



EU-Japan Think Tank Round Table

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Foreword

This joint EPC Issue Paper (with the National Institute for Research Advancement (NIRA) and the Japan Foundation) provides a record of the first EU-Japan Think Tank Roundtable held in Tokyo on 13-14 January 2005.

The main theme of the Roundtable was global governance and the timing was propitious as it was held soon after publication of the High-level Panel Report requested by UN Secretary General, Kofi Annan, to consider threats and challenges facing the international system. The report provided the background to several interventions with participants discussing sensitive issues such as proposals to reform and expand the UN Security Council, the 'responsibility to protect,' the changing nature of sovereignty and Asian and European experiences with integration.

The Roundtable, held under Chatham House rules, brought together some twenty leading academics and policy analysts from Japan and Europe and provided a unique opportunity for the intellectual communities on both sides to discuss a range of sensitive political issues. A list of participants and the agenda are annexed to this paper. There was broad agreement on many issues but also divergent voices, including between Europeans and between Japanese participants, on some issues.

Overall this first Roundtable was a considerable success and there was unanimous support for a return event in Europe towards the end of 2005 which has been designated the year of people to people exchanges between the EU and Japan.

Fraser Cameron and Kiki Fukushima (Co-convenors)

Policy Recommendations

1. That UN member states use the very valuable High-level Panel Report as a launch pad for strengthening the United Nations in recognition of today's changed security environment.

(a) There is an urgent need to reform the UN Security Council to reflect today's very changed international system compared to 1945.

(b) There should be a role for civil society in the UN. Consideration should be given to the creation of a World Peoples' Forum and NGO Forum to promote an enhanced partnership with civil society.

(c) The recommendation to create a peacebuilding Commission under the Security Council should carefully be reviewed to include how "failed states" are to be determined. As several UN agencies and NGOs are already performing Peacebuilding roles, we should avoid any duplication of functions due to the limited resources available.

(d) With regard to Human Rights, the concrete proposal to establish "an advisory council or panel" of 15 independent experts needs further clarification. There is already the sub-commission on the Promotion and Protection of Human Rights consisting of 26 independent experts and it is difficult to understand why there is any need for another body of experts. Instead we should reform or give a new mandate to the existing Sub-commission.

2. There is merit in discussing expanding the G8 to a G20 to make the forum more representative with a thorough debate on its goals and objectives.

3. There should be an end to the EU-US duopoly in the IMF and World Bank. International financial institutions created 60 years ago should re-examine their roles in the light of the globalised economy and then review their membership and priorities.

4. More resources need to be devoted to the WTO and its decision-making streamlined. The Doha Round should have priority over bilateral and regional free trade agreements.

5. While East Asia will pursue its own path to regional cooperation if not integration, at its own pace and modality, there are nevertheless some useful lessons to be learned from the EU experience, particularly through its enlargement.

6. The EU and Japan should seek to engage with US intellectuals from across the political spectrum to argue the case for effective multilateralism.
7. To continue the discourse between EU and Japanese think tanks as a cross fertilization of ideas is beneficial for policymaking and for increased mutual understanding.

Summary Record of the Roundtable Discussion

Introduction

The full papers by the trigger speakers and the intervention by Ambassador Yasushi Akashi at the Public Forum are available in Pdf (see last page).

After welcoming remarks by **Takafusa Shioya** (President of NIRA) and **Hans Martens** (Chief Executive of the EPC) including a minute's silence for the victims of the Asian Tsunami, the co-convenors, **Akiko Fukushima** and **Fraser Cameron**, outlined the rationale for this first ever think tank roundtable between the EU and Japan. They drew attention to previous EPC-NIRA cooperation on global governance issues and the importance of widening these discussions to a range of European and Japanese think tank affiliated academics and policy analysts. It was planned that this roundtable should be held immediately following publication of the report of the UN Secretary General's High-level Panel on *Threats, Challenges and Change*, thus providing the first occasion for Europeans and Japanese to discuss the Report's recommendations. The roundtable was held early in 2005, the designated year of EU-Japan People to People Exchange. It was co-organised with the Japan Foundation.

Mr Cameron said that both the EU and Japan were facing an uncertain world as a result of major changes in the global environment during the past 15 years. On the international front we have witnessed the collapse of the Soviet Union and communism as an ideology, the rise of a unipolar and very powerful America, the spread of terrorism and radical Islam, the continuing problems of the Middle East and the growing influence of the EU and China. At the same time there is a growing gap between rich and poor countries that could threaten global stability. The latest catastrophe to hit South Asia reveals how the poorest communities are most affected by natural disasters.

Fukushima noted that notwithstanding some differences in approach and circumstances, Japan and the EU were two major global players sharing several values and interests in the functioning of the international system. Yet, policy discussions, not to mention policy coordination, between the two still had much room for improvement as was manifested in the process leading up to the Iraq war. The High-level Panel Report has put forth a set of proposals to reform the UN Security Council, a major issue in the Japanese press, but there were many other important reform proposals to make the UN more effective in responding to new and evolving threats. Changes in the international security environment were also prompting Japan to re-assess its security posture just as the EU had done with its European Security Strategy.

First Session: Responding to the UN High-level Panel Report

Yozo Yokota said that the High-level Panel Report (HLR) was extensive, with 302 paragraphs and 101 concrete recommendations. It contained a good summary of the history of the UN, a careful analysis of the issues, difficulties, criticisms and challenges that the UN faced today and a set of broad and in some cases very thought-provoking proposals for UN reform (see annex for a summary of the HLR). The HLR should be commended for emphasising the comprehensiveness of the security issues and their interconnectedness. It states that the UN lacks relevance to current and future threats and that there is definitely a need for reform. It also emphasises representativeness, effectiveness, efficiency and equity in establishing a “credible collective security system.” The Report also strikes a good balance between ideals and reality.

In spite of those strengths, there are some points that called for further clarification and consideration. First, on UNSC reform, the Report takes a clear position that “the institution of the veto has an anachronistic character.” Yet, it recognised that “the veto had an important function in reassuring the UN’s most powerful members that their interests would be safeguarded.” If one takes the former position, the veto should either be totally abolished or alternatively be fundamentally restricted. If, on the other hand, one takes the latter position, then new permanent members in Model A should also be given the veto because the six new permanent members would certainly be considered as “most powerful members.”

Second, while agreeing with the Report’s position that Peacebuilding is becoming more and more important, the Peacebuilding Commission to be established as a subsidiary organ of the Security Council does not seem very convincing because of likely duplication with other UN bodies. Third, the Report’s emphasis on the importance of human rights is welcome. However, the concrete proposal to establish “an advisory council or panel” of 15 independent experts needs further clarification because the Sub-Commission on the Promotion and Protection of Human Rights already exists and consists of 26 independent experts. It is difficult to understand why there is any need for another body of experts under the Commission.

