



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE  
T: +44 (0)20 7957 5700 E: [contact@chathamhouse.org.uk](mailto:contact@chathamhouse.org.uk)  
F: +44 (0)20 7957 5710 [www.chathamhouse.org.uk](http://www.chathamhouse.org.uk)  
Charity Registration Number: 208223

## UK and the World Conference Transcript

# The UK and the World: Rethinking the UK's International Ambitions and Choices

## Session 1

### The UK in a Changing World

13 July 2010

The views expressed in this document are the sole responsibility of the speakers and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.

## Robin Niblett

Ladies and gentlemen, welcome to Chatham House. I'm Robin Niblett, the Director of the institute and it's my very great pleasure to welcome you here or what will be pretty much two days of discussion of the UK's role in the world at this conference that is to some extent a culmination, but probably in the end a mid point, of a project we started about six months ago, looking into the UK's, as I said, changing position in the world and I'll say a word or two about the conference in a minute and also about the genesis of the project and some of the main conclusions which you have in some of the papers that you've collected with you this morning.

What I wanted to do first of all actually, and this is partly why I'm standing up here ahead of Nik Gowing who so graciously – because I know what his scheduled is like – graciously agreed to kick off and chair this opening session and engage all of you and set you in the tone for this conference. I want to say some words of thanks, because projects such of this sort are very hard to undertake without all sorts of support and so I do want to make sure that I've covered everyone. I want to say a few words of thanks first of all within Chatham House to two of my colleagues, Alex Vines and Paul Cornish, who've helped run the project with me and also to Jonathan Knight and Michael Harvey, the two staff people who've laboured extremely hard to put together what has been a comprehensive set of working groups, senior advisory group meetings over the past five to six months and who are in the process of helping us put out a whole series of papers around this project.

We've also benefited in this project from the advice of a senior advisory group, two of whose members on the panel today, but also a number of whom are in the audience and who'll be joining us, in some cases, in other parts of the programme during the course of the day, but they've been extremely helpful in making sure that the kinds of ideas that we've developed and have developed within our think tank mode at Chatham House were stress tested against people who'd had the experience of being practitioners in policy making and in the case of Jeremy Greenstock and Mark Malloch-Brown, they're going to get a second bite of the cherry by being able to stress test the report after it came out and give some commentary on that as well in a minute.

But I also want to thank, again because I know some of you here in the audience, the people who have participated in the various working groups that we've held, also over the last five to six months. Their input has been invaluable, especially reviewing a number of papers that have come out and those that are still to come out. We also could not have done this project

without the support of three companies, BP, BAE Systems and Barclay's Capital and BAE Systems and Barclay's Capital also very generously put forward some funding for this particular conference so that we could pull together a great group of people over two days and also engage some people from outside the UK, as you've seen in the programme in the commentary over the coming day and a half, two days.

This as I said has been a project, there could have I suppose been one report, but on the advice from our senior advisory group we decided to try to put out a series of reports on different dimensions of the UK's role in the world. The idea of doing one single report that would try and capture the entirety of where the UK sits internationally almost seemed impossible and might have led to a lowest common denominator. So we have a series of papers coming out, you have two or three, three have come out, you may have two in your packages right now, an opening paper that I did just of where I see the UK sitting internationally, we had a paper by David Steven and Alex Evans looking at organising for influence and we've had one by Vanessa Rossi and Jim Rollo on the UK's place in the global economy. We'll have a paper coming out next week on the UK between the United States and Europe. We have one just about ready on the UK playing as a thought leader role in energy and climate change. We'll have one on development policy and importantly obviously a paper on where all of this leaves the defence review, the strategic defence and security review that's being undertaken by the government.

So there's a whole series of papers, some of which have come out and some of which are coming out in the coming weeks and we've also had an opportunity to quickly dash in and do a quick poll with YouGov and there are copies I know of that poll upstairs, some of you may have collected them already, if you didn't I encourage you to take one during the coffee break or the lunch break, because interestingly it combined views both of let's say the public and what YouGov and their partners, YouGovStone, qualify as an elite poll and of course if many of you here weren't consulted for that elite poll, don't worry to much about it, I didn't get consulted about it as well either. So the elite is the elite group that YouGovStone use and have used for a number of years to be able to do comparative work with a public poll and I think there's some very interesting insights in there, plus a breakdown actually between parties which I think has some interesting reading, perhaps in particular for the coalition government in terms of different attitudes of their party political bases towards particular aspects of UK international priorities.

I don't want to take up too much more time now, but I think Nik wisely suggested that rather than me popping up twice to the podium that I maybe

say a word or two of my remarks of where I see the UK sitting internationally in these opening remarks of welcome and thanks. So I will be very quick and just do a brief synopsis of some of the main points that arose in the paper that I laid out, which again, as you all know, drew on the insights of the senior advisory group and the working groups that we held to look at Britain in a changing world and I did entitle the paper, *Playing to our Strengths*, and I didn't say playing to our strengths just for the fun of it, I suppose, and trying to be uplifting at a time of realism and perhaps even of a little bit of apprehension about the future for the United Kingdom, but also because as I look internationally, although the UK faces some really quite strategic and fundamental challenges to its place in the world.

I think there are also opportunities for it to play an interesting hand and I suppose if I were to put it into a nutshell, the UK to my sense has been living very much within a Euro-Atlantic perception of its role in the world for the past 40 or 50 years and strikes me as being in the process of trying to make a transition to what the foreign secretary has called a more distinctive foreign policy, but what strikes me as being perhaps a more traditional British foreign policy, which is one that looks to a far more international and global set of partnerships, but it's going to have to do it in a different way and a different world, where institutionally, economically in terms of power, the balance and the centre of gravity has certainly shifted in the last ten years at the very least. So it's a more traditional perhaps foreign policy in terms of focus and scope, but it's going to have to be quite modern in terms of how it's actually carried out.

I noted four points in my paper that struck me as the most important challenges to the UK internationally in the world. You could probably slice these in any way you wanted; I sliced them in these particular four ways. The first being the shift in the global economic centre of gravity from west to east, now this is obviously a well-known phenomenon. What I think is particularly interesting is that the UK has built up its economic strength in the last 30, 40, 50 years within a Euro-Atlantic space, in its foreign investment relationships and trading relationships with the United States and with the European Union and it's going to have to make an adjustment in terms of its trade policies, its investment policy, towards to the east. Can it handle it, can it make this adjustment? I make the case in the paper and I think this is backed up by Jim Rollo and Vanessa Rossi's paper as well, that the UK does bring certain strengths economically, in particular in the area of business services in its ability to act as a kind of supporter of the large growth that we're likely to see in the Asian, Latin American and ultimately the African and other emerging

parts of the world. So I think there are a number of strengths, which again I won't go through all of the detail of them in particular here in the paper, but you'll see in the paper, I think the UK can adjust to this shift in the centre of economic gravity.

The second point that we bring in is the competition for resources and this is a theme brought out very much in Nick Maybe and John Mitchell's paper which will soon be coming out, in about a week's time, on the UK's energy choices. Here the UK is moving to a position as a net importer of both oil and gas and this is a shift that is going to be complex to be able to undertake from the UK standpoint and it'll involve having to partner much more closely with the European Union, but also think again about its international partnerships and how its able to access markets for resources in the future.

The third area that I focus on is conflict and I think we're in a world where the UK is going to have to think about a full spectrum of conflict going forward, an uncertain world, perhaps even at an interstate level, where I don't think we can take for granted an entirely benign world far into the future, but one in which sub-state terrorists, non-state actor type threats are going to be equally intense and the UK is going to have a very difficult challenge in the strategic defence and security review in trying to balance its power projection capabilities with its domestic security capacities at the same time.

And the final point that we touch on is the changing balance of global governance. I think this is where perhaps it's the most interesting challenge or perhaps opportunity for the UK, a country that has been at the heart of western institutions, or at least western dominated institutions, the EU, NATO, the G8, even the UN Security Council which from a proactive standpoint is reflected more perhaps western norms and interests than those of other countries and it's having to adjust, as are other western countries, to a much greater south/south agenda, at a time when I think its relationship with the US has entered a more ambivalent phase, a European Union that inevitably is going to be more introspective and new players internationally that may ignore the UK as they look to develop their own relationships with great powers like the United States, with each other or with institutions such as the G20 and this is where I think the adjustment in British foreign policy to try to take advantage of its strengths: economic strengths, language strengths, educational strengths, its physical position through London at the centre of time zones, cultures and all sorts of intermediation of services and that there's a soft power quality in its true sense of the word in terms of being able to track negotiation and to mediate discussion. But I think the UK can play a role in an adjustment

towards a world that is less hierarchically dominant by the west, less hierarchically dominated by the west than it was in the past.

