



# Compass 2020

Germany in international relations  
Aims, instruments, prospects

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The Compass 2020 project represents the Friedrich-Ebert-Stiftung's contribution to a debate on Germany's aims, role and strategies in international relations. Compass 2020 will organise events and issue publications in the course of 2007, the year in which German foreign policy will be very much in the limelight due to the country's presidency of the EU Council and the G 8. Some 30 articles written for this project will provide an overview of the topics and regions that are most important for German foreign relations. All the articles will be structured in the same way. Firstly, they will provide information about the most significant developments, the toughest challenges and the key players in the respective political fields and regions. The second section will analyse the role played hitherto by German / European foreign policy, the strategies it pursues and the way in which it is perceived. In the next section, plausible alternative scenarios will be mapped out illustrating the potential development of a political field or region over the next 15 years. The closing section will formulate possible points of departure for German and European policy.

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## Germany in international relations

### Aims, instruments, prospects

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## Abstract

Both the ambitions and the challenges of German foreign policy have increased. As foreign and domestic policy problems become increasingly intertwined, and the question arises of what politics is still capable of, not to mention the crisis-ridden development of European integration, high-profile – and in part more risky – external commitments, and growing budget constraints, foreign policy will inevitably find itself increasingly forced to publicly justify its actions. This calls for a critical assessment of the foundations of Germany's foreign relations. Modern, practical foreign policy is bound to remain contradictory, to some degree. Instead of airy theorizing, then, what appears to be needed is greater transparency in the different foreign policy fields, guiding political decision-making by identifying a corridor of strategies and options. Conflicts regarding practical goals, the need to take ad hoc decisions, limited resources, and integration within international institutions are among the important factors influencing policy formulation, bringing pressure to bear on both the values on which foreign policy rests and abstractly formulated material interests.

While foreign-policy decisions have so far often pre-empted public opinion, in future the public will have to be viewed as a partner in the making of foreign policy, and political analysis, political debate, and political action will have to overlap more closely. The aim of the Friedrich-Ebert-Stiftung's "Compass 2020" project is to stimulate discussion on foreign-policy strategies and to develop scenarios that may serve to outline a plausible picture of German foreign policy and its determinants over the coming 15 years. The lines dividing conservative, liberal, and social-democratic foreign policy will thereby be defined principally by the issues of social justice and global participation, the role of the state, and efforts to put international relations on a firm legal footing ("juridification").

The list of challenges that can no longer be addressed without reference to global contexts is ever increasing. In our view, there are eight themes that will define discourse on international politics in the medium term. These include the global economy, demographic and migratory developments, technological advances, the rediscovery of environmental and climate policy, resource management and protection, human development, conflict and security, and issues bound up with government and governance. None of these themes can be viewed in isolation; effective handling of the challenges they represent requires recognition of their manifold interrelations. Social disparities will grow not only between countries and regions, but also within individual societies, thereby establishing an underclass of states. As the "flat world" (Thomas Friedman) extends to Shanghai, Johannesburg, São Paulo, and Bangalore, the "planet of slums" (Mike Davis) will continue to grow. Trade relations will be governed by numerous overlapping bilateral and regional agreements that also lay down social and environmental standards. In the most favorable case this will lead to an attempt to establish a new global regime, although in all probability it will result in further disintegration of the regions that have been left behind and even better integration of the industrialized nations and large emerging countries, which are closely interlinked already. Major socioeconomic disparities, but also armed conflicts, environmental disasters, and lack of resources, will serve to intensify migration both in the countries of the South and between the world's rich and poor regions. The energy question is closely linked to the global economy. Economic development is inconceivable without a secure, frictionless, and affordable energy supply, and access to energy is a basic component of global equity. Though energy policy largely vanished from the political agenda after the two oil shocks of the 1970s, growing demand for energy in the emerging countries and political attempts to instrumentalize energy resources are now fuelling a debate on energy security. Climate and the environment, in turn, must be seen as long-term, complex problems that extend not only into the energy sector, but deep into other fields – including technology and security policy, as well as economic, social, and cultural policy. The large number of state, non-state, and private actors involved will in future make environmental and climate policy a