Fourth, it is somewhat surprising that the three concrete recommendations for Charter revision regarding “enemy states clauses,” “the Trusteeship Council” and “the Military Staff Committee” have no detailed explanations. They abruptly appear at the end of the Report as recommendations. Fifth, the Report’s emphasis on the need to involve civil society organizations in addressing the security issues is important and relevant. If one is serious about this point, then the recommendations of the Report could have been more innovative and brave to include the establishment of the following two

new organs: (a) a World Peoples' Assembly, composed of several hundred individual members elected directly by the peoples of the Member States reflecting the size of the population, as an advisory subsidiary organ of the General Assembly; and (b) an NGO Forum, composed of the representatives of the international non-governmental organizations having a consultative status with the Economic and Social Council, as an advisory subsidiary organ of the Council.

Professor Yokota concluded that the HLR would provide much food for thought. He was not sure if the reform of the Security Council, which Japan and several other Member States are pushing energetically, will happen in the near future, or what form it might happen in (Model A, Model B or another formulation).

Valerie Arnould focussed her remarks on the intensifying relationship between the EU and UN. She said there was much common ground between the HLR and the EU's European Security Strategy (ESS). The ESS identifies five major security threats: international terrorism, WMD proliferation, regional conflicts, failed states and organised crime. This threat assessment is not as comprehensive as that in the HLR but it does adopt a comprehensive approach when it comes to the management of these threats. With regard to the contentious issue of the use of force, the ESS remains rather vague: it neither states explicitly that the use of force should only be an instrument of last resort, nor is it defined as the primary instrument to deal with the identified security threats. For the EU, ensuring strong international organisations, regimes and treaties is key to ensuring international peace and security. In the ESS, the EU has thus clearly adhered to a "rule-based security culture" with the UN and the Charter at its core.

The EU and the UN tend towards a similar approach of international security, which is comprehensive and places a multilateral system of collective security founded on credible and effective international institutions, responsible states and the rule of international law at its core. This appears to stand in contrast with other major powers' approaches to international security. Indeed, countries like the United States, Russia and China seem to be more oriented towards a traditional and state-centred understanding of international security.

Ms. Arnould then noted that the EU-UN relationship had two dimensions. A first dimension concerned the role of the EU in the decision-making processes in the UN. The 25 European countries, taken together, have a considerable weight within the UN, because of their numerical weight (they comprise around one eighth of all votes in the General Assembly and, at present, account for a third of the Security Council membership) but also because of the extent of their financial contributions to the UN family (together, they pay 38% of the UN's regular budget, around 39% of UN peacekeeping operations and around 50% of all contributions to UN funds and programmes). But the

EU as such is also directly represented at the UN, thereby increasing its voice in the UN.

A second dimension of the EU-UN relationship is the direct cooperation of the EU with the UN in specific areas. In the politico-military field, the EU has actively contributed to crisis management and Peacekeeping. The EU-25 contribute around 39% of the UN peacekeeping budget and around one third of its annual humanitarian budget of 500 million euros is devoted to projects run by UN humanitarian agencies.

While EU-UN relations have undergone a new dynamic in the last decade through the building of structures for cooperation at all levels in the fields of conflict management, humanitarian assistance and development, difficulties remain for the EU over reform of the UNSC. While all EU Member States agree that the Security Council should be reformed, disagreement prevails about what reform should exactly entail. There are also problems with the adequacy of retaining one regional group of 'Western European and other States' and one regional group of 'Eastern European States.' However, for the new EU Members from Eastern Europe, a merging of these two groups would certainly mean a loss of influence in the world organisation.

Care should therefore be taken that the whole UN reform agenda not be blocked by disagreement on the reform of the Security Council. Effective reform of the other bodies of the UN remains as important. It appears that the EU-25 largely agree with the Panel's observation on the necessity to strengthen the UN's role in Peacebuilding and are studying with much interest the proposal to create a Peacebuilding Commission, though not all countries fully support this proposal. With regard to the reform of the General Assembly, the prevailing feeling is that the proposals made by the High-level Panel are insufficient and vague. Prospects probably look bleakest for the Economic and Social Council as the prevalent feeling amongst the EU-25 (but most probably also amongst third countries) is that this UN body is not as easily transformed. Scepticism is probably highest with regard to the High-level Panel's proposals on the Commission on Human Rights. Support is strong for the need to de-politicise the Commission, but the Panel's proposals to expand the Commission to universal membership and to transform it, in the long run, into a "Human Rights Council" have certainly raised many eyebrows.

Overall, the EU-25 appear to be in a good position to promote the recommendations made by the High-level Panel internationally, in part because its own security agenda corresponds so intimately with the security agenda put forward by the Panel but also because it can have great negotiation power if it succeeds in finding agreement internally on the reforms to be pursued.

Discussion

Reforming the UNSC: Japanese participants were divided on the importance to be attached to a traditional permanent seat on the UNSC. The Japanese media focussed on this aspect of the Report by the High-level Panel but some doubted whether Japan was ready for the onerous obligations of a permanent seat. Japan's media was concentrating primarily on the reform of the Security Council and not on the reform of the UN *per se*. Japan's primary concern was for a permanent seat on the UN Security Council and the media's attention focuses almost exclusively on this issue. Such an approach, it was argued, distracts from the broader issue of the reform of the UN as a whole. The reform of the UNSC, it was noted by a European scholar, will continue to dominate the Japanese media as long as the Japanese government is making the reform of the Council its policy priority. The issue will continue to create headlines in Japan.

Some also thought that there might be a backlash in terms of payments to the UN if Japan's desires were not met. But others said that Japan's traditional support for the UN would remain unchanged. One Japanese participant thought that the proposals, especially model A would be 65% satisfactory for the Japanese government. Europeans were more doubtful that reform of the UNSC was the most important aspect. Effectiveness should be the top priority. A single, permanent EU seat on the Security Council was not on the cards in the near future and Germany's bid for a permanent seat rather than an EU seat was not endorsed by all EU Member States, especially Italy.

Comprehensive security: Europeans drew attention to the overlap in conceptual thinking between the HLR and the ESS while the Japanese noted the many references to the importance of human security.

Use of force: Participants agreed that the HLR had produced a careful assessment of when the international community could and should resort to the use of force. They agreed on the importance of the Responsibility to Protect Report. It would be difficult, however, to persuade China or Russia of the right to protect doctrine. It would also be critical to see how the US reacted. Japan would also face some difficulty with its public opinion. Japanese participants noted that Japan cannot avoid dealing with the issue of the use of force as it considers itself a close ally of the US in the war against terrorism. The issue is bound to eventually lose its "taboo status" in Japan, which will then have to define when and how to use military force as part of international military or peacekeeping operations. However, Japan's current government, it was argued, lacks the necessary leadership and determination to handle this issue in a clear-cut and comprehensible way. Hence, the issue is bound to remain ambiguous in Japan.

