalité politique.

- La vente de terres agricoles : Une réponse à la crise financière, ou plutôt à la crise alimentaire ?

En effet, depuis 2005/2006 (Chine au Congo par exemple pour les terres de plantation d'huile de palmier), en réponse ou anticipation aux pénuries alimentaires. Les effets à moyen et long terme sont problématiques si la destination est pour l'extérieur et ne réduit pas l'insécurité alimentaire au plan local.

en 2009, soit une baisse de 22 287 de dollars (15 à 20% au moins en moyenne). Sachant que les engagements des pays donateurs sont exprimés en pourcentage du PIB, la baisse de ce dernier provoquée par la récession cumule son effet négatif à la dépréciation des taux de chômage réel en ASS.

Les impacts de la crise sur l'ASS sont d'autant plus forts que la vulnérabilité ou la fragilité structurelles qui préexistaient à la confluence des crises est grande et que le degré de résilience est faible <sup>5</sup>. Une typologie des pays est de nature à permettre un ciblage approprié.

Il est indéniable que les effets économiques et sociaux pour pays très fragilisés sur les plans politique et institutionnel conduiront à des situations conflictuelles exacerbées sur fonds de crise humanitaire aiguë.

5. La vulnérabilité reflète le degré de « résilience » face aux chocs extérieurs plus au moins inattendus (la confluence des crises) et la probabilité que ces chocs conduisent à une détérioration du niveau de vie des individus (basculer dans la pauvreté).

Bien qu'il soit difficile de mesurer la vulnérabilité et la résilience, les tentatives faites au niveau de l'ASS ont permis de dresser une typologie des pays : six pays sont dans une situation critique (forte vulnérabilité structurelle, faible résilience) : République démocratique du Congo, Burundi, Côte d'Ivoire, Liberia, Angola et Soudan.



## Les impacts de la crise mondiale sur le développement (modèle et politiques)

*Le modèle théorique* ou paradigme du développement est en question, car il est marqué jusqu'alors par la fragmentation. A titre non exhaustif, on signale que:

*L'aide et le développement des affaires* sont séparés de même qu'il y a peu ou pas de conjonction et de recherche de synergie entre l'aide et le transfert des migrants : **l'aide doit impérativement sortir de son ghetto.**

*L'intégration de la dimension environnementale*, du changement climatique en particulier, dans les politiques de développement et de coopération reste encore insuffisante et reflète cette fragmentation dans le modèle de développement.

*Les politiques économiques :*

- La crise globale actuelle a montré qu'il était risqué de faire des présupposés sur les politiques économiques, concernant l'infailibilité et l'autorégulation des marchés. Un nouvel arbitrage (*trade off*) entre l'Etat et le marché est à l'ordre du jour.
- Les politiques fiscales pour stimuler la demande s'imposent désormais.
- De même, l'accent excessif mis sur l'ouverture commerciale au détriment du marché intérieur et de la demande intérieure est remis en question. Un meilleur équilibre est désormais recherché.
- Les politiques anticycliques sont souvent absentes dans les PED. Il importe, comme le recommande la Commission Stiglitz, que les PED puissent élargir le champ de leurs interventions pour concevoir des politiques et créer des institutions leur permettant de mettre en œuvre des politiques anticycliques appropriées.

*La coopération pour le développement : pour de nouvelles approches*

Certes, la question de l'aide reste centrale et l'engagement de la communauté internationale doit être réitéré ; il convient toutefois de mettre en exergue les effets des législations et politiques internes aux pays donateurs (migration, énergie, agriculture, etc.), dont l'impact sur le développement des PED est immense.

Le nouvel instrument créé en 2005 au sein de l'UE (politique de cohérence pour le développement) combiné à une nouvelle approche de partenariat (Accord de Cotonou) ouvre des perspectives nouvelles (dont la portée doit être évaluée) permettant d'élargir le champ de la coopération,

en cherchant à montrer comment les politiques et législations internes des pays donateurs doivent être à leur tour revisitées en matière de coopération pour le développement.

## Impact sur la gouvernance globale et les multilatéralismes

*L'OMC – Doha : un multilatéralisme difficile.* Le gel du processus de négociation depuis la réunion des ministres de Hong Kong montre comment dans un cadre large (tous les pays adhérant à l'OMC), les difficultés en matière de multilatéralisme commercial (les divisions Nord-Sud et Sud-Sud) pèsent de leur poids (traitement spécial et différencié : quotas en libre accès sans droits de douane ; mode 4 pour les services : libre circulation des personnes ; et accès aux marchés des produits non agricoles).

Les difficultés à conclure le cycle Doha ont poussé les grands pays comme les Etats-Unis à privilégier le bilatéralisme commercial pour arracher des concessions des PED non obtenues au sein de l'OMC.