testing ground for the development of efficient and equitable forms of global governance. In the coming years the most pressing environmental problems will be virtually insurmountable without a massive use of technology, and access to technology – for example, to broadband networks – will be crucial to economic and social development. But the results of further technologization will be ambivalent: society will have to exercise preventive control over sensitive areas of technology and to define political limits concerning what is technologically possible. The proliferation of risky technologies, but also technological innovation as a possible means of lowering the threshold for military intervention, will generate problems with implications for security policy today. How we deal with terrorism, disarmament, and the problems of failing/failed states will range high on the agenda. None of these challenges can be effectively addressed by purely military means; indeed, the military component plays no more than a tiny role in any one of them. The most promising approaches in the medium term are likely to be diplomacy, cooperation, and global regimes in the case of disarmament; police and intelligence services, information and educational work, and social policy as far as terrorism is concerned; and preventive conflict management and sustainable state-building when it comes to regional conflicts. But one of the key factors determining success or failure in these core areas of the global agenda will be our ability to adapt the modern nation-state to the new conditions, to further develop and consolidate democratic statehood in developing countries, and to create a set of stable and efficient regional and global structures.

Of course it could all turn out quite differently. What kind of world will we be living in in 2020 if – roughly speaking – “capital”, “crisis”, “cooperation”, and “culture” turn out to be the key factors determining the world’s fortunes? Will it be a “Microsoft World” (Scenario 1) that revives the market principle and cements the economic and political dominance of the old Western blocs – the US and the EU – and their traditional hierarchies, but that discounts the significance of global governance and disregards social issues pertaining to global equity? Or will we find ourselves surrounded by “Firewalls” (Scenario 2)? That would indicate a missed opportunity to craft an inclusive, more democratic, and social globalization, and in a polarized world the idea of the global village would collapse like a house of cards. We would then find a more security policy-oriented European Union standing on the frontline of numerous conflicts, in a world defined by barriers and boundaries and high-flown illusions about the system’s “airtightness” – that is, in a world once more divided into spheres of influence, and so more suspicious and less cooperative. In the 2020 “Firewall” world the watchword would be “Government without Governance”. The “Linux Option” (Scenario 3) too is no ideal world, but it is at least more socially networked, more democratic, and politically more innovative than it was at the beginning of the twenty-first century. NGOs are no replacement for democratic development of informed opinion, the political hype generated in the course of campaigns tends to flag when it comes to concrete efforts at implementation, and national governments continue to be the real centers of power, but in the Linux world political processes have become more decentralized and transparent. Those populating the Linux world are fully aware that the world is networked, and they have a sense of interdependence; many of them develop several loyalties – toward their neighborhoods no less than toward transnational communities. That is a good basis for a far-reaching transformation of global governance.

Certainly, there is no predicting the future, but we can help to shape it. Looking at our three scenarios, the crucial task facing international relations in the years to come will be the creation and strengthening of political trust and prevention of the erosion of trust. One way of achieving this will be through *integration rather than exclusion* – without further EU integration Germany will be unable to attain most of its foreign-policy goals. “Europe must work!” and in a twofold sense: on the basis of democratic and effective structures and via European political initiatives geared principally to social problems. But building trust also means *building bridges without creating new divides, developing the common good instead of serving special interests*, be they religious, ethnic, or economic in nature, developing *social democracy*, engaging more in

*preventive, civil action* than in *reactive strategies*, and, finally, through *political debate rather than political stonewalling*. A more urgent need for public justification of foreign-policy decisions should therefore be seen less as a reason for nervousness than as an opportunity to utilize an improved networking of political analysis, political debate, and political action to arrive at new answers and to secure more sustainable support for foreign policy in society.

“In the long run”, John Maynard Keynes noted in view of the confusing diversity of economic forecasts, “we are all dead”. Before that, though, it might well be worth lending a hand to shape world events to accelerate the construction of a just and peaceful world order.

## I. Compass 2020

Virtually no one would dispute that the outside world is getting closer to us, the framework conditions for German policy have changed substantially, and it has generally grown more difficult to till the political field. Between crisis management and the day-to-day business of politics, discussion of Germany's goals, instruments, and perspectives in international affairs often gets less than its fair share of attention. So far, however, there has been little demand for a debate of this kind either from politics or from the public at large. What we have seen instead is a "permissive consensus" between government and governed, that is, a situation in which foreign-policy decisions are accorded a measure of tacit support, as has long been the case in relation to European integration, too.