The US and Multilateralism: There was a general consensus that both the EU and Japan should do everything possible to encourage the US to

support the multilateral system. The Iraq war had diminished support for unilateral action in the US although that mindset was far more prevalent in the US than in Europe or Japan. Participants agreed that it will remain difficult for Japan and the EU to influence the US as domestic factors played an important role in US foreign policy.

The Bush administration, it was noted, speaks of “effective multilateralism,” but it is not yet clear whether this means US support for multilateral institutions and multilateral approaches to securing global peace and security or merely a “request” by the US to support American unilateralism. US-style “coalitions of the willing,” it was noted, does not stand for multilateralism.

Pessimism was voiced on the European side as to whether the US is prepared to change its position on multilateralism. One European participant called the current US administration “unreformable.”

Iran could still be a divisive issue in EU-US relations. There were some small encouraging signs e.g. Washington’s reaction to the Asian Tsunami disaster, Iraqi reconstruction and Secretary of State Condoleezza Rice’s statements that the US realised the importance of the UN. It was important for the EU and Japan to engage with American intellectuals to argue the case for effective multilateralism. It was recognised, however, that it was difficult for Japan to oppose the US, on for example, the Kyoto Protocol (although there were splits on climate change between the MFA and MITI).

Regional Organisations: There was some regret that the HLR was silent on how to cooperate with regional organisations. Europe was heavy on regional security organisations (NATO, EU and OSCE) while Asia has been under-institutionalized. ASEAN plus 3 and the Asian Regional Forum were not yet able to play a real security role as a regional organisation. There were also doubts whether Asia would benefit from an OSCE-type security organisation. It was also noted that there was no specific reference to the EU in the HLR despite rapidly growing contacts between the EU and UN.

Peacebuilding Commission: Participants doubted the added value of this proposal and most considered it was best left to NGOs. There was widespread support for the notion that failed states would continue to be a source of security concern. It was also noted that the UN lacks the resources to establish an effective Peacebuilding Commission.

Human Rights Commission: There was considerable doubt whether the proposals in the HLR would provide any added value. Participants argued it would be better to strengthen the existing mechanisms.

Session II Building Blocks of Global Governance: Strengthening International Institutions

Introduction

Akira Kojima said that the 1997 financial crisis robbed Asia of the self-confidence that the region had begun to enjoy as a result of rapid economic growth and development. The way that the IMF had responded to the crisis invited strong criticism and prompted calls for a review of the entire Bretton Woods machinery.

At the centre of the accusation was the view that the IMF had made a diagnosis based on the “60 year old” economic model and issued an outdated prescription in disregard of the structural and qualitative changes that had taken place in the global economy. Critics noted that this prescription in fact aggravated the Asian crisis, throwing Indonesia’s politics and economy into a critical condition. Malaysia rejected the IMF’s prescription and tightened its control over capital transactions. The IMF traditionally encourages capital liberalisation and financial deregulation as a basic policy. The IMF and the US government, its *de facto* administrator, rebuked Malaysia strongly for its counter-liberalisation measures. However, they began to adjust their positions as problems with the “cyber” market of global capital entered the discussion and as Malaysia relaxed its restrictive measures after the critical stage had passed. The IMF is thus gradually revising its prescriptions, which are adjusting to current economic realities. However, the IMF also has argued that the institution’s policy has remained consistent and that it was the economic conditions that had changed.

The most outspoken critic of the IMF was Joseph E. Stiglitz, then Senior Vice President and Chief Economist of the World Bank, who said that in the Asian crisis, the IMF had become part of the problem, not part of the solution. The lesson was that the IMF became incapable of responding to the advancement of monetary and capital markets that no one had anticipated when the institution was established: the birth of a global economy backed by capital and financial liberalisation, the cyber transactions of money and capital through the Internet accelerated by revolutionary advancement of information technology, and the separation of the real economy from the virtual “money economy” in response to these two fundamental changes. At the time of the Asian crisis, Japan advanced a plan to establish the Asian Monetary Fund (AMF), an Asian version of the IMF. However, strong opposition from the IMF and the US government effectively blocked this plan.

Turning to the WTO, Kojima said that China’s entrance into the WTO in 2001 was symbolic and historic in two ways: (1) it transformed the WTO into a genuinely global organization, and (2) China had now become part of the global economy. There were presently 148 WTO

members and this unwieldy number had rendered it difficult for the WTO to agree on any given issue. Coordinating member interests in the course of new rounds of multilateral trade talks has become increasingly complex. Given these circumstances, the number of separate free trade agreements (FTAs) is increasing at an explosive pace. According to the WTO, there were a total of 114 FTAs in force worldwide with approximately 30 additional FTAs pending as of November 2004. Many FTAs were said to supplement the WTO. However, there is an obvious imbalance when new WTO rounds of discussions yield no progress, while FTAs continue to multiply. Professor Bhagwati of Columbia University, a strong free trade advocate and multilateralist, fears that the network of FTAs may turn into what he refers to as a “chaotic spaghetti bowl.” Whether this will take place remains to be seen. We know that there is wide variation among FTAs. We also know that these agreements tend to discriminate against non-signatories. There is no guarantee that the existence of a greater number of FTAs will strengthen the WTO regime. There is also a real possibility that FTAs will apply the brakes to narrow-minded nationalism, which is arguably more dangerous than regionalism. However, international trade based on FTAs will become a destabilising factor in the global economy if it forces countries to swim with this tide into poverty.

The U.S. is currently the largest IMF investor and this position gives it the same *de facto* veto power as at the UN. This system has become remote from global economic reality, just as the UNSC is in dire need of reform. The IMF is unable to increase its capital or to ask China to supply funds in proportion to the latter’s capacity to do so, due to a system that pegs member influence to proportionate stake. In spite of a shortage of funds that prevents it from playing its assigned role, the IMF cannot take either step, because both would require members to readjust their stakes and thus dilute their relative influence.

Kojima concluded that economic stability and development are extremely important in any effort for conflict prevention. Cooperation among international organizations and the private sector (through initiatives such as the Global Compact) is essential if we are to realise the goal of sustainable growth established at the UN Millennium Summit in 2000.

Fraser Cameron said that “effective multilateralism” had almost become a mantra for the EU. It was the *leitmotif* running through the ESS and has coloured the speeches of José Manuel Barroso, the new President of the European Commission, and Javier Solana. Above all it represented a strong EU commitment to strengthening the UN, a commitment symbolised by the invitation to Kofi Annan to attend the December 2004 European Council.