I've tried to squeeze I suppose three months of a report into about seven minutes with Nik I know fidgeting to be able to get to the larger part of this panel. Hopefully we'll have a chance to discuss some of these points with you and the panel that's coming up that Nik will chair, but I just want to say again a word of thanks to you for taking a day or a day and a half, however long you're going to be with us, to join us for this discussion. I understand, I think that William Hague is actually... well he's in the Far East, possibly heading to Beijing at the moment, to be able to share some of the next set of views that the UK has internationally I think is rather fitting perhaps that's the trip he is undertaking at the moment. But this is certainly an opportunity that Chatham House wanted to grab to understand the UK's place in the changing world, to get as much feedback as we can from you and to think how we can take this area of work forward for the institute over the coming year or two. So thank you very much everyone who supported the project, thank you for coming today, Nik over to you.

## **Nik Gowing**

Robin, thank you very much indeed. Good morning everybody. My job is to make sure that by coffee you'll have had as productive a morning as is possible. That's by ten past eleven, which means a lot of views to be heard, both from the platform and from you as well. Let me recommend, I hope most of you have picked up the YouGov poll, particularly reading the preface. I think it's important to underline, I only got it first thing this morning, on an email, but the divergences, the words from Robin quoting Peter Kellner, the divergence of perspective between those who make or help and inform UK foreign policy and the public upon whose support these policies sometimes depend, it's very revealing about the way the public and the elite think about foreign policy and the big differences and I'm saying that because, as your mind's wander you may want to look a little more closely at that because it will inform much of what you want to think about over the next two days or however long you are here.

We have three speakers from the platform as Robin was underlining. Each of them, I've told them, is 15 minutes maximum, which I've told them it's 13 plus two, not 15 plus five, because the main this is to hear your remarks as well, we want to set a tone by coffee of the kind of areas that you are interested in and also the kind of questions you might have or challenges you might have for the

kind of things you hear from the platform to inform the other discussions over the next two days. I reckon we'll have about 35 minutes at the end and if we don't that's my failing. But I will ask you then how many of you want to speak, because then I'm going to try to divide up the time and work out how many of you want to speak, so as many of you as possible will at least have a chance to give us a sound bite view of what you have heard and what you've been reading as well.

On a personal note, these are very rich documents, these first three documents, with six more still to come. They are very rich, they are very timely, they've been brought out extremely quickly and from my perspective, where I work, they're very robust and also I think very revealing. And on another personal note, I've just rolled off a plane from the IMF meeting in South Korea yesterday where I can tell you, what we're talking about is not on their agenda. It's stark, the difference in perspective over there, 10% growth and one of the issues there was, what can we learn from Europe and they're all saying, a great deal, but let's move on with an Asian perspective. So it's important that, I think, to understand that these kinds of discussions are being held elsewhere in the world at the same time.

One final thing, if you like champagne, and you want to win a bottle, then please fill that in and leave it somewhere by the end, because we want to know what you thought of this session and also the whole of the session. I speak as a former member of the council, because feedback is important, if you don't like what is being done here, or the way it's been convened, and then we can learn... they can learn, the house can learn from it. So you will know by then if you've won that bottle of champagne and then you can decide how many people you want to share it with from the delegates. All right, let's move on with the three main set of remarks. The first is the Foreign Minister of Oman, His Excellency Yusuf bin Alawi bin Abdullah. Your Excellency you have 15 minutes for your remarks on Britain and the world.

### **Yusuf bin Alawi bin Abdullah**

Thank you. Good morning everyone. First I am delighted to join you and to talk about the new set of thinking is emerged here in the United Kingdom. Since we have seen, the last election has produced a coalition government. We thought that this is maybe something which is without another complication to international relationship, but we are very fortunate to see that the coalition government has set up for the UK a new approach which is, I would say, we have missed it for a long time. We see Britain as a nation of a lot of talent and

we have seen Britain with a dynamic diplomacy on the international affairs. Those things were missed in the last three decades. Now we are back. We welcome that policies which has been started, spread out in the international relationship, we believe very much that UK can play a very objective role in international affairs. That's why I'm standing today here to express our welcome of the new government policies.

We believe that UK can play a role of reforming a new chapter of the international diplomacy. In the regional issues, which has been lack of resolution for so many years and has sometimes led the world into confrontation, this is a situation we believe that UK can be very important to all of trying and to bring nations together in order to express their willing to resolve them. Yet this is an important moment to focus on those things and the particular time of we have a major financial crisis. The question we ask ourselves is, is this possible? The answer we see, yes, it is possible. One of the solutions to the international crisis, financial crisis, is to wrap up the past and then try to form a new reforming of international relationships. What is... in our view, what is was the cause of all this host of problems is that when we have embarked on the globalisation, some nations, some powers, forget the globe is a matter of partnership between nations, between economic growth, between political joining operation, that was missed in the mind of many people across the Atlantic and they decided to take the world on their own power. That is has produced what we see today, crisis in the east, crisis in the south, crisis in the north, crisis everywhere.

Now, do we have a hope to overcome all these matters? I think my answer is yes. Now we see there's a light in the dark nights and that light is what is going to happen here in this country. UK has a tremendous history of turning the world into the right directions and this is what we want to see. We in Oman very much interested in what is we see today happening in this country. We have a long standing relationship with the UK, we maintain a very strong relationship with this nations, no matter what sort of government is in the... is running the affair of this country. We maintain very strong relations with the Royal family, we maintain good relations with the old politicians from the party, different parties and we were dreaming for the moment of today and that is has happened.

So we are supporting strongly the new approach of this government vis-à-vis the regional issues and to bring nation once more again to work together. I have said this, we are not going to criticise anyone over what has happened in the world. We still maintain a very strong relationship with the United States of America and we hope that the remaining years of President Obama it might be



a chance for them, for the Americans, to help themselves first, and to help the world to get out of this crisis and we have seen indications that they are on that line, they are thinking very seriously on how to wrap up situation in Afghanistan. We see Iraq is now better off, it was a good things from the American are not involved in the present crisis of government in Iraq and let the Iraqi themselves to decide between themselves what is the best way to take and that is good thing.

We see there is indications also that United States is want to share views and share also responsibility with the others and this was not the case in the past, so we welcome that. Here in Europe I think the European Union needs to be reformed. European Union also thought that they are maybe going to develop a very big powers in the world and this was really something which is, those who have desired that type of thinking were also effected, but the thinking is in Russian, it was difficult now to see that you a merge between ten nations who are really developed the European Union with another 12 nations which is coming from a different, totally different political system, they were somehow under the Soviet Union and then suddenly they have been merged into the western countries and that is by itself has created a lot of... an uneasy situation in the European Union, so they don't understand where their interest, among themselves and with the other nations is. I'm making reference here to the negotiation we have had taken with the European Union that the GCC for almost 20 years on the free trade agreement and it's up to now is not satisfied, we have not reached an agreement. We have settled most things in that free trade agreement, but the remaining are very tightly linked, very tight. What does not represent of the host of the interests of in terms of investment, in terms of trade and in terms of energy, that's little thing does not represent zero, zero, zero percent, and yet the commission insists of imposing that on the GCC. If this is a real good policy I say this is really missing an opportunity. Therefore that's why I'm saying the commission in the European Union need to be reformed themselves. So and that is I think UK plays a role in that as a leader in Europe.

So we are working with this government to the best we can and we'd like to see this policies going through and we are encouraging others also to support. We are encouraging other nations also in Europe to follow the UK government approach. Thank you very much.

## **Nik Gowing**

Minister, thank you very much indeed. Let's move on swiftly with Mark Malloch-Brown, Lord Malloch-Brown, formerly Minister of State at the Foreign Office, Member of the previous cabinet, before that, Deputy Secretary General, Chief of Staff at the United Nations and also the head of the UNDP. You have 15 minutes Mark.

## **Mark Malloch-Brown**

Thank you very much Nik and Robin, thank you for the paper, but also for organising and sponsoring, arranging this conference between all your colleagues. I think William Hague has got off to a great start and that seems to be a generally widely held view and part of the reason he's got off to a great start as a new Foreign Secretary is the coherence he's beginning to be able to establish across Whitehall for a Foreign Office led foreign policy and I think there's going to be huge welcome, not just here in the UK, but certainly in Europe if we have a more integrated policy on European issues with people will know where to go to get the British point of view or something. But I must say as a former Deputy Secretary General of the UN, I have a second source of great pleasure in seeing a Foreign Office led foreign policy again in the UK, because we had moved obviously to a much more presidential system, where a huge amount of foreign policy was run out of Downing Street, yet unlike the US system, there was no real foreign policy apparatus in Downing Street to support it. There was not the expertise across geographic issues in the cabinet office that you have in America's National Security Council. So what I saw as someone at the other end of this was a Britain which across a range of issues, Lebanon in 2006, Somalia 2005/2006, Sudan and the great pair of Afghanistan and Iraq, a British foreign policy which lacked the kind of geographical nuance and judgment about the issues we were dealing with that we had grown used to before.