### ▪ **Le G20 : un multilatéralisme à l'œuvre face à la crise financière ?**

Pour les 172 pays qui n'en font pas partie, le G20 est perçu comme une coalition d'intérêts où le principe de solidarité n'est pas nécessairement mis en œuvre (prise en compte des intérêts des absents). L'ouverture vers les pays émergents est certes positive mais ne peut oblitérer l'absence de 172 pays de ce forum.

Le G20 montre à la fois la possibilité de construction de coalitions plus larges en vue de faire face à l'absence de gouvernance économique et financière. Le FMI n'est pas en effet considéré comme un cadre idoine pour une meilleure gouvernance financière globale (en dépit des réformes annoncées) en raison d'un déficit de légitimité.

Au sein du G20, s'il est limité, le multilatéralisme n'en reste pas moins constructif et réaliste pour la préservation des intérêts des uns et des autres. Ce qui n'est pas le cas au sein des Nations unies en matière de droits humains, par exemple, et il y a fort à parier que le renforcement du G20 contribuera de fait à approfondir la césure (avancées sur le terrain de la finance et de l'économie, mais peu ou pas de progrès sur le terrain politique).

**Ainsi, en termes de gouvernance globale, ce qui ressort est l'existence d'une césure entre les Nations Unies et le G20.**

Plutôt que de césure, entre ces multilatéralismes, on peut parler de **multilatéralismes à vitesses et configurations variables**. En effet, si des avancées sont enregistrées sur le plan financier et économique, rien n'indique que ce sera le cas pour l'environnement à Copenhague par exemple.

En fait, il semble que l'on soit en train d'assister à un dysfonctionnement relationnel entre la gouvernance mondiale (systèmes des Nations unies et de Bretton Woods) et les différentes formes de multilatéralisme comme le G20.

**Aussi, une gouvernance à géométrie variable, flexible et fonction de thématiques majeures pourrait faire l'objet de coalitions constructives.** L'idée de forums ad hoc rassemblant l'ensemble des Etats avec une légitimité plus forte, pourrait contribuer à une nouvelle architecture de la gouvernance globale.

- **Le régionalisme est-il toujours à l'ordre du jour ?** Face aux défaillances de la gouvernance globale, face à une crise à caractère global, le régionalisme peut-il être une réponse appropriée ? Si, dans les années 1990, l'intégration régionale était la solution à la plupart des problèmes, il faut reconnaître qu'aujourd'hui, nous avons affaire à de grandes puissances qui sont également de grandes régions, comme la Chine ou l'Inde.

Quid de l'UE ? Et des autres processus et formes d'intégration régionale (Nord-Sud, Sud-Sud). L'alternative aux Etats-nations en perte de vitesse invite au recentrage sur l'intégration régionale. La difficulté essentielle en matière d'intégration régionale réside dans les concessions en matière de souveraineté nationale de manière à avoir un processus rationnel de prise de décision commun pour parler d'une seule voix qui pèse (ce que faciliterait le traité de Lisbonne en ce qui concerne l'UE).

## Conclusion : Les principaux enseignements

- Pour beaucoup de PED, il y a une confluence de crises dans un contexte de fragilisation environnementale globale marquée par le changement climatique en particulier.

- Les impacts sont multiples et les situations sont hétérogènes dans les PED.

Les impacts se traduisent et se traduiront par l'accroissement de la pauvreté, de la faim chronique, du chômage, de la précarité, ainsi que par un revers dans la réalisation des OMD.



The University Club

Pour l'ASS, les impacts négatifs au travers de quatre canaux de transmission (IDE, transferts des migrants, APD et commerce) sont d'une intensité variable et fonction de la vulnérabilité structurelle, de la résilience des pays et du degré de confluence et d'acuité des crises.

- La crise met à mal le développement du fait de la fragmentation de l'approche (le ghetto de l'APD), de la faible intégration de la dimension environnementale et du changement climatique en particulier. De plus, le rééquilibrage en faveur de l'Etat du marché intérieur (par rapport au marché défaillant) et la nécessité de politiques anticycliques sont à l'ordre du jour du développement dans les PED.

- Les multilatéralismes à l'œuvre sur fond de crise de gouvernance globale sont de formes et de vitesses variables. Il existe entre les structures des Nations unies et les multilatéralismes tels que le G20 une sorte de césure ou de dysfonctionnement relationnel. Ce qui est suggéré est un multilatéralisme à géométrie variable sur une base thématique impliquant le plus grand nombre (plus de légitimité).

- Enfin, le débat reste ouvert sur le rôle du régionalisme aujourd'hui.