When Henry Kissinger asked “what number do I call for Europe?” he struck a sensitive nerve. The proposals in the new EU Constitutional

Treaty should help remedy this deficit with innovative ideas for an EU Foreign Minister and an EU diplomatic service. It was to be hoped that gradually the EU would be as effective in foreign policy as in trade policy where it is the Commissioner for Trade (currently Peter Mandelson) who represents and speaks for the EU. Despite the introduction of the euro, the EU's role in international economic and financial governance had not increased significantly.

Turning to the G8, Mr Cameron argued that the G8 had provided little in the way of concrete results over the years. It undermined the authority of the UN, causes widespread resentment in the rest of the world, and is harmful to the cohesiveness of the EU. What is the logic of including Canada but not China, Italy but not India? China has a bigger GDP than two G8 members. Where is the voice of the developing countries, the Arab world, Africa or Latin America? Yet, with abolition not on the agenda, the least bad solution would be to transform the G8 into the G20 as a more representative building block of global governance.

The Group of 20 was established on the initiative of the G8 in 1999 as a forum bringing together the heads of finance ministries and central banks of the main emerging economies (Argentina, Australia, Brazil, China, India, Indonesia, South Korea, Mexico, Russia, Saudi-Arabia, South Africa and Turkey) along with the EU represented by the Council Presidency and the European Central Bank. The G20 does not, however, provide for meetings of Heads of State and Government. This would have to be added. The G20 thus represents a diverse group with four Asian countries, three Islamic, three Latin American and one leading African country. The focus of G20 meetings would be Human Security – trade, finance, health, the environment, poverty, and conflict resolution. Meetings would give guidance and impulse to the responsible international institutions in these areas. Overall, the G20 would provide more legitimacy and hopefully more energy into following through on decisions.

Turning to the International Financial Institutions (IFI), Mr Cameron said that there is also increasing pressure from the US and other non-European countries for streamlining EU representation in bodies such as the IMF and the World Bank. In both bodies there was a complicated system of constituencies that by no means reflects the weighting of the EU. Indeed if the EU were to vote as a block they would have the largest quota and thus be able to move the headquarters of the IMF to Brussels! The draft Constitutional Treaty provides for the possibility of the Eurozone members agreeing on their own external representation. A step towards this goal might be a joint Franco-German seat, as these two countries have traditionally been pioneers in European integration.

As regards the WTO, Mr Cameron said that there is increasing pressure from the EU and others to reform the Geneva trade body. It carries out

an enormous range of tasks with a mere 600 staff and a budget of just over 100 million euro in 2004. At the very least there should be moves to grant the Director General a right of initiative, a change in voting procedures (some form of qualified majority voting) and increased resources. Mr Cameron also argued that member states should give priority to multilateral talks (Doha Round) as opposed to the proliferation of bilateral and regional FTAs. There needed to be more political direction to the Doha Round and he suggested annual ministerial meetings. He also said that it was time to end the duopoly where the President of the World Bank is always a European and the Managing Director of the IMF always an American.

Finally, the continuation of the Bush administration for another four years poses a heightened political challenge to the EU and Japan. Both should consider measures on how to encourage the US back to the multilateral path.

Hans Martens drew attention to the lack of global governance on currency matters. Here the market ruled. There was a major global problem because of the irresponsible attitude of the US authorities towards their twin deficits. Another problem was that existing international bodies (WTO, IMF, ILO) were not prepared for the new cyber economy nor for the problems of the developing world – they reflected the industrial societies of the 1960s.

Discussion

Attitudes to EU representation: In response to a question about US attitudes towards excessive European representation on international bodies, Mr Cameron said that there were different attitudes in the US towards the EU. Some saw the EU as a threat and argued that the US should seek to divide and rule. Others recognised the EU was the most important global partner for the US despite its various weaknesses. These attitudes coloured approaches to the EU in international organisations.

G8 to G20: There was a lively debate on the merits of the G8 expanding to G20. Even though this was a sensitive subject for Japan, few attempted to defend the status quo. However, some Japanese participants underscored the necessity to consider the missions of international institutions including G8 or G20 before discussing the membership. The question was how to include China (despite its non-democratic character) and who else to include. Some argued that too many new members would decrease its effectiveness. Others questioned the relationship between a G20 and the UN itself. Mr Cameron said that the role of the new G20 would be to discuss the entire Human Security agenda and push for decisions within the global institutions.

Reform and resources for international organisations: There was agreement that the IMF should adopt a more flexible approach in its lending and move away from the 'Washington consensus.' There should be an increased role for NGOs in the IFIs. Participants were critical of the lack of resources for international bodies. One participant highlighted the fact that the Pentagon spends the equivalent of the UN budget in less than 36 hours.

Session III Building Blocs to Global Governance: Comparing European and Asian Regional Integration

Makio Miyagawa said that regional co-operation had now become a dominant feature around the world, particularly during the last decade. The EU was the vanguard of such cooperation while East Asia was in the early stages of regional integration. Since the Asian financial crisis in 1997, ASEAN countries, Japan, China and South Korea felt that they shared a common destiny. Although there were sceptics in all countries, the majority of views in this region, including Japan, favoured efforts to explore more profound regional co-operation and even integration. It was essential that such cooperation would not disadvantage other countries or regions. East Asia should create its own integration in its own way, by making use of lessons learned from the EU. The 1997 Asian financial crisis created external pressures on Asian governments to promote regional economic and financial integration as the crisis had demonstrated that Asian economies were highly interdependent. Asian cooperation in the financial sector will become necessary to avoid future crises and should create the basis for meaningful political integration in Asia.

Mr Miyagawa argued that the creation of free trade area plays a precursory role for the arrival of deeper and broader regional integration and noted several examples. The scope and the benefits of FTAs which countries in this region have either agreed, or are currently negotiating on, are very extensive. Considerable trade expansion can be expected from bilateral liberalisation in a broad range of pivotal services sectors. The harmonisation and convergence of rules, standards, procedures and business practices through the creation of FTAs would afford greater convenience and certainty to the private sector, particularly in areas such as (a) e-commerce, (b) customs clearance, (c) product testing and certification, (d) settlement of commercial disputes, and (e) competition policy. Business sectors can enjoy the benefit of having a similar business environment, wherever they do business in the region.

Like the EU, FTAs in Asia should also cover even broader subjects than those above. The Asian financial crisis proved that assets accumulated in one country could suddenly disappear entirely if financial markets collapsed. Creating a larger and more resilient financial market in this region by linking up financial markets would increase their stability when faced with disturbances. Strengthening

bilateral or regional financial systems would, therefore, be one of the critical pillars of the FTAs created among countries in this region. Mr Miyagawa drew attention to the development of the EMU as perhaps holding lessons for Asia and pointed out the benefits of the so-called Chiang Mai Initiative.