Now we were always very lucky in that with Jeremy and others we had great ambassadors in New York who managed to contain this issue, but just to take Somalia as an example, the danger of a London driven foreign policy which was that entirely in a war on terror Islamic fundamentalist way and failed to see the need to support a moderate Muslim movement try to take... begin to build a state again in that country, that was a very expensive foreign policy mistake in my view which has cost us lost years and perhaps the one opportunity there was to rebuild some kind of Somalia. Now I dwell for a moment on that example, because I very much hope that there are a little bit

things of the past and we are now going to have again a much richer more three dimensional analysis behind our foreign policy issues. But if we have a strong foreign secretary and a strong Foreign Office in Whitehall, the danger is that they may be bereft of the actual external tools which make a foreign policy. So we could have that perverse irony as Robin put it where there is a reversion also to a more traditional foreign policy looking beyond Europe and the Atlantic to a wider range of players, but at the very least, if that is what's happening, it's going to be played with a much weaker hand than Britain had at say a hundred years ago.

So is that the future we face? A strong Foreign Office with no foreign policy and I think we've got to make sure it's not the outcome, but obviously the budget reductions that the Foreign Office will face, a department which has actually over the last decade suffered steady budgetary mutilation, is going to be very significant in terms of its ability, not just to finance its own establishment internationally, but critically to play its part in exactly the kind of multilateralism which is the way a middle power like Britain keeps playing punching above its weight to use the old phrase.

How is the Foreign Office going to deal with cuts to its statutory contribution to UN peacekeeping operations? And when beyond that the defence establishment of Britain itself is likely to face significant pruning, it raises real issues of at least that set of Foreign Office tools and foreign policy tools. And when we look, as Mr Hague did last week and as David Miliband had before, to a set of hubs or networks of which the Foreign Office or Britain is part, of Brussels, of the Commonwealth, of the UN of course, of NATO, one's left wondering whether even these, with less budget and less resources and a palpable sense of Britain's relative decline, can be made exactly the powerful network of foreign policy relationships that both foreign secretaries envisaged for them.

Well does it matter if there's this diminishment of British foreign influence? And I think we've just heard from the Minister one explanation of why it matters and a very powerful one. In Robin Niblett's paper, the importance to the UK of a global open economy, where 28% of our GDP comes from services and where we are, after the US, the second largest exporter of services in the world. In other papers in this project, Alex Evans and David Stevens on the long crisis of globalisation that they talk of, there's again evidence it matters a lot. Globalisation is not going to get to port safely unless countries like Britain really throw their weight behind a managed globalisation which deals with issues of inequality and inclusion in the world in a clever way. So what I think we have to look at is not so much the old dichotomy of hard

power versus soft power, as we try to think how to make the most of modest hand we now have, but a smart power view of things, where I do think Britain's rich intellectual and historic and leadership and geographic knowledge, which is almost without equal in foreign policy anywhere in the world, we do have a chance to at the very least be ideal leaders and that way animate the European Union, the UN, the Commonwealth and NATO through just working and thinking harder and finding ways of offering those ideas to our partners in those institutions.

Second, I do think this discussion of joined up diplomacy, where it's a multi-department effort, where the Foreign Office is bringing together the other departments of government and where its outreach to partner countries is a multi-constituency one. I was very struck on climate change by the relative success of the Foreign Office to go beyond a Washington which was not necessarily at the time very well-disposed to climate change, to reach out to state governments with the kind of campaigning approach that one doesn't traditionally associate with the Foreign Office.

Third, whatever the defence review brings, surely it must allow us to retain the military troubleshooting capability to take on failed states support, either in coalitions under NATO or through being more active troop contributors in the future to UN multi-lateral operations. But I think it's got to happen within a very clearly defined doctrine of Responsibility to Protect which is well established and well supported by the Security Council, we cannot afford flourishes of unguarded liberal interventionism which come outside the framework of what is accepted international law.

Fourth, there must be smart development in terms of DFID, which is the one bit of this of course which at the moment has a ring-fenced budget where I think Andrew Mitchell as the incoming Secretary of State, has inherited a DFID which has grown and is viewed by its peers around the world as perhaps the most effective bi-lateral agency, but nevertheless, it is one which through the MDGs of which I'm in some very small part an author, has somehow got itself trapped in the view of a kind of Fabian global welfare net view of development of how do you support the recurrent costs of health and education around the world. Whereas I think and always felt when we crafted the MDGs there was a very alternative view, which was that this should be about private sector led growth that created the jobs and therefore the tax revenue to support national provision of health and education. So I think without any embarrassment a new government has a right to revisit development strategy to find ways of leveraging resources through private sector development to achieve a much greater growth impact in developing countries and a lot of mention is made,

and Robin's already referred to it also, of the need to depart state building in fragile states if we're to find an exit strategy to the likes of Afghanistan or down the road Somalia; we haven't even found an entry strategy into Somalia.

But I think the long-term strategy, if I can say that, for the UK, Robin has made the point it's to support open markets, I would just caution that it's open markets based on a vision of sustainable growth within the natural finite resource limits of this world we live in. There's just not enough environmental limits to Robin's description of this for my taste and therefore on climate change we need to remain a very, very strong leader and we've got to understand that in a world where our global GDP is doubling every ten or 20 years, and where our population has been increasing by a third over the last 20 years, managing growth is a critical global challenge. And let me just also say that I think that for the UK, international institutional governance reform remains a critical issue. I spent a lot of time on it in the Foreign Office as a veteran of this subject in the UN itself. But it's not something which repays you kindly, it's frustrating and it's climbing up cold faces and falling back down them, but getting reform of the IFIs, getting reform of the Security Council, should remain critical objectives of British policy.

But in closing, let me just say that we've come through some of the most peaceful decades of modern history, even if sometimes that is distorted by the overhanging fear of terrorism, but in terms of lives lost, with a few tragedies in Africa, particularly the DRC and Sudan, in general, these have been very peaceful decades by historical standards, but looking forward, the challenges of global growth, the challenges of the inequalities that that are creating, even in apparently success story regions, in fact particularly in success story regions like Asia, mean that it is not to be taken for granted that this era of growth and prosperity continues without interruption. I suspect there will be more propensity to conflict inside nations and between nations over the next 50 years than there has been over the last and therefore, Britain's interests in preserving a global open liberal society through strong international institutions and through being a thought leader and catalyst in those institutions, remains as critical as ever. Thank you.

## **Nik Gowing**

Mark, thank you very much indeed. Just before Jeremy takes the floor, let me... in case some of you haven't got the details from the YouGov polling, one of the parts mentioned by Peter Kellner, significant minorities of both the general public and opinion formers, are sceptical about the need to take action

to avoid climate change and mindful of what the Foreign Minister said on the European Union, there's a bit of data here which suggests that more than half the general public and two-thirds of the opinion formers think Britain should work closely with the European Union. I may have to drip feed more of that into the discussion over the next hour, but I thought you'd be interested in that, particularly after what Mark has just said.

Let's move on to Sir Jeremy Greenstock, who this weekend is really ended his time as director of the Ditchley Foundation after six years, before that Special Envoy in Iraq for Prime Minister Tony Blair and before that the UK permanent rep at the United Nations. Jeremy, the floor is yours.

### **Jeremy Greenstock**

Let me add to the spread of what you're hearing from this panel by starting at the global level and coming back into the UK. Because the questions we have in front of us, these five questions at the head of our session, ask us to look up to 2030 and I think nobody in this room, and certainly nobody on this panel, has any sense whatsoever of what 2030 is going to hold. It is much too far away and yet it makes us think about the capacity for change in the next two years, which to some extent is exciting and to some extent is frightening. But that very unpredictability introduces the thought also that the biggest risk is always to the incumbent. Those who think or thought that they were top of the heap in a period of change are the ones most at risk and this is what we're struggling with in the west, in the G7, in the US/UK, in Europe in terms of global change.

Can we keep the momentum going that we've built under the leadership of the United States since 1945 when the world is changing through open competition in a free era? And if you think of globalisation in the 21<sup>st</sup> century as that, it introduces equal opportunity to all nations according to their capacity and therefore where the world will be by 2030 will be an expression of the realisation of the potential of each country in open competition, not held back by any artificial political constraints as in the colonial era and that's important because, coming along with equal opportunity in a free environment, comes the polarisation of ideas, religion, culture, and therefore politics and that polarisation introduces vociferousness, division, nationalism, sub-nationalism. So there's a counterforce to globalisation and it's the increasing mosaic of different ideas, different communities expressing themselves with an identity that they recognise which is distinct from their neighbour. And I go below the level of national in that because there's another very important trend that

doesn't get talked about often enough, not even perhaps Robin in our paper and we discussed this a little in our discussions before you produced your paper, which is the growing gap, as I see it, between governments and their own peoples.