## LIST OF PARTICIPANTS

### Keynote speakers

**Helen Clark**, Administrator of the United Nations Development Programme (UNDP), New York

**João Gomes Cravinho**, Secretary of State for Foreign Affairs and Cooperation of Portugal, Lisbon

### Participants

**H.E. Maged Abdelaziz**, Permanent Representative, Permanent Mission of the Arab Republic of Egypt to the United Nations, New York

**Giuliana Campanelli Andreopoulos**, Professor of Economics, Department of Economics and Finance, College of Business, William Paterson University, Wayne, NJ

**Pedro Costa Pereira**, First Secretary (UN Reform / System-Wide Coherence), Permanent Mission of Portugal to the United Nations, New York

**Álvaro De Vasconcelos**, Director, European Union Institute for Security Studies (EUISS), Paris

**Ahmed Elobeid**, Senior Economic Officer, Permanent Observer Mission of the African Union to the United Nations, New York

**David Fajolles**, Project Officer, European Union Institute for Security Studies (EUISS), Paris

**Raquel Freitas**, Adviser of the Cabinet of the Secretary of State for Foreign Affairs and Cooperation of Portugal, Lisbon

**Giorgia Giovannetti**, Scientific Director/Team Leader, European Report on Development (ERD), Robert Schuman Centre for Advanced Studies, EUI, Florence

**Richard Gowan**, Research Associate, Associate Director for Policy, Center on International Cooperation, New York University

**David A. Hamburg**, President Emeritus, Carnegie Corporation of New York

**Damien Helly**, Research Fellow, European Union Institute for Security Studies (EUISS), Paris

**Chetan Kumar**, Senior Conflict Prevention Advisor, Conflict Prevention and Recovery Team, Bureau for Crisis Prevention and Recovery, United Nations Development Programme (UNDP), New York

**Roy S. Lee**, Adjunct Professor, Columbia University School of Law, Permanent Observer of the Asian-African Legal Consultative Organization to the United Nations, New York

**Azzam Mahjoub**, Professor of Economics, Tunis El Manar University

**Hamid Rashid**, Senior Adviser and Coordinator, Legal Empowerment of the Poor, Bureau of Development Policy, United Nations Development Programme (UNDP), New York

**Hans-Peter Schwaiger**, Minister Counsellor, Deputy Head of Delegation of the European Commission to the United Nations, New York

**Colleen Thouez**, Head, United Nations Institute of Training and Research (UNITAR) New York Office

**Frida Wallin**, Attaché, Economic and Social Affairs, Permanent Mission of Sweden to the United Nations, New York

**Anne Webster**, Counsellor, Economic, Financial and Humanitarian Affairs, Permanent Mission of Ireland to the United Nations, New York

**Suhayfa Zia**, Counsellor, Permanent Mission of South Africa to the United Nations, New York

## GLOBAL GOVERNANCE AFTER THE G-20 SUMMITS: REPRESENTATION AND PARTICIPATION

### Working Group 4

Paris, 12 October 2009

This Working Group analysed how the international community's response to the present financial crisis at the G-20 Summits can create dynamics leading to the reform of the international institutions, as they are confronted with the new challenges of global economic governance, climate change and energy, and disarmament and non-proliferation.



*This report is based on the proceedings of Working Group 4 on 'Global governance after the G20 summits: participation and representation' held in Paris on 12 October 2009.*

Rapporteur: **Maria João Rodrigues**

*This report was written in collaboration with Giovanni Grevi.*

The ongoing redistribution of power at the international level and the advent of the first global financial and economic crisis have triggered significant innovation in global governance structures. A window of opportunity for the reform of global governance has opened and new formats of dialogue have taken centre-stage in addressing the global crisis. The G20, chiefly focusing on the impact of the economic crisis, stands out as the central innovation and paves the way for further cooperation in other policy domains. While, however, the key interests of major powers seem increasingly aligned, the challenge lies in translating this broad convergence into concrete policies and stronger governance frameworks. The overriding objective is to achieve a grand bargain at the global level centred on sustainable economic, social and environmental development. The question is how to get there while dealing with difficult negotiations on interconnected issues in separate arenas.

## The new patterns of global governance

The global economic crisis and the emergence of new power centres in the international system have shifted the debate on the reform of global governance. The international system is in transition. While many of the features of a multipolar system can be detected, the unprecedented degree of interdependence linking all countries suggests that a new scenario may lie ahead – an inter polar world. In an inter polar world, major powers have a vital interest in cooperation to preserve a functioning international system and address together some of the challenges with which they are all confronted.

These include, among others, the economic crisis, the environmental crisis, and threats like weapons proliferation and regional conflicts. An inter polar system is (i) interest-based, as it builds on the progressive alignment of large powers' interests; (ii) problem-driven, as it focuses on major common challenges ahead; and (iii) process-oriented, because it points to the imperative need for stronger multilateral cooperation. At present, potential for cooperation is paralleled by an equally significant potential for competition and perhaps confrontation. The problem is that challenges are global, but their impact is differentiated in time and space, and the way in which they are perceived varies between different groups of countries. The basic political challenge is to make a strong case for win-win cooperation and counter the advocates of zero-sum competition.