But economic partnerships were also an important step and he noted that the Japan-Singapore Economic Partnership Agreement contains all the above mentioned elements, including financial co-operation. The way East Asia can establish such broad ranged economic partnerships could also be modelled after the EU. Just as its current expansion is based upon the acceptance of the *acquis communautaire* by new members, as a comprehensive legal structure which the EU considers ideal and proper as a minimum standard accepted by any member of the EU, Japan has sought a similar path for regional co-operation in East Asia. The EU also provides a good lesson for political co-operation in East Asia.

One may question whether there is a need for reconciliation and building trust in East Asia before constructing regional political co-operation. Again, the EU experience seems to suggest that the two processes would go in parallel. Divergences, difficulties and even disputes still exist among East Asian countries but the community building process could help overcome these problems. One of the challenges for political integration in East Asia should be what common principles and values countries and peoples of the region can share.

Axel Berkofsky said that whereas the EU is highly integrated, Asia still lags behind with regard to economic and political integration. EU-style political integration processes will not take place in East and Southeast Asia any time soon and Asian governments will continue to favour bilateral over multilateral free trade agreements at least for the foreseeable future. Compared to Europe, the Asian institutionalisation process is usually referred to as “nascent” and the “principle of non-interference in internal affairs” (formulated in the charter of the Association of Southeast Asian Nations (ASEAN)) will remain an obstacle to further economic and political integration in Asia.

However, given the different cultural backgrounds and history, it would be a mistake to compare the success of the EU integration process with the less impressive state of Asian economic and political integration. EU-style integration does not necessarily set the standards by which Asian integration can be measured. There was also the question of leadership and Mr Berkofsky asked whether China, the region’s economic powerhouse with impressive economic growth rates, was likely to become the engine of economic and political integration in Asia.

Mr Berkofsky contrasted the highly integrated rules-based European system of integration with market-driven integration in Asia. Whereas the benefits of political integration in Asia were not yet fully acknowledged, economic integration is perceived as beneficial when it yields economic benefits for all parties involved. Further economic integration in Asia – institutionalised or not – will become necessary if it wants to increase its share in world trade. Further, Asian integration would not only strengthen economic co-operation, but will become necessary to tackle problems such as energy supplies, poverty, environmental pollution, water shortage and deforestation, as well as financial stability.

Mr Berkofsky then noted that from an Asian perspective, regional integration does not have to be supported by institutions imposing legally-binding rules and norms on their members. While regional organisations and forums in Asia (APEC, ASEAN, ARF and others) are already playing a role fostering trans-national networks, they have yet to become policy-making institutions.

Unlike the EU, ASEAN acts according to the principle of non-interference in internal affairs of its Member States. This principle significantly limits the association's influence on member states' policymaking.

Despite China's recent free trade initiatives, however, China is still perceived as the engine of economic growth and not necessarily of economic integration. Like other developing countries in Asia, China will be mainly concerned with the development of its own economy and it is not yet fully clear whether China's economic multilateralism will prevail over Beijing's bilateral instincts and strategies with regard to trade. A full and sustainable recovery of the Japanese economy is imperative to achieving further regional economic integration, as Japan is still by far the largest investor in East and Southeast Asia. Despite numerous Japanese promises to "return to Asia," Tokyo's business, political and security relations still focus on the US. Amongst Japan's neighbours in Asia (except South Korea which maintains an equally close relationship with the US) its close alliance with the US is perceived as an obstacle to further integration in Asia. Another problem is different attitudes towards regional integration among Japanese ministries. Those in Japan who favour further economic integration and the opening of Japanese markets are confronted with powerful domestic lobbies, opposed to further economic integration. Import-competing and non-traded businesses are the main interests group opposing economic integration. Their main goal is the maintenance of Japanese protectionism thus making it extremely difficult to enter the Japanese market in many sectors, above all the agriculture sector.

Mr Berkofsky argued that stable Chinese-Japanese relations are key for further regional integration in Asia. China and Japan are the region's

biggest economies and regional economic integration will also depend on both countries' willingness to overcome the historical legacy of World War II.

Economic integration in Asia will be measured by the level of success in fully implementing the ASEAN Free Trade Area (AFTA) which covers the ASEAN countries. However, the 2010 deadline to fully implement AFTA and eliminate all existing tariffs and trade barriers amongst its member states seems unrealistic. Many Asian scholars and politicians argue that Asia is too culturally "diverse" to achieve an EU level of political and economic integration. The significant gap in GDP per capita amongst Asian countries will remain an obstacle to further economic integration.

EU-style integration is not a model case for Asia and Asian integration and there is no agreement on who should lead the Asian integration processes neither within ASEAN nor in East Asia, or South Asia. Asian integration will, at least for the time being, remain mainly limited to economic integration through the establishment of free trade agreements.

Discussion

Asian Identity: European scholars argued that Asian nations need to promote a concept of an "Asian identity" in order to make progress in regional integration. They pointed out that the lack of a geographically defined Asia as well as the tendency to emphasise cultural differences rather than unity will hinder increased Asian influence in global institutions such as the UN, the IMF and the World Bank. Japanese scholars pointed out that the historical background was very different but maintained that Asia will develop an identity through political and economic integration as well as through increased cultural exchange. It will be a slow but steady process and Japan, due to its economic and financial capabilities, will need to play a leading role. China, some argued, is not necessarily bound to play such a role in Asian integration, despite its impressive economic growth and growing political influence. Japanese scholars stressed the fact that Asian integration is still an informal integration process lacking a legally-binding character. Japan, it was emphasised, is engaged in an Asian community-building process even though the term "community" still lacks a clear reference and definition. The preconditions for meaningful integration in Asia, it was argued by Japanese participants, are democratic structures as well as stable Japan-China relations. Japan and China, it was argued, are still not on an "equal footing."

China and democracy

The lack of democracy and democratic structures in China, a Japanese scholar maintained, does not qualify China to take a leading role in regional integration. China's "democratic deficit" as well as domestic

political structures needed to be addressed first. A European scholar agreed adding that democracy and democratic structures were the preconditions for meaningful economic and political regional integration. One participant noted that there is concern within Asia that the economically and militarily growing China might turn into “Asia's pre-war aggressive and expansionist Germany” willing to dominate the region. This would be a “scary vision” for Asia.

European integration

There was a lively discussion on the reasons and driving forces behind European integration. A European participant argued that EU integration was less “voluntary” than usually believed referring to the catastrophe of World War II, the Soviet threat and US pressure to cooperate via the Marshall Plan, while others referred to the concept of tolerance and the reconciliation between France and Germany as driving factors. The concept of shared sovereignty and supra-national institutions with legal powers were also cited as unique factors in the integration process.