Nik you pointed out in the preface of the poll document the phrase about convergencies and divergencies between those that set foreign policy and the public. It goes much further than that, particularly in those countries that feel they have a government that doesn't allow them to realise their own potential – I think that's true in the Middle East for example – which will produce political trouble over this next generation, but it's just as true in democracies as it is in non-democracies. And finally, against this first bullet, be careful about the weight you put on institutions. Institutions do not adapt as fast as global change and the obvious deduction from that is that the institutions we have relied upon, if they don't reform, and reform particularly of international institutions is incredibly difficult, will increasingly fall behind in their relevance and in their structure real life of the global make up. So we must be careful about relying on institutions that are not adapting.

Where does the UK fit in all of this? To my mind, so long as we have security, the first thing that has to be looked after in the UK is the economy. We cannot do what we want to do, we cannot play to our strengths, unless our economy is working and I see the combination over the past few years of Iraq/Afghanistan on the one hand, but particularly Iraq in terms of our image, and the global financial and economic downturn as being as damaging to the UK and its image internationally and its potential internationally as any set of issues since the end of the second World War. But the UK has strengths. We are taking a long time to die from our peak at the end of the 19<sup>th</sup> century and Mark has brought out some of them and indeed the Minister from his perspective has referred to some of them, of our pragmatism, our connectedness, our openness to the outside world, the quality of what we do, even if we lack the quantity, our capacity to solve problems and we haven't yet mentioned this, although Mark mentioned soft power, I think the UK has as good a balance as any active country with outreach between soft and hard power. We don't happen to have very much power, but the balance between soft and hard is as good in the UK as anywhere and that's worth thinking about. I mentioned Iraq and I think an illustration of where government or the government elite and peoples fall out of kilter comes from the Iraq story because, under the leadership of Tony Blair, government and its decision making was hard power oriented. But it lost the support of the public because the public is closer in mentality to the kind of soft power that the EU thinks is

very valuable and less in tune with the harder edge of the United States and our relationship with the United States and that hasn't been debated enough in our own councils about how government and people work together in foreign policy choices, given that different in mentality, between the decision makers and popular opinion and I think the polls that I'm beginning to glance at in the YouGov booklet, to some extent bear that out.

What do others expect of us? The Minister has given us an illustration of some of that. Do they think we're a bit outdated now that we've outlived our global usefulness? I think they're underestimating us if they do. Are we ourselves a bit too unconscious of our capacity for irrelevance? Nik, you said before we came in that you found in Korea that they were talking about things quite other than Europe and the transatlantic relationship and probably the words United Kingdom never came up at all. There is a sense of irrelevance about where we stand that actually underestimates our strengths. But I think that a lot of outsiders see us in relationship to the United States, that we are the junior partner, that is we are connected to the United States and they see us as coming along in the same bandwagon, whether they like the United States or not. But there are others also who see us and value us as not the United States. I trip across this the whole time in the Middle East. We don't agree with everything that you do, but thank God there's another voice than the United States. I had a clear lesson of that in Baghdad in 2003/04. So how we place ourselves vis-à-vis our most important bilateral relationship is extremely important. And finally in this sector, we are more European Union than we think. Our interests are there, are character is there, of course our geography is there and our economy is there. I hope this government will be as pragmatic as it started on the European Union. I do not want to see from them a gut feeling that the EU is not our place. It is. Whatever else we do, it is a most important context.

The rise of the rest, obviously we're going to be lower in the order; that's inevitable, so will the United States. Yet our skills that I think we've been trying to enumerate in this panel are relevant. I have always found that our pragmatism, our capacity to solve problems, our role in the United Nations Security Council of sorting out the problem and finding a text to move forward is relevant, whatever the issue and remember that the rest, the others, the emerging powers, the bricks, all have their own deficiencies. They haven't got a clear run, they don't even know yet – China and India, Brazil, South Africa, Russia – whether they want to be super powers in this new world, they may have the role thrust upon them, but there is a chaos in inefficiency about the single state... single party state in China; there is a chaos of inefficiency about



an open free democracy as in India; there is violence in both countries, enormous differences of wealth and capacity in the population, their internal problems loom far larger for them than their external reach at this moment and we need to remember that because we are long-practiced in outreach, in connectedness, in how to act across the globe and that is very important.

What are the guiding principles: economy, economy, economy first, connectedness and I'm glad to see that William Hague is saying to his ambassadors earlier this week, we will remain global even if there's only one of you in an embassy. We are there to solve problems and we must maintain our capacity to solve problems, I could only sustain the UK's membership in the United Nations Security Council when I was there in terms of merit by making it clear that we would earn it through solving other people's problems. Beware of relying on fading institutions. Maybe there will be some renewal through the G20, but the ad hocery that's coming through in international affairs is something that we must use our strengths to play well what is now known as minilateralism will be increasingly dominant over multilateralism and in the end, survival, success depends in the government just as much as in the corporate world in competing peacefully and adapting, above all adaptation and actually I think we're not bad at that. Thank you.

## **Nik Gowing**

Jeremy, thank you very much indeed. I should underline that the whole conference is on the record. There is no Chatham House Rule today, so anything said within this room can be quoted, including from the person who said it, including what we're now going to discuss.

Thank you all very much for your discipline, we're now well ahead, which means we can hear more from you, the delegates in the audience. How many of you already know you want to speak. Okay, well I'm doing some instant mathematics here, which means at least ten of you want to speak, so I would ask you please to be as disciplined as you can so we can hear as wide a selection of your views as possible, both on the paper, the YouGov survey and what you've heard from the platform this morning. I recognise Nigel Broomfield first, because you had your hand up first, and then I'm going to create a list. How many mikes do we have actually? Two, where's the second one? Over there. Could someone over there get the microphone please? Okay, go ahead.

## **Nigel Broomfield**

Nik, thank you very much. I just wanted to underline two or three points that were made which are very likely to be forgotten as we go through the conference, any conference on foreign policy gets into organigrams and institutions, all that, the points really were made by you and by Jeremy and I think extremely well. The two critical issues for any foreign policy are support and economic success. It's a lesson that Nicko Henderson drew as he left Paris and he wrote to Margaret Thatcher at the end of his time there and said, we aren't influencing the French, we aren't influencing the Germans and the reason we're not doing that is our economy is failing, we are not a model and we don't have the attractiveness of success, and I think those two are absolutely fundamental for any views that we might take by our place in the world. I've just come back from India, much the same in some instances as the response you got in Korea. David Cameron will find that as he goes around with his team towards the end of this month that there is a self-confidence and a view of the world which is very different from the view that we think they might have and we have to understand that and adapt ourselves to it. But anyone who forgets that you need support, partly now because foreign policy, although it started in my day by being lots of interesting treaties and things from far away places about which most people knew nothing, are now transnational, they are immigration, they are climate control, they are large world movements which people care very deeply about, not to say the emotions have been stirred up by the various campaigns we've had in Iraq and Afghanistan. So domestic support, but above all, I agree, economic management and it is pointless trying to run a vibrant foreign policy unless you have a strong economy. Thank you.

## **Nik Gowing**

Thank you. From the YouGov poll: although India has been identified as a target for an enhanced partnership, the poll shows ambivalence from the general public, with a low score in both positive and negative perceptions of the country. Sir Crispin Tickell could you move the microphone around further back please, just keep the microphone going to somebody.

## **Crispin Tickell**

I wanted first to endorse what Mark Malloch-Brown said, but also to draw attention to two other points with the background to the future looking forward

to 2030. The first is the elephant in the room and in the elephant in the room which no one has referred to is human population increase which is changing relationships and will change them even more in the future, there's even been, as you've probably seen, something published yesterday about the rate of increase in this country, but the rate of human population increase, 78 million more people every year, is something which anyone who thinks about foreign policy has to take account of. Then you bring in of course the environmental dimension which is more migration, more upsetting, less solidity of the existing international structure.

The second point I wanted to make is that I think also we must look to not accept too readily the conventional view of economics. Talk about growth, what do we mean by growth? We talk about free markets, there's never been such a thing as a free market, all free markets are regulated in one way or another so don't let's deceive ourselves, but we have to think very clearly about what development means; it means something quite different in different places. And so if Britain is to function as I hope that it will in the future, we have to take account of this huge proliferation of our little animal species, we have to take account of new economics, judging things differently, drawing up different categories of activity and thinking again, not just about where we are in the world, but the way in which the whole world is going.

### **Nik Gowing**

Thank you Crispin. What I'm proposing is to hear what others are thinking so we can help define and broaden the landscape as part of a discussion process if that's all right. You can pick it up instantly if you want to. Right at the back, and again, move the microphone on.

### **Paul Adamson**

My name is Paul Adamson, publisher of E!Sharp Magazine. Since you mentioned Nik the poll finding on the European Union and working together more closely, I have a question on the European External Action Service addressed particularly to Mark and to Jeremy. In your view, will the Service be basically a bureaucratic nightmare, is it way too leveraged UK influence around the world, is it going to be a way to achieve some modest but useful economies of scale, all I ask is do not answer the question with a comment it's too soon to tell please?