The international agenda is daunting but also rich with opportunities. To grasp them, innovation is of the essence both in policy debates and in shaping adequate global governance structures. As to the latter dimension, it is important to highlight some new patterns or features of global governance cutting across different policy debates and leading to a new generation of multilateral formats. In this context, the G20 looms large as the most visible answer to the growing demand for cooperation.

### Informal groupings

First, traditional multilateral institutions like the UN are flanked by new, informal bodies. The G20 has replaced the G8 as the central forum for cooperation and coordination in managing the economic crisis and shaping a new financial system. Informal summits present a number of advantages. They provide the opportunity for top political leaders to come together, build mutual confidence and back strategic decisions with their political weight. The summits' agenda is flexible and can adjust to evolving political priorities. Different formats can be envis-



aged to gather around the table the representatives of the countries that matter the most in addressing distinctive common problems, from the economic downturn to climate change or regional conflicts. Informal groupings can help provide political drive and set the agenda for larger multilateral institutions.

Informal governance structures and processes play an important role in the security domain as well. The G8 has become an important forum to launch new measures to prevent and counter weapons proliferation. Other multilateral efforts to counter proliferation include the US-promoted Proliferation Security Initiative, the Global Initiative to Combat Terrorism and various arrangements to strengthen safeguard systems and export controls. From a global governance perspective, the Conference on Disarmament (CD) in Geneva offers a particularly interesting model for future debate and negotiations on non-proliferation, arms-reduction and disarmament. While not a formal UN body, the Conference is recognised by the UN. With a view to the ongoing debate on nuclear proliferation, the CD is the only forum including all nuclear weapon states and most of the states with nuclear weapon capability. Politically marginalised after the Cold War, there may be potential for the CD to play a much bigger role if renewed political input is provided at summit level.



### Inclusive representation

Second, formal and informal governance frameworks need to further involve both emerging powers and representatives of different sets of countries, so as to mirror the diversity of the international system. The difficult balance between inclusiveness, or legitimacy, and effectiveness is at the heart of this evolution. On the one hand, participation in common endeavours requires representation in relevant forums, where decisions are taken. On the other, the expansion or reform of governance frameworks also requires a commonality of intent or, given that decision-making is based on consensus, it can lead to more vetoes and gridlock. The question is how to make of institutional processes a vehicle, among others, for building trust and fostering political convergence. Informal bodies like the G20 have the advantage of bringing together all major players without granting them formal individual blocking powers.

At the same time, some regard the G20 as too large and detect the emergence of sub-groupings pursuing different agendas. In particular, there is a debate on whether the G20 needs a hard core of major players to drive its proceedings. Various formulas are envisaged, from a G2 (US and China) to a G3 (G2+EU) and a G4 (G3+Japan). While these can be useful groupings for stronger dialogue, it is important that they do not appear as self-appointed directorates or the still contested balance between legitimacy and effectiveness achieved by the G20 may be offset. That said, it is understood that the membership of the G20 is not fixed yet and more fine-tuning will be required.

### Comprehensive approach

Third, governance frameworks are beginning to shape a more comprehensive approach to deal with complex challenges. Multilateral structures need to integrate the interconnected nature of pressing issues in their proceedings. The gaps between fragmented institutions and connected problems need to be tackled. A comprehensive approach is essential to address intertwined issues such as economic recovery, environmental sustainability and energy security, among others. Links between environmental degradation and migration flows, trade and green recovery, development and security, climate change and conflict, energy and weapons proliferation, resource exploitation and state fragility, among other questions, are the subject of increasing attention, although as yet limited action.

In a significant shift, the agenda of the G20 has expanded over just one year from regulating financial markets and coordinating measures for economic recovery to include issues such as the reform of Bretton Woods institutions, finance for development, climate change negotiations and trade and labour matters, although mainly by way of reference to substantive negotiations held elsewhere. Besides, the members of the G20 have agreed in Pittsburgh to identify common objectives for their financial, economic and structural policies. This process will be supported by the International Monetary Fund (IMF). This evolution signals the potential for the G20 to take a comprehensive overview of the sustainable development agenda.

### Convergence of development strategies

Fourth, in many ways, the domestic agendas of major economies are converging around common priorities, such as more inclusive welfare systems, better labour standards and an environmentally sustainable economic growth. The decision of the G20 summit in Pittsburgh mentioned above reinforces this trend. This sets the stage for much more intensive dialogues and further co-operation at the bilateral and multilateral level, identifying the common ground and building on it. For example, the G20 leaders have planned a range of follow-up

meetings at the ministerial level, such as that of labour ministers in early 2010. Such exchanges do and should increasingly involve trans-national civil society and business networks.