European scholars agreed that meaningful integration needs to be supported by institutions able to implement legally-binding decisions. This “traditionalist” approach to regional integration has turned out to be successful for Europe. However, it was agreed amongst all participants, Asia needed to choose its own strategies of integration. Japanese scholars noted that regional institutions equipped with the instruments to implement legally-binding decisions, will not be necessarily helpful to promote Asian integration given that Asian nations are still reluctant to give up or share sovereignty with their neighbours. Hence, Asian integration will, at least for the time being, be limited to economic integration.

ASEM

The Asia-Europe Meeting (ASEM), an informal interregional dialogue forum established in 1996, it was noted from a Japanese scholar, seemed to have lost its momentum as meaningful dialogue forum between Asia and Europe. Even Japan, until recently an active supporter of ASEM seemed to have lost interest in the forum putting ASEM on the “backburner” of its foreign policy agenda. ASEM, a European scholar noted, suffers from a self-imposed obligation to deal with so-called “high politics” issues such as WMDs, terrorism, nuclear proliferation instead of promoting interregional cultural and academic exchanges and other “low politics issues.” ASEM, however, is not equipped with the instruments and capabilities to deal with “high politics” and is therefore wasting its resources when dealing issues that are being addresses by the UN and other international organisations.

Concluding Discussion

It was noted that the roundtable had been very useful in discussing the areas of agreement and disagreement between Europe and Japan. All were united, however, on the need to promote 'effective multilateralism.' Fraser Cameron suggested a return roundtable to be held toward the end of 2005 in Europe and co-organizers asked the Roundtable participants to propose topics for the next round. In a tour de table other themes for future meetings were raised including human security, the process of reconciliation, demography, Kosovo, counter terrorism, China's future, the concept of strategic partnership, security of energy supplies, engagement with US intellectuals as well as comparison of epistemic communities in Europe and Japan. There was also general support for expanding the EU-Japan dialogue in due course to an EU-East Asia dialogue.

Public Event

The roundtable was followed by a public event organised by the Japan Foundation and NIRA at which Ambassador Yasushi Akashi, former Under Secretary General of the United Nations, gave a keynote speech on the High-level Panel Report. This was followed by a panel discussion, moderated by Aiko Donen, Senior News Broadcaster, NHK, and involving Akira Kojima, Fraser Cameron, Akio Watanabe, Sylvie Goulard and Yozo Yokota.

The text of Ambassador Akashi's speech and the trigger papers for the Roundtable, are available, via a Pdf link (see annex).

The organisers are grateful to Toyota Motor Company (Europe) for financial assistance towards the airfares of European participants.

ANNEX I

Agenda

**Japan-EU Think Tank Roundtable
Draft Programme
“Next Steps in Global Governance”**

Co-Organizers:
European Policy Centre
National Institute for Research Advancement
The Japan Foundation

Supported by Toyota Motor Europe

January 13-14, 2005

Co-conveners: Dr Fraser Cameron (EPC) Dr Akiko Fukushima (NIRA)
Languages: English and Japanese (Simultaneous Interpretation)

January 13, Thursday, 2005

Venue: Conference Room, NIRA

15:00-15:30

Opening Session

Opening Statements by Co-Organizers

Opening Addresses:

Takafusa Shioya, President, National Institute for Research Advancement
Hans Martens, European Policy Centre

Introduction of the Roundtable Topic: What is Global Governance? By Co-convenors

15:30-19:00

Session 1 “*Responding to the UN High-level Panel Report*”

The roundtable participants will examine the Report, share their respective views and will explore recommendations concerning the implementation of the Report.

- Japanese Views: Yozo Yokota, Professor, Chuo University
- European Views: Valerie Arnould, Research Fellow, Institut Royal des Relations Internationales, Brussels
- Discussion

19:30-

Reception to be hosted by Ambassador Ogoura, President of the Japan Foundation

Venue: Tokyo Metropolitan Teien Art Museum

January 14, Friday, 2005

Venue: International Conference Room, the Japan Foundation

10:00-12:30

Session 2 “*Building Blocs to Global Governance-Strengthening International Institutions (G8, WTO, IMF, World Bank, etc.)*”

The Roundtable will examine the Report on the WTO as well as papers written on G8, IMF and World Bank reform by EPC and will explore a way forward. There are increasing critical voices about the G8. What is its relevance in today’s world? How does it contribute to improve global governance? Should it be abolished, expanded or reformed? There is also increased attention on the role and performance of the IFIs. How should they be adapted to meet the challenges of the 21st century?

- Japanese Views: Akira Kojima, Chairman, Japan Center for Economic Research
- European Views: Fraser Cameron, Director of Studies, European Policy Centre

12:30-14:00

Lunch to be hosted by Takafusa Shioya, President of NIRA

Venue: Italo-Provence (ANA Hotel 36th Floor)

14:00-16:00

Session 3 “*Regional Cooperation: Relevance of EU Model to East Asia?*”

Some of the experiences from Europe during its regional integration process may have relevance in East Asia. The roundtable will discuss the relevance of the EU model and regional integration as a building bloc to global governance.

- Japanese Views: Makio Miyagawa, Acting Director, The Japan Institute of International Affairs
- European Views: Axel Berkofsky, Senior Policy Analyst, European Policy Centre

16:00-17:00

Concluding Session: Next Step

This session will discuss next step, namely how this roundtable should be followed up, how the network this roundtable has thus achieved could be expanded to benefit from a broader Asian participants, what topics would be a shared interest for both regions. Participants are expected to share their views on how to enhance ties between think tanks.

18:00-19:30

Public Forum

Venue: International Conference Room, the Japan Foundation

Annex I

List of Participants

European Participants:

1. Professor Jan Rood, Director of Research, Clingendael, Netherlands
2. Jiri Sedivy, Professor, George C. Marshall European Centre for Security Studies, Garmisch
3. Valérie Arnoud, Research Fellow, Institut Royal des Relations Internationales, Brussels
4. Tania Felicio, Researcher, UN University Bruges
5. Anja Dalgaard-Nielsen, Research Fellow, Danish Institute for International Studies (DIIS)
6. Nathalie Tocci, Research Fellow, European University Institute Florence
7. Kari Mottola, Special Adviser, Ministry of Foreign Affairs Finland
8. Sylvie Goulard, Sciences-Po, Paris

Japanese Participants:

1. Yozo Yokota, Professor, Chuo University (Chair of the NIRA Research Project on Global Governance)
2. Akio Watanabe, President, Research Institute for Peace and Security (RIPS)
3. Makio Miyagawa, Acting Director, JIIA
4. Hideko Katsumata, Managing Director and General Secretary, Japan Centre for International Exchange (JCIE)
5. Akira Kojima, Chairman, Japan Centre for Economic Research
6. Shinzo Kobori, Distinguished Research Fellow, Institute for International Policy Studies (IIPS)
7. Ryo Oshiba, Professor, Hitotsubashi University
8. Yoshinori Imai, Executive Editor, Program Host, NHK-Japan Broadcasting Corporation
9. Aiko Doden, Senior News Broadcaster, NHK World Network