## **Nik Gowing**

Do you want to pick up on that quickly?

## **Jeremy Greenstock**

It's going to take some time to settle down.

## **Nik Gowing**

That sounds like it's too soon to tell.

## **Jeremy Greenstock**

The advice that came out of the Ditchley Conference on this to Cathy Ashton was, start with some wins, don't try and create a service that takes over diplomacy from the diplomatic services. There has got to be a strong recognition within the commission, within the council, that the national diplomatic services will go on retaining both their ambition at the national level and their expertise, which will be extremely valuable for the EU and mustn't be undermined and therefore, place the External Action Service and the EU's weight in the first instance in this new post-Lisbon era, in the areas that can be best responsive to first pillar policy on development, on climate change, on migration, on population flows, rather than on regional issues, power mill matters and Afghanistan, Iraq, those sorts of issues. Choose your issues wisely, have some wins, show the potential of EU operations and then see how it forms with time.

## **Mark Malloch-Brown**

And just two things, I mean look, in a world where everybody, not just the UK, all Europeans are likely to have to cut their own bilateral diplomatic presence around the world, and secondly, where a general view is that Europe retains some clout, particularly as a major economic force in the global economy, in a way it's individual members don't. Given those two facts, we must be able to do better than this sorry cock up which is the European External Action Service to this point.

## **Nik Gowing**

Robin, I was just going to say, you're on the record here.

## **Robin Niblett**

From the UK standpoint, I think it becomes especially interesting if it could be made to work, but the comment I think Jeremy that you brought back about the foreign secretary saying, even if there's only one of you in each embassy we'll be connected. The point is I think, the UK's going to have to make some choices about where it invests those very few pounds in terms of its diplomatic presence and then maybe parts of the world – I think you were saying this just now Mark – parts of the world where the combination of the development trade agenda alongside the foreign policy agenda would perhaps be in tune with UK interests. So if the UK is looking at an India or at a Turkey or a Brazil or South Africa's place where it really wants to focus its diplomatic bilateral effort, it's going to have to let go potentially in certain other places and in those other places, whether it's parts of central Asia, parts of Latin America, parts of sub-Saharan Africa, it may be that a UK that leans forward on the External Action Service in a pragmatic semi-governmental way, might actually provide some answers where we could save some money and still have some influence. The big question, and you know this better than anyone because you're based in Brussels, is whether this External Action Service is a heavily European Parliament commission, let's say, controlled Action Service or of the more governmental sort that I think the UK government wants.

## **Nik Gowing**

Right. Let's move on. Do you want to come in specifically Brian Crow on this one issue? Okay. Quickly, can you just bring the microphone forward because it is helpful to group these things if people desperately want to speak, I haven't forgotten, about this one issue please.

## **Brian Crowe**

I'm Brian Crowe, I was Director General of External Relations in the Council of the European Union and I follow the External Action Service debate quite closely and I think both the question and some of the answers have put the cart before the horse. The External Action Service is an instrument, it is not a

leader. The leader and the important change in the Lisbon treaty, was not the External Action Service, it was the creation of the post that Kathy Ashton now holds and in this she is successful, in this she is able to get agreement in the council, the commission as well as commission responsibilities, and the External Action Service will be totally irrelevant, just as the diplomatic service of any country is irrelevant if that country doesn't have a foreign policy that people pay attention to. So the important issue is less the External Action Service than the empowerment of Kathy Ashton and her effectiveness. And on Jeremy's point, initially certainly and for the foreseeable future, pillar one is where it will be because that is where there is a common agreement on a whole host of things and so that will be the natural thing. It already exists in the commission delegations, the question is, what now happens on the political side?

### **Nik Gowing**

Just so we don't get too drawn in to the European Union, it's about Britain in a changing world, not the European Union in a changing world, this discussion. Sure. Now, you've been patient there, thank you.

### **Jeremy Astill-Brown**

Thank you. My name is Jeremy Astill-Brown, I'm an associate fellow of Chatham House, I specialise in African security. I know this conference isn't about William Hague's speech, but neither the speech, nor in fact Dr. Niblett's paper or the presentations we've heard today, make very much systematic reference to Africa. Africa is often portrayed as a backward or broken place whereas in fact it's a forward opportunistic place where... from which we, the UK, draw an awful lot of our soft power with which we can eventually be smart. The Foreign Office has seemed to have systematically dismantled its Africa capability, the FCA research analysts are a shadow of what they used to be, DFID considers Africa as a recipient of development assistance only. What I would urge as an African specialist, so I suppose I would do these things, is that in looking east for economic opportunity and future enrichment we don't forget the places that will grow after the east is in decline. Africa will rise eventually, it will not always be broken, it has a market and it has a people and it's not a single place, it's 54 member states at least, it's a number of other things, so I would hope that we don't forget Africa in our rush to be efficient. Thank you.

## **Nik Gowing**

Mark Malloch-Brown is Africa being forgotten do you think?

## **Mark Malloch-Brown**

Two comments, one as a Minister I always argued we much have a foreign policy for Africa, not just a development policy, it denigrates Africa to not recognize the wide range of political issues we have with it. Second point is, I spent last week as many people did in South Africa, in my case though I thought it really summed up the challenge, as a Brit-Africa expert, briefing Asian sovereign wealth funds and institutional investors on the opportunities in Africa and there's a danger that's what we're reduced to – intellectual capital for other's investment strategies.

## **Nik Gowing**

Were there any British investors?

## **Mark Malloch-Brown**

No, well not significantly, and ones that were there were much less interested in African investment then their Asian counterparts and Middle Eastern counterparts were also very interested.

## **Nik Gowing**

But can I just press you. I mean, where should Britain be defining itself in Africa, given this over the horizon point that we've just heard, beyond the east to what happens next?

## **Mark Malloch-Brown**

Well, I mean look, it's a long answer and I prefer it in a way...

## **Nik Gowing**

Give the shorter version.

## **Mark Malloch-Brown**

Well, look, I mean all I can say is, I don't actually think Britain is going to neglect Africa, but we have to, because we have so much competence on the region here in London, and in fact we do have lots of hedge funds, private equity funds, others who are directing business and investment into Africa, we have to build on that and we mustn't get seduced by the much higher asset prices in Asia and the much more competitive context in Asia to overlook the real opportunities for business as well as political partnerships that Africa offers.

## **Nik Gowing**

Robin, do you want to come in?

## **Robin Niblett**

Well I would only make one comment, this is a fellow knows actually Africa is our largest regional programme at Chatham House so we are investing a lot in there and actually a very interesting paper that came out last week... sorry a month ago, was looking at the role of private sector investment as the future and specifically, treating African countries as partners in this growth model and there I think you've got to look at the anchor states. The question is, does the UK play with all of the anchor states in Angola, South Africa and Nigeria, or do we have to look at some areas where the United States is perhaps going to play, because they're looking at Africa quite strategically right now. We're going to have to be quite selective about which countries we build up those bilateral relationships with. So we would encourage very strongly a focus on Africa for now as well as for the future and we're certainly pushing it within the institute.

## **Jeremy Greenstock**

There are two lines of thought that are absolutely vital for Africa, one is that the economy must grow in African countries through business and through private sector investment and aid should be directed at three things above all: health, education and government's capacity building, and there should be a division of tasks between private and public sector. Let the Africans get on with it, but help them with health and education capacity.



## **Nik Gowing**

But what Mark's talking about of course is the value of sovereign wealth now elsewhere, other forms of investment which it doesn't mean aid.

## **Jeremy Greenstock**

Well that's an investment.

## **Nik Gowing**

Where does Britain play in that?

## **Jeremy Greenstock**

Business must take you there.

## **Nik Gowing**

All right. At the back please.

## **Gerard Lyons**

Good morning. Gerard Lyons from Standard Chartered. I'd like to ask a specific question about global governments. Robin Niblett touched on UN permanent member status. Lord Malloch-Brown talked about Britain punching above its weight, which is a common Foreign Office phrase; it's one I can't stand actually. The only people who punch above their weight are weaklings. We don't need to punch above our weights, we need to punch our weight and when you go around the world there's a different perception of the UK in different areas. Jeremy touched on the fact that we're seen as being America's sort of follower. In some parts of the world it's pointed out to me that we always vote with America at the UN. In China it's said that Britain's most important status is being on the permanent council at the UN and in some parts of the UK and Europe, there's pressure for the UK to give up its membership. Do you... I'd like to know where the panel, including the representative from Oman, believe the UK should position itself in this. In my view we shouldn't give up or membership in the UN and in the future I think we

should start to vote against the US and vote more with maybe countries in the emerging world and allying ourselves on issues, not on old alliances in the west. How do the members of the panel see this is the future?