### Involvement of non-governmental actors

Fifth, multilateral cooperation at large requires the more structural involvement of non-governmental actors. In particular, many of the challenges and of the opportunities emerging at the international level are generated by technological innovation, which takes place predominantly in the private sector and academia. This impacts not only on the energy and climate change debates, but also on key security concerns. Knowledge can be transferred easily and exploited for hostile purposes. This alters the definition of what can be considered as ‘weapons’ and affects the viability of existing and future international arms-control and non-proliferation tools. In different fields of cooperation, relevant stakeholders from business, civil society and academia have to be engaged in networks of peers where political differences can be put in perspective. In such networks, experts and practitioners can focus on improving regulation, increasing transparency, building trust and exchanging best practices.

### Implementation mechanisms

Sixth, renewed focus is put on the implementation of decisions achieved in international forums. Whether considering measures to mitigate climate change or to strengthen non-proliferation regimes, monitoring national measures and verifying their application is crucial not only to deliver results but also to build trust between partners. More effective enforcement mechanisms need to be envisaged too. Independent, multilateral authorities performing these functions will have to be set up or strengthened and the experience of the International Atomic Energy Agency can provide some guidance. This is another area where the involvement of non-governmental actors will be increasingly important. A debate needs to be held on how to reconcile effective verification mechanisms with concerns over national sovereignty. A mix of adequate incentives, peer-review mechanisms and intrusive measures will have to be devised.

### Multi-level governance

Seventh, while action at the multilateral level is essential, this has to go hand-in-hand with dealings at the mini-lateral, trilateral or bilateral level. Cooperation in tandem or in small groupings remains important to help shape the agenda of larger forums and to implement shared decisions. This is notably the case when addressing issues that may prove difficult to tackle in global bodies, such as questions of market access that are relevant both to economic relations and to the climate change agenda. It is at this level that strategic confidence-building measures, such as common funding

of technological innovation, seem most promising. In the field of arms-control and disarmament as well, cooperation between the US and Russia is a basic condition to shape the global agenda and progressively involve other recognised and non-recognised nuclear weapon states. Beyond specific policy areas, bilateral strategic partnerships, such as that between the US and China or those that the EU pursues with major emerging powers, should be instrumental in paving the way for agreement in larger frameworks.

Given these seven major patterns of global governance, it is clear that effective interaction between formal and informal governance frameworks is key to deliver tangible progress. The political drive towards a grand bargain on sustainable development can only be provided by the synergy of three sets of actors, namely UN bodies, international financial institutions and informal forums like the G20. In this context, three main levels of interaction can be developed:

- The Chief Executives Board of the UN, including among others the President of the World Bank, the Managing Director of the IMF and the Director General of the WTO, should perform a stronger coordinating role and promote a comprehensive approach at UN level.
- The top executives of relevant international institutions and agencies should actively participate in the meetings of the G20. This is increasingly the case. For example, they could be requested to submit joint policy proposals and to report on the implementation of summit decisions.
- The members of the G20 should act in the broader context of the UN, and in particular in the UN General Assembly and the Economic and Social Council (ECOSOC), in ways that are consistent with engagements achieved at summit level. This would improve both the effectiveness of the decisions and their legitimacy, as different members can reach out to different constituencies of countries.

## Towards a grand bargain

In the presence of fundamental shifts in world politics and economics, it is important to think of a grand bargain that would address interconnected challenges with a comprehensive approach. Clearly, such a grand bargain is currently not at hand. It will have to be pursued through a mix of instruments and be built on concrete results in specific areas of cooperation. However, framing the solution to the challenge of sustainable economic, social and environmental development in these terms has many advantages.

Under a grand bargain, linkages between issues can be highlighted and help uncover potential for cooperation across different policy areas. Taking an overarching perspective makes it possible to identify governance gaps, such as those concerning the management of natural

resources aside from fossil fuels. The idea of a grand bargain can also help achieve a common understanding and definition of the challenges facing the international community, which in turn would strengthen mutual confidence among the main parties. Working for a grand bargain can provide a new narrative and political momentum for international cooperation, stressing the advantages that all partners would reap from a stronger multilateral system, and the dangers of failing to build one. Political convergence around the issues central to a grand bargain on sustainable development can also spill over to other areas, such as hard security concerns. Geopolitical stability will hardly be assured if major powers feel that the conditions for their future prosperity are not fulfilled.

In other words, the grand bargain is a medium-term goal and has the merit of providing a sense of direction to negotiations pursued in different arenas. The G20 is well suited to express and carry forward the idea of a grand bargain. While performing as a political engine, however, the G20 cannot deal with all relevant issues. The agenda of this summit should not be overburdened with a plethora of issues. Besides, some variable geometry has to be envisaged. Different sets of countries need to join forces to address different challenges, although the latter are interconnected. The G20 can therefore be seen as a proactive hub of a broader range of informal global governance structures, providing input to them and receiving their feedback.