Alternate

10. Toshihiro Menju, Chief Program Officer, JCIE
11. Noriko Sado, Research Fellow, JIIA
12. Chihaya Kokubo, Research Fellow, JIIA

European Policy Centre (EPC)

1. Hans Martens, Chief Executive, EPC
2. Fraser Cameron, Director of Studies, EPC
3. Axel Berkofsky, Senior Policy Analyst, EPC

National Institute for Research Advancement (NIRA)

1. Takafusa Shioya, President, NIRA
2. Yoshio Ezaki, Executive Vice President, NIRA
3. Hirotsugu Koike, Vice President, NIRA
4. Akiko Fukushima, Director of Policy Studies and Senior Fellow, NIRA

European Policy Centre

5. Reiko Kanda, Executive Senior Researcher, NIRA
6. Takuya Imaizumi, Researcher, NIRA
7. Mami Jiang, Executive Assistant, NIRA
8. Atsuko Tamura, Visiting Fellow, NIRA

Japan Foundation

1. Kazuo Ogoura, President, the Japan Foundation
2. Toru Kodaki, Executive Vice President, the Japan Foundation
3. Junetsu Komatsu, Managing Director, the Japan Foundation
4. Takashi Ishida, Director, the Japan Foundation
5. Ruri Kato, Program Coordinator, the Japan Foundation
6. Mitsuru Suzuki, Program Officer, the Japan Foundation

Annex II

Background Papers

A number of trigger papers were presented at the Roundtable. Below is a list of their titles and authors. To obtain Word versions of these papers as presented at the Roundtable, please contact Dr. Axel Berkofsky (A.Berkofsky@theepc.be).

Session 1: Responding to the UN High Level Panel Report

1. Akiko Fukushima: “Trigger Paper for Discussion”
2. Fraser Cameron: “Next Steps in Global Governance”
3. Valérie Arnould: “Security in the 21st Century: EU and UN Approaches”
4. Yozo Yokota: Responding to the UN High-level Panel Report, a Japanese View

Session 2: Building Blocks to Global Governance: Strengthening International Institutions

5. Fraser Cameron: “Building Blocks for Global Governance”
6. Akira Kojima: “Building Blocks to Global Governance: Strengthening International Institutions”
7. Makio Miyagawa: “Relevance of EU Model for the East Asian Regional Integration”
8. Axel Berkofsky: “Comparing EU and Asian Integration Processes- The EU a role model for Asia?” EPC Issue Paper no. 23

Annex III:

The UN High-level Panel Report: an Analysis

Introduction

The United Nations has finally published its long awaited Report of the High Level Panel on Threats Challenges and Change entitled “A more secure world: our shared responsibility.” The Report is the work of 16 international experts, chaired by the former Prime Minister of Thailand, Anand Panyarachun. This High Level Panel was entrusted with three tasks by the UN Secretary General, Kofi Annan: to examine contemporary global threats and future global security challenges; to assess the role that collective action can play in countering these threats and challenges, and to recommend institutional and other changes that may be necessary to ensure effective collective action.

1. The threats we face

In defining threats to global security, the Panel has strived to use a broader, more comprehensive concept of security. The Panel has placed less traditional “soft threats” such as poverty and disease alongside the usual “hard threats” focused on by the wealthier north, such as terrorism and nuclear proliferation. Significantly, the Panel argues that there should be no prioritisation between these different types of threats and that responses to any one of them must recognise their interrelated nature. For example, development assistance should be considered as important in guaranteeing security as anti-terrorism measures.

In all, the Report identifies six different “clusters” of threats that the world faces in the new millennium.

The first cluster concerns threats emanating from poverty, infectious disease and environmental degradation. To combat these threats, the Panel recommends that all countries that fall short of the UN 0.7% of GDP dedicated to development aid should establish a timetable for doing so. In addition, members of the World Trade Organisation (WTO) are pressed to complete the Doha round of multilateral trade negotiations by 2006 at the latest. With regard to the threat posed by HIV/AIDS pandemic, the Report is scathing of the response of the international community thus far, calling it “shockingly late and shamefully ill resourced.” It recommends that funds to combat the spread of the disease be raised to \$10 billion per year and that a major initiative be launched to rebuild the public health capacities of developing world countries.

The second and third clusters of threats identified by the Report concern conflicts between and within states. Here, the Panel

emphasizes the need for improving preventive diplomacy and mediation. The preventive deployment of peacekeepers is also supported, with the recent deployment in Macedonia quoted as an example of where getting troops on the ground early can prevent tensions from escalating into full-scale conflict.

In dealing with the fourth cluster of threats, those posed by the proliferation of nuclear and biological weapons, the Panel issues a stark warning. There will be a cascade of nuclear proliferation in the future if action is not taken urgently, it says. Such action could take several forms, including the provision of incentives to states to forgo the development of domestic uranium enrichment, and strengthening the non-proliferation regime using the Additional Protocol.

The threat to security caused by terrorism comprises the fifth cluster. The Panel again takes on a critical tone here, criticizing the UN for not having made the best use of its assets in the fight against terrorism, and asks it to urgently formulate a comprehensive anti-terrorism strategy. The Panel has also recognized that a lack of a universally acceptable definition of terrorism has hampered international efforts to combat this threat. The Report addresses this lacuna by providing a clear definition of terrorism as “any... action that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such an act, by its nature or context, is to intimidate a population or to compel a government or international organization to do or abstain from doing any act.” It will be interesting to see if this definition gains universal currency. If it does, then this would constitute one of the Panel’s most significant achievements.

The threat posed by trans-national organized crime forms the sixth cluster. The Report argues that restricting the ease with which criminal groups can move men, money and materials around the globe will be crucial in reducing the risk posed by all other threats. Drug trafficking, for example, has fuelled intravenous heroin use, thus greatly facilitated the spread of HIV/ AIDS. Again the Report puts the emphasis on prevention, and recommends, among other measures, more robust mechanisms for the UN to assist weak states in establishing the rule of law, thereby helping to stem the problem at the source.

2. Intervention and the use of force

One of the key tasks confronting the High Level Panel was to examine the conditions under which the use of force by one state against another would be justified. Recently, traditional conceptions of sovereignty and the legitimate use of force have been placed under severe pressure from two sources. The first is the increased use of military power to avert humanitarian disaster in the 1990’s. The second is the US doctrine of “preemptive” action contained in its National Security Strategy of 2002. The Report addresses both of these developments in its dealing with the use of force.