### **Jeremy Greenstock**

I mentioned when I spoke that we had to be conscious in international fora of earning an ear, of earning respect for what we were doing. We have to earn it, earn it every time. With the United States there is no special relationship. Every country with the United States has to earn its respect from the United States or its role as a partner. In the international arenas, we earn that through solving problems, through contributing to collective answers, through taking up the kind of philosophy that Tony Blair spoke to in April 1999 in Chicago and then abandoned over Iraq. We have to be conscious that there is a tremendous incompetence in international affairs by governments. Governments are fundamentally and increasingly in a complex world incompetent and the role of the UK, which is one of the least incompetent governments that I know, I wouldn't put it higher than that and that's quite a boast, is to try and introduce competence into international arenas, both in policy making and in execution and that's where I want to see us go.

### **Mark Malloch-Brown**

Because Britain and France can't take membership in the Security Council that forever is granted, my experience both in the British government and at the UN before was these two countries work much harder than the other three permanent members to make the Security Council an effective successful institution and I think at the moment that's a very good bargain; they give a lot and they get a lot back as Gerard said in terms of status in other places. At a minimum though, they must combine it with forceful action to secure an enlargement of the council and more representative group of countries to enter it, because otherwise that will get brushed aside and it will look like a closed irrelevant club. It has a G8-like problem, it needs to create its equivalent to the G20 as quickly as possible.

### **Robin Niblett**

If I can just touch on the bit Gerard raised on the US and how the UK is perceived with the US and obviously Timothy Garton Ash Phil Zelikow will go

into this in more detail, but the thing that struck me perhaps the most, although it was somewhat to be expected about how the government has started out just in this first month and a half, is how cautious – maybe that's the word to use, you could say standoffish, but I'll say cautious – this government's been about its relationship with the United States. Some interesting language in the coalition agreement, maybe that was a strange bit of drafting, talking about us having a frank relationship with America while having a special relationship with the other countries, but setting that little bit of drafting to one side, I think this is a government, certainly from everything that was said earlier, everything that I've heard and understand, that is cautious about being seen as being in America's pocket will be instinctively and automatically a follower and it will do things I think to actually communicate the fact that it knows other countries see us in that light and therefore want to change that perception. I think the big contrast to me between a year ago and this year was the G20 Summit in London in April 2009, you have Gordon Brown and Barack Obama standing shoulder to shoulder talking about the importance of stimulus packages, a competing press conference taking place roughly the same time with Angela Merkel and Sarkozy, and the lead up to this G20 Summit it's the UK government saying, no, end of stimulus packages, we're pushing austerity along with other European governments and America somewhat on its own on this topic. You know, setting off the torture inquiry there's several steps that this government is taking, while recognising how important the relationship with the US is for the long term, but to demonstrate that there's a change of tone here, the one problem with this theory is Afghanistan and ultimately we are joined at the hip if not at the head in Afghanistan and that's going to make it difficult to keep this nuance approach going. But I think there's a real effort to look at it differently.

## **Nik Gowing**

Right. We have about 20 minutes to run. I'm interested in views or questions. If there are questions we'll answer them, if there are views we'll move on. I can see about eight or nine hands. I can work out that this is going to be okay. I think I will hear most of you by ten past and maybe we'll let it move a little bit after that, but please just be patient. Thank you and then get the microphone to you, wherever it is.

## **Mark Robinson**

Thank you, Mark Robinson, the Commonwealth Round Table, in its Centenary year. David Howell at a democracy conference on the Commonwealth last week went out of his way to read the new mission statement of the FCO and it was about putting the C, namely Commonwealth, back into the FCO. Now many things that have been said this morning in a way really fit with that. Sir Jeremy was talking about outreach, Africa, the Commonwealth has a very strong phalanx in eastern and southern Africa and then of course the Caribbean where President Sarkozy dropped in, the idea of a French President dropping into a Commonwealth Head of Government meeting, to discuss climate change. But where is the substance? There needs to be a substance and I worked very briefly with Ted Heath and Ted's problem with the Commonwealth is that he somehow thought it was anti-European. The French would never say the same thing about the Francophonie and I think if there is a policy to be developed, following up on what the Minister said about Europe, there is... Britain can take a lead in getting a more positive policy for the conference through the annals of the European Union.

## **Mark Malloch-Brown**

Well just very quickly to say that this has been a major push of the new government and for a while I was worried that it was going to be Commonwealth instead of Europe and very happily it has not been. It's a much more balanced point of view and I think a very good one. I don't think in substance and I think the Commonwealth Secretary General would be the first to say this, he's thrilled by the new support but I don't think there's yet evidence of a change of policy. We're... labour was pretty pro-Commonwealth too. So the substance is difficult and here I would just say that its mark, as you know, it's not quite as straightforward to balance Europe and Commonwealth as one might want, because first migration, an awful lot of people from Commonwealth countries are extremely frustrated that it is now harder to come to the UK because of the number of Europeans that we are allowing in and have to under the treaty and the second is trade where again there has been... people are very uncomfortable with Europe's approach towards trade with Commonwealth countries. And so in truth, the Commonwealth is right to see that Europe has not made it easier for Britain to intensify its Commonwealth relationship, it's going to need a lot of diplomatic working through to make it a win, win for both sides.

## **Neil Trunson**

Neil Trunson the Bologna Foundation. A plea for projecting soft low-carbon power and presumably show the US a senior role in that respect. The UK government has said it wishes to show global leadership in carbon capture storage technologies, well what better to combine it with biomass to show carbon negative technologies which actually take CO<sub>2</sub> from the atmosphere; that is leadership. And by 2015, that is the kind of thing that I believe the global community will be looking for. Also, on Africa, there are massive solar resources in the sunny deserts of Africa and indeed Oman, let's work with those countries to develop that power and indeed show countries like Iran that nuclear is not the way forward, solar power is.

## **Nik Gowing**

Could I just mention that obviously Session Four is going to be talking about Britain as a global... as a thought leader and John Ashton will be here on that. So that's something to push at that point. Any of you want to pick up? Jeremy.

## **Jeremy Greenstock**

Just a quick political comment on environmental matters, I personally am of the belief that governments on their own will not solve the carbon problem, that it's too expensive, too intense, there are other priorities and governments left to themselves will not give it such priority that the two degree Celsius target will be met. It won't be met. Civil society on their own, individuals, global citizens on their own, can't solve the carbon problem, can't solve global warming. There has to be a bridge between policy making and the insistence of individuals as global citizens, as society members, civil society representing that, there has to be a bridge between the two. They have to do it together. It will take a long time. The intermediate fuel will be gas, will not be renewables. The expensive geo-engineering projects won't happen early. There has to be a change of mood in society and politics for this to work and in the short term there will always be other greater priorities.

## **Nik Gowing**

Therefore, is this finding of the YouGov poll really quite sobering when it comes to what government will not feel absolutely pressed to do by the public. So that is really quite important when it comes to Britain's position in the world on this, but pick that up in Session Four. Okay.

## **Nigel Hall**

Nigel Hall. May I return to the international institutions? So how much effort should we actually put in to reforming them? What's the priority order? Is it the IFIs, the UN, the EU, NATO or what? And you said what we should do to help other people solve problems, how do we do it? How do we become more adaptive, more effective thought leaders rather than just continuing with the diplomatic effort that we've done over the last ten years?

## **Nik Gowing**

Particularly when you talk about the incompetence of government.

## **Jeremy Greenstock**

Well here I differ from Mark to some extent. I do not believe that it's worth spending energy on trying to reform root and branch the international institutions. They don't get reformed except by catastrophe where you change into a new era. The important thing with the international institutions is to maximise their pragmatic relevance. The programmes of the UN that work on children, on refugees, on health, on trades unions, whatever it is, the fact that the UN represents so much global activity in a practical way, support all of that, but to spend energy on reform of the Security Council, which is necessary from a representative point of view, will not be productive because even if and when you change it, there will still be sheep and goats, there will still be arguments. The UN is gradually being overtaken in intergovernmental activity by ad hoc great states working together. On any problem always find the three or four core people/countries in any committee, the core will be minilateral and whatever you do to the UN at the intergovernmental level, it will not stop that trend.

## **Mark Malloch-Brown**

Look, two points: one, I don't think UN Security Council reform is going to come anytime soon, but I think it's enormously important that Britain be seen continuously and without interruption and without cynicism to be championing it. Because that's... if we can't reform it, at least go on insisting it should be reformed, is the best way to delay this process which is making it irrelevant. I mean there's a chicken and egg here, the reason that the UN is getting less relevant is because it's seen as less representative, so we've got to continue to press that. But I would say that Jeremy's right, and the reform, when it comes, is always unexpected, but you've got to be ready for it. It's like sailors waiting for the storm because actually, when I entered government with the responsibility for international institution reform, I really felt that there were only two people in the last government who cared about creating the G20, myself and Gordon Brown, and I really thought we'd end up that was how it would stay and then the financial crisis hit and suddenly the G20 happened and it happened because of Bush leadership in the US, a fantastic place for it to come from, but then picked up by Gordon Brown, the one I think unqualified success of his premiership. But it was not the reform we anticipated. We thought it would be the Security Council.