More recently, however, there have been unmistakable signs that the present stance of "amicable disinterest" is coming under increasing pressure and that the need to initiate a strategic debate on Germany's role in international relations is gaining ground among German political actors. While it is true that the foreign-policy decisions taken by German governments in recent years have for the most part been unambiguous, their foundations have sometimes been uncertain. In a time of radical change in international affairs, in which Germany's instruments and strategies need to be adapted to new realities this impression will only intensify. A number of weighty foreign-policy decisions, including notably those on German Bundeswehr missions abroad, have been taken on an ad hoc basis. Both the ambitions and the challenges of German foreign policy have increased. Political actors now more often see themselves confronted with problematic cases in which the pursuit of values and interests, but also quite specific goals of German foreign relations, tend to come into conflict more quickly. In other words, in times in which it has become impossible to continue to formulate and implement the paramount – and surprisingly stable – goals of German foreign relations without running up against contradictions, an open and transparent debate on Germany's role in international affairs can provide orientation, expertise, and a socio-political basis for foreign-policy decisions. In view of the growing interconnectedness of external and domestic problems and the question of what politics is still capable of achieving, not to mention the crisis-ridden development of European integration, an increasingly high-profile (and in part more risky) foreign-policy commitment, and growing budget constraints, foreign policy action will inevitably be faced with increasing demands to publicly justify itself. Under these conditions it will be possible to reach a viable consensus on Germany's foreign relations only if the general public is perceived, more than it has been so far, as a (critical) partner in foreign policy.

It is not a matter of mindlessly repeating the mantra that German foreign policy lacks a definite line or joining in with the outspoken demands for an overhaul, based on the assumption that it has failed to clearly define its interests. This would suggest that an explicitly formulated list of interests – which, by the way, can easily be found in German government programs – would make it possible to formulate a clear-cut, unambiguous foreign-policy roadmap. There is certainly a need to critically assess the foundations of Germany's foreign relations; but modern, practical foreign policy is bound to remain contradictory to some degree. Instead of abstraction, what therefore appears necessary is efforts to render foreign policy transparent in its various fields with a view to identifying a corridor of strategies and options that can help guide political decision-making.

The project "Compass 2020 – Germany in International Relations – Aims, Instruments, Prospects" is the Friedrich-Ebert-Stiftung's contribution to this discussion. The compass is an age-old instrument used for the purpose of orientation, long since replaced by radio navigation and GPS. Using these modern devices we put our trust in individual items of information concerning our position, while understanding less and less of the context. Seeking orientation with the aid of a compass calls for knowledge of the context in order to be able to identify landmarks, and

often it is precisely the weak signals and pointers that lead us in the right direction. Compass 2020 supplies this context and at the same time is intended to prompt a discussion on foreign-policy strategies.

This is also reflected in the structure of the individual articles ([www.fes.de/kompass2020](http://www.fes.de/kompass2020)), which are intended to provide an overview of the most important themes and regions involved in Germany's foreign relations. All the articles have the same structure: they begin with a "framework" section on the most important developments, the greatest challenges, and the central actors in the policy fields and regions concerned. Section 2 analyzes the role, strategies, and perceptions of German policy so far. The "scenarios" section then outlines plausible alternative scenarios illustrating how the policy field might develop over the next 15 years and what the driving factors could be. Finally, Section 4 – "options for action" – formulates possible approaches for German and European policy. The present text examines a number of fundamental issues of German foreign relations, provides an overview of the most important trends in international relations, develops three scenarios on international politics, and briefly formulates – based on the numerous ideas and proposals presented in the individual articles – priorities that German policy might pursue in international affairs.

But prospective, creative thinking is more a matter for the many than for the few. The scenarios and options for action developed here should therefore be understood not as in any sense a final word but rather as a starting point for and invitation to a discussion on the prospects of Germany's foreign relations, to which the Friedrich-Ebert-Stiftung will continue to contribute within the framework of events and discussion forums.



## II. New wine in old bottles? – Foundations of German policy in international relations

### II.1 The “wonder of continuity”<sup>1</sup>

Contrary to what passing fads might sometimes lead us to believe, the foundations of German policy in international relations have remained very stable over recent decades. This is all the more surprising because Germany has been more affected by world-political upheavals than virtually any other country. It therefore at least seemed reasonable to assume that these tectonic shifts would shake the foreign policy foundations of a country that straddled the boundary line of the global conflict that had just come to an end.

But little has changed in the core elements of Germany’s foreign relations since the mid-1950s. These include the country’s commitment to use foreign policy to come to terms with Germany’s past, its Western orientation, its skepticism regarding military force and renunciation of traditional power politics in international affairs, its integration efforts and deliberate renunciation of a measure of its sovereignty, its efforts to promote peace and security throughout Europe, and its worldwide respect for international law and human rights. A brief glance at the German government coalition agreements and political position papers of the last 20 years is sufficient to show that the sections dealing with international relations are for the most part concretizations and variations of these core tasks. In its 1998 coalition agreement, the Red–Green German government introduced some new points of emphasis as regards global issues (mainly concerning development, environmental, and arms control policy); in 2002 the “war against terror” was added as a new challenge in world politics. In the agreement establishing the present Grand Coalition we find, alongside the familiar “construction sites” (European integration, Atlantic partnership, security and stability throughout Europe, with Russia as a central partner, and efforts to overcome the North–South divide) and some central global challenges (terrorism, human rights, and proliferation), a special reference to promotion of sub- and interregional cooperation, as well as a commitment to a “comprehensive security concept”.