With regard to humanitarian intervention, the Panel strongly supports the recent Report of the International Commission on Intervention and State Sovereignty which argues for a ‘responsibility to protect’ of the international community in the event of genocide or other massive human rights abuse. Sovereignty can no longer be thought of as an inalienable ‘right’ that every state has to its own autonomy. Rather, it has evolved into the responsibility or duty of every state to guarantee the basic rights of its population. The Panel Report agrees that, when a state egregiously neglects this duty, as in the case of genocide, then its right to inviolability is forfeited and military intervention may be permitted as a last resort.

With regard to pre-emption, the High-level Panel Report does not appear to endorse the US position. It argues that Article 51 of the UN Charter, dealing with the use of force in self-defence, is adequate and “needs neither extension nor restriction of its long understood scope.” Nevertheless, the Panel has attempted to engage with US concerns. For example a pre-emptive use of force, launched to avert an imminent threat, is deemed by the Panel to fall under Article 51 and is hence legitimate. It argues, however, that the preventive use of force used to avert a non-imminent threat, for the example the future development of weapons of mass destruction, requires prior Security Council authorization. The implication here is that the US intervention in Iraq should be defined as a preventive use of force, and as a consequence should have required Security Council approval.

The Report goes on to list five criteria to clarify the circumstances under which force may legitimately be used. These are: that the threat posed be sufficiently serious; that the user of force has a proper purpose; that the use of force is a last resort; that proportional means are used and, finally, that military action is likely to have better results than inaction. These criteria are not intended by the Panel to “produce agreed conclusions with push button predictability.” They merely aim to maximize the possibility of a Security Council consensus on when force should and should not be used. To this extent they constitute a valuable contribution to the debate on the use of force.

Significantly for the EU and NATO, the Panel also recommends greater UN cooperation with regional organizations, and recognizes the importance of the latter in guaranteeing security. However, it argues that any peace operations carried out by regional organisations must have Security Council authorization. At the same it “recognizes that in some urgent situations, authorization may be sought after such operations have commenced.” This appears to be a nod to NATO’s 1999 Kosovo campaign which was undertaken without UN authorisation but which was retrospectively sanctioned by the Security Council.

3. A United Nations for the 21st Century

UN Secretary General Annan announced in September that, following the crisis in Iraq, the international community was facing a “fork in the road.” Decisions taken now over the role of collective action and the legitimacy of the use of force would have grave implications for the future. It was undoubtedly the crisis within the UN over the war in Iraq that precipitated Mr Annan’s decision to convene the High Level Panel in the first place. In the wake of that crisis, the adequacy of the UN’s current institutional structure was called into question by both supporters and opponents of the war. For those supporting the US intervention, the UN Security Council appeared unwilling or unable to take the necessary measures to ensure compliance with its own resolutions. To those opposing the war, that same Security Council appeared weak in the face of the determination by one of its members to wage what Kofi Annan has since called an “illegal” war. Hence, regardless of heated controversy over the legitimacy of the war itself, there seemed to be consensus on at least one point – that the UN must reform.

The question of the reform of the UN, and in particular of the Security Council, is as old as the organisation itself. Since the end of the Cold War, however, there has been increased pressure for the Security Council to better represent global shifts in power. The perception that the five permanent members (P5) represent a post Second World War “victors club” has not been helped by the reluctance of the latter to allow changes to the Security Council’s make up. The High-level Panel’s Report presents two alternative reform measures that attempt to address the concerns of the current P5 while making the Council more representative.

The first involves an extension of the number of permanent seats to eleven, with most likely India, Brazil, Japan, Egypt, Germany and either Nigeria or South Africa as the newcomers. These new states would not, however, be given the veto power enjoyed by the current P5. In addition, three more two-year rotating seats would be allocated among the UN’s regional groupings. The second proposal would not extend the number of permanent seats but would create a new category of eight four-year renewable term seats and one new two-year non-renewable seat, none of which would have veto power.

That the Panel was unable to agree on a single formula for Security Council reform is indicative of how thorny an issue this is. Finding agreement among the P5 members themselves (whose accord is needed for any changes to the UN Charter) will require an enormous amount of hard bargaining.

The Report also proposes a set of criteria that may be used to select states to occupy non-permanent seats in the Security Council. The purpose of these criteria is to reward those states that contribute most to

the organization and to encourage the emergence of a more ‘proactive’ Security Council. They include first, the contribution made by the state to international, peace and security, second the contribution that the state makes to the UN budget, and thirdly the state’s record in placing its troops at the UN’s disposal for peace-keeping and related missions. In the case of developed countries, the proportion of GDP contributed to development aid would also be a deciding factor.

The Security Council is not the only organ of the UN in need of change. The UN General Assembly is also criticised by the Panel for having lost its “vitality” and for failing to “focus on the most important issues of the day.” It recommends that the General Assembly shorten its agenda and create more tightly focused committees in order to increase the relevance of its resolutions to contemporary global problems.

The UN Human Rights Commission is perhaps the institution’s organ most severely criticised by the Panel. In recent years the Commission’s capacity to perform its tasks has been “undermined by eroding credibility and professionalism.” This has not been helped by the perceived hypocrisy of many of its members. As the Report points out, many states “have sought membership on the Commission not to strengthen human rights but to protect themselves against criticism or to criticise others.” As a solution to its bad image, the Panel proposes that membership on the Council should become universal. This would underscore that all states are in fact committed to human rights under the Charter.

Turning to the role of the Secretary General, the Report envisages a greater role for Mr Annan in peace and security matters. It recommends that he be given substantially more latitude to manage the Secretariat more effectively and that a second Deputy Secretary- General should be appointed with responsibility for peace and security.

Lastly, the Panel proposes that a new Peace Building Commission be established to foster a more comprehensive approach to conflict prevention. This would be an intergovernmental body charged with, among other things, assisting states in the transition from the immediate post-conflict phase to long-term reconstruction and development.

Aside from changes to the institutional structures themselves, the Panel also recommends a once off review and replacement of personnel within the UN Secretariat. Whether this will be enough to silence sustained criticism of the UN’s bureaucratic efficiency remains to be seen.

Conclusions

In his speech of September 2003 in which he announced his intention to create the High Level Panel, Kofi Annan declared that this “was a moment no less decisive than 1945 itself.” 2003 had been a bad year for the UN and he was undoubtedly correct that the institution was in need of a turnaround in its fortunes. Whether the Report of the High Level Panel can help initiate that turnaround remains to be seen. The mixed fate of the 2000 Brahimi Report and many previous reports advocating UN reform should make us wary. In order for the Report’s recommendations to be translated into action, the governments of the major countries will have to get behind it, something that is far from certain (particularly with regard to proposed Security Council reforms). Crucially, the High-level Panel Report must be viewed as merely the first step in a long process, one which may or may not result in a more effective UN.

Ross Carroll, Junior Policy Analyst, European Policy Centre