The grand bargain has to be pragmatically pursued at two levels – policies and institutions. Political convergence around common policy objectives and instruments is essential. That said, the path towards a grand bargain is paved with major political hurdles and scope for policy failure. Providing global public goods without an hegemonic power, like the US have been, and outside a tight framework of rules, as established by the EU, is a very difficult endeavour. Institutions need to be set up to enable progress, or at least to avoid regression, when the political atmosphere deteriorates.

From this standpoint, there is a debate on whether the G20 and similar informal groupings should be considered as a culmination point or as an interim solution, leading to more institutionalised forms of cooperation. In other words, the question is the degree of institutionalisation that is best suited under different regimes to combining flexible agenda setting and resilience to political crises. In designing these regimes, opportunities for cross-fertilisation between different policy areas are to be exploited and best practices transferred. This concerns for example how to channel scientific expertise into policy-making and how to involve networks of non-governmental actors.

As to the content of a grand bargain, the latter should entail steps from the most advanced countries, emerging ones and developing countries alike. Taken together, these steps should amount to and be presented as a 'win-win plan' for all parties.

- Developed countries should open their markets to developing countries' exports, redeploy to other economic sectors, strengthen financial and technology transfers to developing countries under a clear legal framework, and move to sustainable consumption and production patterns, as conditions to pave the way towards a new path of prosperity.
- Developing countries should integrate further in the global economy, while receiving support to build their national capacities in economic, technological and educational terms. Sustainable environmental policies, the fight against poverty and the improvement of working conditions are key priorities, which can be regarded as prerequisites for democratic governance and the respect for human rights.
- Emerging countries should deepen their integration in the global economy and enhance the convergence of their standards in the environmental, social and intellectual property areas, among others, with those of advanced countries. This process needs to be accompanied and sustained by larger financial and technological transfers from richer countries.

An equitable division of labour and responsibilities in addressing common challenges will be central to moving closer to a grand bargain. It is clear that different countries or regions have different perceptions of what is equitable and just. In many respects, this debate sees advanced countries and the developing world aligned on different sides, with emerging powers like China hedging their position. Controversy on the links between the climate change agenda, priorities for economic growth, trade liberalisation and the agricultural policies of the EU and the US prove this point.

Increasingly, public opinion is involved in the debate on development models and their interplay at the global level. This is a positive evolution, as it makes international negotiations more accountable. Conversely, however, public pressures can constrain the room for manoeuvre of diplomats and politicians. The latter can be exposed to the pressure of nationalist or protectionist movements. For multilateral cooperation to work, deals will need not only to be perceived as equitable on all sides but also to deliver tangible benefits as fast as possible. That would help fill the gap between short-term domestic political debates and long-term challenges such as climate change or resource depletion.

## The European Union and global governance

The EU has the right 'software' to help shape and support more advanced forms of multilateral cooperation, along the seven patterns sketched out above. Different governance regimes co-exist within the Union, including the Community method based on the initiative of a strong central institution (the European Commission), summit diplomacy with the European Council, intensive inter-governmental cooperation supported by the permanent Secretariat of the Council of Ministers, and various models of open coordination and peer-review processes in those policy areas where the EU has the least competences.

The EU is also a major normative actor on the international scene, at two levels. For one, it has developed a consistent narrative in support of effective multilateralism and contributes concretely with money, political support and expertise to international institutions, regimes and negotiations. For another, it plays an influential role in shaping specific rules and standards, particularly in those areas where the powers of the Union are strongest such as trade and competition policy.

The European Union has an ambitious agenda for sustainable development combining its economic, social and environmental dimensions, but it cannot achieve it in isolation. The implementation of this internal agenda needs to be supported by an international movement of convergence in the same direction, able to create a 'win-win game', to avoid the risks of a race to the bottom and to strengthen collaboration to face common global challenges.

Clearly, the global economic crisis and the power shift towards emerging actors have put the EU's profile and influence on the international stage in perspective. This is due to a combination of factors. At a basic but important level, the EU is simply losing portions of its power to others, and sheer power still matters in the eyes of many. At another level, the EU is perceived as a risk-averse, increasingly introverted actor, uncomfortable with change. The normative discourse of the EU is furthermore challenged in two ways. For one, because emerging actors are vocally expressing their own narratives, which may or may not coincide with those of the EU. For another, because of the sometimes visible gap between discourse and practice. Where the EU has the power to behave like

a unitary actor, such as on trade matters, it engages in power politics at the global level pretty much like others. This is legitimate from a European standpoint, but weakens the image of the Union as a distinctive actor. In areas where the EU has taken the lead at the global level, such as measures to mitigate climate change, it has to implement ambitious programmes at a time of acute economic crisis.