## **Nik Gowing**

But just picking up on what Nigel has said there, the capacity for rethinking and radical rethought, reengineering beyond just the Security Council, the capacity of government and institutions, not just the G20 or the UN, to rethink how they have to adapt to these new realities which all of you have laid out.

## **Mark Malloch-Brown**

Well look, I see in this room lots of people who have been in different campaigns that I've also been involved in on everything from climate change to poverty to nuclear and Britain has become the centre of this modern campaigning network multi-stakeholder approach to global change, whether it is debt relief or many other issues, and it's that kind of approach that we need to carry forward. It had become difficult during the Bush/Blair years, if you'll forgive me for saying this, but it had become difficult because we had gotten ourselves pushed to the margins of the global debate on at least Iraq. It now should be a lot easier again and it's that kind of vision of global change which is not stuck inside the UN, but is not choosing unilateralism over

multilateralism, but is saying, who are the actors and partners government and non-government, private/public/not for profit/for profit, who we have to bring together to make debt relief move or stop landmines and we are past masters as a country, not as a government, as a country, in that kind of infiltration of the international structures to drive change and that's what we've got to build on.

### **Jeremy Greenstock**

But at the intergovernmental level events are radical, not ideas.

### **Nik Gowing**

Okay, we have about 15, less than 15 minutes to run. Minister I'm going to come to you towards the end and ask you for your reflection listening to this discussion about whether Britain is going to have a strong place in the world. So I'm not leaving you out of the discussion, but I'm hoping you'll bring a few thoughts together at the end. I think we have about seven or eight people to speak so you can work out the mathematics yourselves there. My colleague James Robins and then we'll go over here. You've got the microphone.

### **James Robins**

James Robins of the BBC, I hope carrying on this discussion. I sense a lot of public cynicism, dismay even, about the continued existence of the G8 as an institution, people seeing another really useful body being created but the parents refusing to accept Dignitas, if you like, people are clearly selling shares in the G8 and buying in the G20, wouldn't it be a good quick political hit for Britain to beyond intellectual leadership with this discussion about retooling the world to actually show some political leadership and try and lead a drive to pull the pillars of the G8 down.

### **Nik Gowing**

Quick answer?



### **Jeremy Greenstock**

It's not worth trying to destroy the old institutions. I use the tectonic plate metaphor, it will be folded under and the G20 will fold over.

### **Nik Gowing**

Delicately?

### **Jeremy Greenstock**

Yes, because that's the way we behave.

### **Robin Niblett**

Well look, Sarkozy is going to have the leadership of both next year, the G20 and the G8.

### **Nik Gowing**

So it will be done delicately.

### **Robin Niblett**

So I can say it will be less the Jeremy style here and the Sanculotte and the guillotine will be out.

### **Nik Gowing**

Twice as many people have a negative view of France as have a positive one, according to the YouGov poll.

### **Jeremy Greenstock**

And vice versa.

## **Nik Gowing**

Right. Back there then, bring the microphone forward please.

## **Seth Thomas**

Seth Thomas, Council Member, Chatham House, two quick questions, picking up on Jeremy Greenstock's point about the gap between people and their governments. First one is, the survey, the YouGov/Chatham House survey really picked up on some big divergencies in foreign policy, potentially very unpopular government following the October 20 spending cuts, what does that mean for foreign policy, given that people don't want to follow the elites? A second point is that we're looking forward to 2030, we're assuming that the United Kingdom of Great Britain and Northern Ireland will still be the United Kingdom of Great Britain and Northern Ireland in 2030, lots of political tensions within the UK, devolution, etc., what does that mean for foreign policy?

## **Nik Gowing**

Thank you. Could you move the microphone forward now, there are three or four people at the front. But what you're talking about here, underlined by the YouGov poll, is this chasm which is potentially developing between the principles of what government thinks should be done and what the public opinion is thinking. Jeremy.

## **Jeremy Greenstock**

I think we all as private citizens have got to be careful. We need government and government is less respected because it's harder to exercise power in a free society. We are the generation which has had more freedom for less responsibility than any other. We're buying the responsibility gap from our children and grandchildren. You've got to give government some respect and allow it to do the macro things, that's the deficiency at the moment. Robin? Minister? About the role of governments and the way they relate to the people.

## **Yusuf bin Alawi bin Abdullah**

Well I think this is a... first this discussion is very healthy discussions and I can see as I am coming from a different culture totally than to this type of gathering. Government's role is important. That does not mean that the government should not take into account the majority views and I think it is confusion here of what is has already been in place then by various ideologists and government and now we want to see something going to take change quickly. That is I think it's going to happen, but I think it will take time and I believe when you talk about G8, G20, and who knows, as this crisis goes on probably we'll see some of the G8s will diminish and some of the G8s will enlarge according to the requirement of the day. So I think we should be patient and allow the government which it comes representing the people to do the best of their ability to meet the demands of the people. This is how I see it.

## **Nik Gowing**

Robin Niblett. You talked in literally the second paragraph of your introduction about the popular indifference in this country to international affairs and here are we talking about Britain's dilemmas now in the new world.

## **Robin Niblett**

I'm taking advantage of the Minister giving me a chance to think of an answer that hopefully is adequate to Seth's question. If I look at the polling and you take this particular poll at face value and the comment obviously I made then and the lack of desire by the candidates leading up to the election to really engage in foreign policy and I think from a popular standpoint there is a defensiveness about what's happening internationally. That the change in the balance of power, the rise of China, India, countries that again the polling points out, those very countries that the UK wants to engage with on a governmental level bilaterally, actually from a popular level people are quite uncertain about, China, Turkey, these are countries that are the pillars of what will be a new more proactive bilateral foreign policy and you've got a public that seems to be quite ambivalent if not concerned about...

## **Nik Gowing**

Negative it says here.

## **Robin Niblett**

Negative. So I think you have a defensiveness at the popular level, a desire to see government protect, and protect you in a rather traditional realist way with armies and influence on the UN Security Council, from threats. Whereas I think at an elite level, if one can call it that, there is an understanding of the interconnectedness of problems and therefore a desire to want to be able to work through diplomatic institutions, through aid budgets, on climate security, on energy security. How governments are able to communicate the interconnectedness is incredibly difficult, because what it is saying is, we're not in charge, and when government say to their publics, we're not in charge, your credibility, your competence is immediately called into question. I think this is, Jeremy I'm going to take your comment away from this conference, you're earlier thing about governments are increasingly incompetent in a globalised world. They certainly don't want to say it to their electorates, so the electorates are demanding a traditional type of foreign policy from them; the governments know they need a more modern one. It's going to take real courage to step up and say we're not in charge. I think personally the vehicle of transition for the UK and a lot of these big transnational challenges where we may have influence with them actually will be through the EU and this is again where the polling is quite interesting. Although sceptical about the EU, when you say the word EU, the choice of whether one should work with the EU or with the US on each of those questions is firmly in favour of with the EU and it actively in the 70s and 80% in favour, even at a public level. So this will be the difficult transition for the government, to go beyond just saying we ought to be pragmatic about Europe to saying, oh, we might work the energy security issue and more specifically, we might work the development issues more specifically.

## **Nik Gowing**

How many people want to speak? About three or four, good, well at least we want to hear you, even if we can't immediately answer your question, please.

## **Camilla Toulmin**

Yes, good morning, my name's Camilla Toulmin from the International Institute for Environment and Development. I wanted to pick up on the YouGov poll, particularly as Robin said, these rather negative views on China, India, Turkey, countries that are already important and likely to become a lot more important and I'm worried about how this kind of negativity is likely to be further enhanced by increased xenophobia, probably with the financial austerity that we're going to see over the next few years. I ask myself does that matter and I think, yes, it probably does. In looking forward to 2030, how can we try and make sure in 20 year's time that we get a different kind of polling from the popular view, one that is much better informed by the realities out there, realities that can often only be better informed by people actually moving around and seeing, being empathetic, getting perspectives from how things look from a different point of view. So does that mean trying to get our young people to go beyond the gap year travel and actually spend a bit more time in other parts of the world so that they can begin to understand the way in which the world works in a broader sense.

## **Nik Gowing**

Thank you. Move the microphone back can you?

## **Keiichi Hayashi**

Thank you Nik. Keiichi Hayashi of the Japanese Embassy. I just...

## **Nik Gowing**

Keep going.

## **Keiichi Hayashi**

... want to quickly comment on the earlier comment about the relevance of G8. I think what happened in Skokoft [?] and France, if anything verified the continued relevance of G8 as a forum for the countries that share common values to coordinate and come up with some sort of a solution to different

issues like maternal care in Africa and things like that, not just poll on poll or open discussion among countries which have completely diverse views and that's one quick comment. But I just wanted to say that we in Japan very much welcome the active foreign office led diplomacy pursued by Secretary Hague, he's going to visit China and Japan starting from tomorrow and I think we would be able to revitalize the creation of cooperation. But I have a question in this context. I think it was Lord Malloch-Brown who talked about a foreign policy organization in 10 Downing, but how would you access the relevance of the establishment of a National Security Council?