In recent years Germany has experienced two more fundamental foreign-policy debates that at least questioned this continuity. In the first years following Reunification, the discussion revolved around whether Germany should engage more in power politics (keyword: “normalization”), maintain its previous foreign-policy course, or step up its efforts to civilianize international relations (keyword: “civilian power”). The proponents of realism and “normalization” concluded (and in part demanded) that in view of its rise to the status of “Europe’s central power” (Hans-Peter Schwarz), its new “central position” in Europe, its increased population due to Reunification, and structural changes in the international system Germany could now – in contrast to past foreign-policy debates (keywords: “Western orientation”, “treaties with the Warsaw Pact states”, “closing the arms gap”) – take a more independent tack in formulating its foreign policy and so open up new strategic options. The proponents of continuity in foreign policy opposed this view, pointing to the successes to which voluntary integration in cooperative multilateral processes had led. For the future, a “Europeanized” Germany would be best advised to forge ahead with deepening and expanding European integration, maintaining its good relations with tried and tested international institutions. For their part, the representatives of the civilian-power approach took the view that, against the background of a more complex world-political setting, Germany now had a greater responsibility – but also a greater capacity – to work towards the rule of law, protection of individual and collective civil rights and liberties, and a reduction of pronounced social and economic disparities.

The call for Germany to pursue a more “self-assured power politics” more strongly oriented towards national interests largely faded away unheard at the end of the 1990s. The “wonder

<sup>1</sup> I would like to thank all my colleagues from the “Compass 2020” project for interesting discussions and helpful comments on the present text.

of continuity" (Josef Joffe) has also turned out to be the decisive factor in German foreign policy in the Berlin Republic. But in 2003 the debate was renewed. In part with the old cast, one variant of the debate on "continuity and change in German foreign policy" was replayed – this time, though, more closely tied to political decision-making processes. What triggered the debate was the Red–Green Coalition's break with US foreign policy. But there were other reasons as well, in terms of which the German government's behavior was interpreted either as a process of political emancipation or as a negligent break with the principles on which German foreign policy success was based; examples included the accusation of German pursuit of self-interest in EU budget policy, the ongoing blockade in NATO, the close relationship between Germany and France, or Germany's aspiration to a permanent seat on the UN Security Council. For some observers, the "foreign policy based on enlightened self-interest" called for in robust terms by Chancellor Schröder and the talk of a special "German path" signaled (at last) Germany's "return to the world stage"; others would have preferred to cancel this appearance altogether; while others spoke of a general erosion of Germany's power to shape policy in international institutions.<sup>2</sup> But even the German government's decision – which provoked brief but fierce public discussions in Germany – not to take part in the war in Iraq failed to lead, at least in the medium term, to more intensive efforts to deal with fundamental questions of Germany's foreign policy.

Nevertheless, what remains from these latent debates is an increasing suspicion that the paradox of continuity in foreign policy in a rapidly and fundamentally changing environment is now leading to more conflicts in decision-making and action, and that it is becoming increasingly difficult to formulate and implement the priority goals of German foreign relations – laid down on the basis of societal and cross-party consensus – as if nothing had changed. The limits of continuity are becoming visible.

## II.2 The limits of continuity

### Germany's difficult broker role

In the past German foreign policy was characterized by the political will to bridge differences and successfully apply the principle of "both/and": France and the US, European integration and transatlantic partnership, EU enlargement and consolidation. In recent years, however, it has grown increasingly difficult for Germany, in looking for political solutions, to maintain this equidistance and at the same time do justice to its role as honest broker and bridge-builder. The overextension of this principle is due above all to a crisis of the institutions through which these compromises were mostly reached.<sup>3</sup> But induced by world-political changes, Germany's most important partners have also altered their political course, and this reorientation has made it much more difficult to find common ground.