Three additional factors hamper the contribution of the EU to stronger global governance structures. First, its institutional structures are not conducive to shaping a strategic, comprehensive approach cutting across different policy areas, as competences change across different fields and cooperation between the Council and the Commission has been uneven. The Lisbon Treaty, however, would introduce significant reforms designed to improve the coherence of the EU's policy-making procedures and output. Second, Member States are often reluctant to coordinate at EU level and pursue bilateral dialogues with major partners with little mutual information. This weakens the EU's aspiration to speak with one voice and send out one message on the global stage. Third, this is mirrored in the fragmented representation of the EU and its Member States in international organisations and informal forums. This is not only a problem of effectiveness but also of legitimacy, as the EU and its Member States are regarded as over-represented in governance frameworks such as the international financial institutions, the UN Security Council and the G20.

And yet, the EU remains an essential actor in improving the shape and quality of global governance. It is the only major global actor that sets the strengthening of an effective multilateral system as a top strategic priority. It has very large resources to back its words with deeds, and in many ways it does so already. When a common position is achieved within the Union, the multi-level representation of the EU and its Member States in multilateral forums can become a major source of influence. Likewise, when based on a common approach, the variety of dialogues involving the Union and EU countries provides them with multiple entry points enabling a more effective linkage between various governance structures and bilateral partnerships. This can be done building on the significant, incremental convergence of the strategic priorities of major powers. Establishing a structural link between the internal and external policies of the Union will prove essential to pursue sustainable development and enhance geopolitical stability.



## LIST OF PARTICIPANTS

**Ian Anthony**, Arms control and non-proliferation Programme, Stockholm International Peace Research Institute (SIPRI), Stockholm

**Ambassador Sergey Batsanov**, Director, Pugwash Geneva Office

**William W. Burke-White**, Policy Planning, US Department of State, Washington.

**Matthew Burrows**, Counsellor, National Intelligence Council, Washington

**Richard Crowder**, Policy Unit, Council of the European Union, Brussels

**Álvaro De Vasconcelos**, Director, European Union Institute for Security Studies, Paris

**Victor Do Prado**, Deputy Chief of Staff to the Director-General, World Trade Organization (WTO), Geneva

**Steven Everts**, Personal Representative of SG/HR Javier Solana for Energy and Foreign Policy, Council of the European Union, Brussels

**David Fajolles**, Project Officer, European Union Institute for Security Studies, Paris

**Carolyn Goerzig**, Visiting Fellow, European Union Institute for Security Studies, Paris

**Giovanni Grevi**, Senior Research Fellow, European Union Institute for Security Studies, Paris

**Juha Jokela**, Senior Visiting Fellow, European Union Institute for Security Studies, Paris

**Ambassador Guido Lenzi**, Former Director of the European Institute for Security Studies, former Diplomatic Advisor to the Minister of the Interior, Rome

**Nick Mabey**, Director & CE, E3G, London

**Alar Olljum**, European Commission, Head of Unit, Forward Studies, DG RELEX, European Commission, Brussels

**Risto Penttilä**, Director, Finnish Business and Policy Forum, Helsinki

**Maria João Rodrigues**, Professor, Institute for European Studies, Université Libre de Bruxelles

**Tuomas Tapio**, Deputy Director for Policy Planning and Research, Ministry for Foreign Affairs, Helsinki

**Luk Van Langenhove**, Director, Comparative Regional Integration Programme, United Nations University (UNU-CRIS), Bruges

**Ambassador Wu Jianmin**, President, China's Foreign Affairs University, Beijing

**Jean Pascal Zanders**, Research Fellow, European Union Institute for Security Studies, Paris



# Managing a Post-Crisis World

*Venue:*  
*Hôtel Lutetia*  
*45 Bd Raspail*  
*75006 Paris*

## THURSDAY, 22 OCTOBER

09h30 **Registration and welcoming coffee**

10h00 **Opening: Annual Speech by JAVIER SOLANA**  
High Representative for the Common Foreign and Security Policy, Secretary-General of the Council of the European Union

12h30 **Lunch**

*Keynote Speaker:* **JACQUES DELORS**, former President of the European Commission, Paris

14h30 **Panel 1. 20 Years after 1989: Enlargement and Neighbourhood - the Dynamics of Democratic Inclusion**

*Chairperson:* **ÁLVARO DE VASCONCELOS**, Director, EUISS, Paris

*Report:* **PAWEL SWIEBODA**, Director, DemosEUROPA, Centre for European Strategy, Warsaw

*Discussants:*

- **JOACHIM BITTERLICH**, former Foreign and Security Policy Advisor to Chancellor Helmut Kohl, Executive Vice-President, International Affairs, Veolia Environment, Paris
- **ÁTILA ERALP**, Director, Center for European Studies, Faculty of Economic and Administrative Sciences, Middle East Technical University (METU), Ankara
- **TAIB FASSI-FIHRI**, Minister of Foreign Affairs and Cooperation, Kingdom of Morocco, Rabat
- **DANIEL HAMILTON**, Director, Center for Transatlantic Relations, School of Advanced International Studies (SAIS), Johns Hopkins University, Washington, DC
- **HRYHORIY NEMYRIA**, Vice Prime Minister of Ukraine, Kiev
- **ALEKSANDER SMOLAR**, Chairman, Stefan Batory Foundation, Warsaw
- **SALOMÉ ZOURABICHVILI**, former Minister of Foreign Affairs of Georgia, Chairwoman of The Way of Georgia, Tbilisi