### **Nik Gowing**

Can you just park that for the moment Mark? The relevance of the National Security Council. I'm almost tempted to ask you what you've been reporting back to Tokyo about Britain's position in the world in advance of the visit, but I think we'll move on at this point. Please, who's got the microphone over here?

### **Jo Spear**

Good morning, my name's Jo Spear, I'm a professor at George Washington University in Washington, DC.

### **Nik Gowing**

Can everyone hear?

### **Jo Spear**

Sorry, I wanted to pick up on the comment Lord Malloch-Brown made about conflict in the future and in particular I think we've got a relatively well-developed relationship between falling GDP and increasing conflict, which tells us that there are going to be incredible frictions and stresses coming in the next decade or two which I think suggests that as we retool development policy we should be trying to use it to deal with those economic stresses and changes in a conflict prevention way to save us trouble further down the road. So as we think again about development, that seems to me to be one of the things to be thinking about.

A second quick point is, we need to be careful about smart power because it can come over as smug power and whereas I think you mean it in the sense of difficult choices, that is a term that has difficult connotations elsewhere, so... and there are also some dangers in instrumentalisation as well, that you don't achieve either your original aim or the add on aim either. And just a final point, is that sovereign wealth funds can actually undermine governments as well as enhance economies.

### **Nik Gowing**

All right, I want no one to come up to me after and say I didn't have a chance to speak, so can we just get the microphone back very quickly and let's here these last two remarks please.

### **William Horsley**

Thank you. William Horsley, I'm a journalist writing on international affairs. William Hague made the point in his speech that the irreducible core of British foreign policy is human rights and he mentioned alleviation of poverty. Robin mentioned the torturing inquiry issues. My general question is, how can that be balanced with the other aspect of this which is national interest, the preservation of UK national interest, and more specifically, what to do, do you think, about the breakdown as many see it of the frameworks that were built up at the end of the Cold War, particularly the OSCE, but also Council of Europe, on state's behaviour towards their own populations, as well as international behaviour, which have been seen to work rather poorly. Just one example is international justice on the issue of impunity, the Committee to Protect Journalists, estimates there's only two percent of several hundred deaths of journalists in recent years has actually led to justice in domestic courts. Should that be put more strongly in British foreign policy? How can it be reconciled?

### **Nik Gowing**

Right, swing the microphone back very quickly to the gentleman at the back who I can't see, but I can see the hand going up. Thank you.

## Unidentified speaker

I'll be very brief but provocative I hope. Are we prepared for the possibility of a President Palin in 2012? What would that mean for American leadership in the world and indeed, what would that mean for Britain's relationship with the United States as well?

## Nik Gowing

We're talking about the standing of Britain in the world. Right. I'm going to close the floor now because it's been a rich level of discussion and points you've brought up and several still to answer. Jeremy, Mark, Minister, Robin, just pick on the ones, particularly the NSC, national interest.

## Mark Malloch-Brown

Well okay, you wanted to start on that, I think on the NSC it's a very important coordination function. It's probably overdue. It's been there in an earlier form, there's been a cabinet subcommittee handling this before, but the deeper institutionalisation is useful, but I don't think it's the beginning of an NSC-type staff as per the US. The US is big enough and rich enough still to be able to afford two foreign policies, one out of the White House and one out of the State Department. The UK isn't and to have returned it to the foreign office is I think a wholly good thing for the reason I made earlier, although I would also add that the London Foreign Office, and I think all of you from other countries would affirm, is not alone in being the worst at domestic politics of any part of government. It's true of the State Department in Washington, the Quai in Paris, they're hopeless at defending themselves, but nevertheless they're very good at abroad and we should let them be that.

I did just... this human rights versus national interests, I mean I think obviously William Hague was making it clear he was not going to go back to the ethical foreign policy of Robin Cooke and all the rest. But I think he's absolutely right to say the kind of global open society that Britain thrives in is one where human rights are respected and the rule of law is respected and that while you cannot make those a bilateral goal that cuts across everything else, they absolutely must be woven into the priorities of your relationship with countries where you feel those issues are not as respected as they should be. So I don't think it is a contradiction. I think it has to be managed delicately but absolutely firmly, these are the objectives we should be seeking in the world.



## **Nik Gowing**

Jeremy Greenstock.

## **Jeremy Greenstock**

And the Chatham House paper Robin is absolutely right to put the emphasis on, in terms of UK national interest, feeding and development, the developing world is extremely important to us.

On the resonance of government with young people and where they feel that they should be going in the next generation, let's remember that in the modern world we haven't got into the information revolution, the sky full of lies and all the rest of it Nik in this session, leadership in a communicative world that we now have is not an apex, it is no longer an apex, it's circular. Sometimes you're leading and sometimes you're following, but your followership must be educated, young people must be interested and then government know that there's a resource there and they can respect government for getting the macro things right. But it's circular, it's not an apex.

Finally, and I think it must be said, you've almost said it Mark, that it is ridiculous to disinvest in diplomacy when diplomacy is there to reduce conflict. Conflict is going to be a risk and we must invest in diplomacy.

## **Nik Gowing**

Just before I go to Robin and maybe finally from the Minister, you said one thing Mark about governments not being in charge, is that they way it felt around the Cabinet table? No these are... but this is serious, this is a very serious issue for governance in a changing environment.

## **Mark Malloch-Brown**

No look, I believe very, very strongly that national government is a beleaguered thing everywhere, that the combination of global changes, local changes and the rise of civil society are all tremendous pressures on that old thing called Whitehall and national government, it controls less, it gets evermore frantic about trying to excise that control and whether it is schools, climate or a small war somewhere else in the world, there is a sense of

governments impotence and frustration about that impotence which I felt was palpable at the Cabinet table I sat at.

### **Nik Gowing**

Finally, Minister, do you just want to reflect on Britain talking about itself?

### **Yusuf bin Alawi bin Abdullah**

Well I think here we have a new looking and the thing that look should not limit it to a particular institution, so I think any say or any other institutions which is where involved in the vast businesses of the government should not be ignored, it should be looked at and visited again through this new approach and benefit of the talent which is there and I think this is which we practice ourselves in our own country and we find it very useful, I mean we are not working the foreign ministry as totally independent then the others, so what is important is the objectives set by the political making decision and that is what it is. Thank you.

### **Nik Gowing**

Robin finally, have we opened new frontiers or fine tuned some of the perspectives you've put in your papers?

### **Robin Niblett**

A, I think it's been excellent, very helpful, in terms of the Minister's comments, I should note that after the summer we'll have three or four papers coming in written by people outside the UK about what they think about us, what they want from our world: a Chinese author and an Indian, a Brazilian author, we'll have a couple of others as well, and that should be interesting for us to hear like the Minister has shared with us some perspective coming back in our direction I wanted to share with you. I just wanted to make three other points. The thing about the strong economy being absolutely the heart of Britain's role in the world, which I entirely agree with and there's point made in Jim Rollo and Vanessa Rossi's paper as well, but for Britain to be strong economically we have to grow, we're not going to cut our way to strength and this is where I think the connectivity between Britain's foreign or let's call it external policies

and it's domestic strength should at least be turned into a virtual circle, if we can, and ultimately this is where the open market emphasis certainly came from in my paper, if I had to reduce somehow a foreign policy objective to one thing, which somebody challenged us to do in one of the working groups, what's British influence for? You spend all your time talking about wanting to remain at the top table, why? To do what? And I suppose we were trying to look for a simplistic perhaps answer and open markets, ideally sustainable Mark, and I take your point on that, have an advantage of being good for other countries in the world, but very important for the UK and our population, as you know, we'll be the largest in Europe, aside from Turkey by 2040/2050 will overtake Germany at that point, so there's an interesting leverage that the UK might have and those details are in the paper.

Final point, on the G8, I think remains a space for rule writing. The ability to believe in the value of rules in this interconnected world is incredibly important. Certainly the G8 has more experience in that rule writing capacity and can be a good caucus for that factor.

And the final point, just to give... as we had a provocative question, it deserves some sort of answer on President Palin, I was in the US when George W. Bush took over, of course he was going to be a compassionate conservative and get American out of national building, so a President Palin of course may live up to being the complete opposite of what you expected, but either way, I think that I feel we're heading towards a more mature UK/US relationship, where the change in the White House perhaps will have a less direct impact about how we perceive ourselves and how they perceive us.

## **Nik Gowing**

Thank you. Robin has underlined the importance of the economy. Jeremy has said economy, economy, economy and that's the next session which will be in 20 minutes which may be 25 minutes. Can I thank you all very much and all of you for your thoughts and coffee's elsewhere and come back here in 20 minutes if you can. Thank you.