16h45 **Coffee break**

17h00 **Panel 2. Peace Building, International Justice and Human Rights: Principles for a Common Effort**

*Chairperson:* **NICOLE GNESOTTO**, former Director of the EUISS, Chair of European Union Studies, Conservatoire National des Arts & Métiers (CNAM), Paris

*Report:* **RADHA KUMAR**, Director, Delhi Policy Group, Nelson Mandela Centre for Peace & Conflict Resolution, New Delhi

*Discussants:*

- **TIMOFEI BORDACHEV**, Research Programs Director, Council on Foreign and Defence Policy, Institute of Europe, Russian Academy of Science, Moscow
- **JEAN-MARIE GUÉHENNO**, former UN Under-Secretary General for Peacekeeping Operations, Senior Fellow, Managing Global Insecurity Project, Brookings Institution, Washington, DC
- **CELSO LAFER**, Academia Brasileira de Letras, Emeritus Professor at USP, former Foreign Minister of Brazil, São Paulo
- **F. STEPHEN LARRABEE**, Corporate Chair in European Security, RAND Corporation, Arlington, VA
- **BERTRAND RAMCHARAN**, former UN High Commissioner for Human Rights, Geneva
- **EBRAHIM RASOOL**, Member of the South African Parliament, Cape Town

20h30 **Dinner**

*Debate:*

**How to respond to America's new Middle East Policy?**

**AHMED MAHER EL-SAYED**, former Minister of Foreign Affairs of Egypt, Member of the Shura Council, Cairo  
**BASSMA KODMANI**, Executive Director of the Arab Reform Initiative (ARI)

## FRIDAY 23 OCTOBER

---

09h00 Welcoming coffee

09h30 **Panel 3. The Development Goals under Pressure: Defining Means and Priorities**

*Chairperson:* STEFANO SILVESTRI, President, Istituto Affari Internazionali (IAI), Rome

*Report:* AZZAM MAHJUB, Professor of Economics, Tunis El Manar University

*Discussants:*

- VICTOR BORGES, former Minister of Foreign Affairs, Cooperation and Communities of Cape Verde, Praia
- JOÃO GOMES CRAVINHO, Secretary of State for Foreign Affairs and Cooperation of Portugal, Lisbon
- STEPHEN GROFF, Deputy Director, Development Co-operation Directorate, Organisation for Economic Co-operation and Development (OECD), Paris
- ABDALLAH SAAF, former Minister of Education of Morocco, Professor, Centre des Etudes et Recherches en Sciences Sociales, Rabat
- ALFREDO VALLADÃO, Professor, Mercosul Chair, Institut d'Etudes Politiques, Paris

13h00 Lunch

*Keynote Speaker:* MARCO AURÉLIO GARCIA, Special Advisor on Foreign Policy to the President of Brazil, Brasília

*Moderator:* PIERRE LÉVY, Director, Forecasting Department, French Ministry of Foreign and European Affairs, Paris

14h30 **Panel 4. Global Governance after the G-20 Summits: Representation and Participation**

*Chairperson:* HELGA SCHMID, Director, Policy Unit, EU Council Secretariat, Brussels

*Report:* MARIA JOÃO RODRIGUES, Special Advisor to EU Presidencies, Institute for Strategic & International Studies, Lisbon

*Discussants:*

- MARCO AURÉLIO GARCIA, Special Advisor on Foreign Policy to the President of Brazil, Brasília
- CHARLES GRANT, Director, Centre for European Reform, London
- ALEJANDRO JARA, Deputy Director-General, World Trade Organisation (WTO), Geneva
- SIMON SERFATY, Brzezinski Chair in Geostrategy, Center for Strategic & International Studies (CSIS), Washington, DC
- TAO WENZHAO, Deputy Director, Institute of American Studies, Chinese Academy of Social Sciences, Beijing
- TEIJA TIILIKAINEN, former Finnish Secretary of State for Foreign Affairs, Director, Network for European Studies, University of Helsinki
- LOUKAS TSOUKALIS, President, ELIAMEP (Hellenic Foundation for European and Foreign Policy), Athens

16h30 **Closing session**

- ÁLVARO DE VASCONCELOS, Director, EUISS, Paris (conclusions)
- CARL BILDT, Swedish Minister of Foreign Affairs, Stockholm

# Après la crise : quelle gouvernance mondiale ?

## Rapports des Groupes de travail

**CONFERENCE ANNUELLE 2009**  
PARIS 22-23 OCTOBRE