This instability is most clearly in evidence in Germany's transatlantic relationship. If in the past the principle applied in Germany's efforts to mediate between European integration and transatlantic friendship was a carefully considered "in dubio pro America", transatlantic relations have, within a few years, experienced an emotional roller-coaster ride – from "unreserved solidarity" after the 9/11 attacks to the termination of Germany's allegiance over the Iraq war and the frosty relationship that resulted. While even a few short years ago Richard Holbrooke could still – in an entirely positive sense – term transatlantic relations as "one of the most boring issues on the circuit, one that the policy freaks have fun with, year in, year out, at conferences like the Munich 'Wehrkunde'", today nobody is talking about stabilized boredom. Something similar can be said of the large-scale construction site that Europe now is; here Germany in

2] Gregor Schöllgen, *Der Auftritt – Deutschlands Rückkehr auf die Weltbühne*, Berlin 2003; Gunther Hellmann, *Sag beim Abschied leise Servus – Die Zivilmacht Deutschland beginnt ein neues "Selbst" zu behaupten*, in: *Politische Vierteljahresschrift*, 43, 2002; Hanns W. Maull, *Auf leisen Sohlen aus der Außenpolitik*, in: *Internationale Politik*, 58/9, 2003.

3] Dieter Senghaas, *Deutschlands verflochtene Interessen*, in: *Internationale Politik*, 50/8, 1995.

particular has in past decades done its best to strike a difficult balance between enlargement and consolidation, and thus to mediate between the interests of the member countries and the EU's neighbors. More recently, however, the tensions between internal and external governance capacity appear to be intensifying. And there are growing differences between the winners and losers of enlargement and between those that see efficiency as the sine qua non of enlargement, others who would prefer first to stabilize Europe's young democracies, and others still who seem intent on using enlargement as a means of subverting efforts to deepen European integration. In the discourse on Europe, it seems, the both/and posited by the dual challenge of the integration process is more and more assuming the character of an either/or that requires an unambiguous decision in favor of one aim or another.

### Institutional weaknesses

Germany has always accorded a large measure of consideration to the interests of other actors and institutions when it came to defining its own foreign-policy interests. But Germany's strategy of "intertwined" or "institutionalized" interests has never been either selfless or without concrete aims, as was sometimes insinuated in post-reunification debates; indeed, mindful of the need to develop political power and to bolster national prosperity, Germany has also pursued a number of highly self-interested goals. The two pillars on which the successes of this strategy rested in the postwar era were Germany's strong political partners and, above all, effective multilateral institutions.

Germany will – on the one hand – have to continue to exercise the major part of its international responsibilities in the European context. On the other hand, complaints are increasing about the alleged exhaustion of the European integration process. The European Constitution has been shelved, at least for the time being, Europe's internal structural heterogeneity is growing, and projects designed to deepen and enlarge the EU are highly contentious. Europe lacks "charismatic" projects, and the German–French axis often seems to be more a sort of "bilateral unilateralism" than the driving force behind the European integration process. The "Europhoria" previously encountered in European societies has given way to the insistent question: "Why Europe?" – to which only lukewarm responses are forthcoming. Other "anchor institutions" of German policy in international affairs are not much better off: NATO is searching for a new *raison d'être*, the UN is groaning under the burden of its outmoded structures, and the World Trade Organization is not seen as having much chance of becoming the backbone of a stable and fair world trade regime.

Germany's traditional roles in international politics – as a "motor of European development", a transatlantic partner", a "civilian power", an "integrated trading nation", or an "honest broker" – are, however, closely bound up with these institutions.<sup>4</sup> Today the erosion of its ability to shape and sustain policy raises the question of how Germany is consistently to do justice to these roles in the future.

### Contradictions

The increased demands on Germany's role in international affairs, the difficult foreign-policy environment, institutional weaknesses, and the need for a strategic foreign-policy debate have led to an increase in goal conflicts and practical dilemmas in German foreign policy – or at least to their greater visibility.<sup>5</sup> They are often traced back to tensions between (material) interests and (normative) ideas, linked to the exhortation that it is now high time that Germany got around to defining its interests more clearly. *Both aspects* figure prominently in the stock of

4) Adrian Hyde-Price, *Germany and the European Order: Enlarging NATO and the EU*, Manchester, 2000; Hanns W. Maull/Sebastian Harnisch (eds.), *Germany as a Civilian Power: The Foreign Policy of the Berlin Republic*, Manchester, 2001.

5) Ludger Kühnhardt, *Wertgrundlagen der deutschen Außenpolitik*, in: Karl Kaiser/Hanns W. Maull, *Deutschlands neue Außenpolitik*, Band 1 Grundlagen, Munich, 1994.

justifications cited for German policy in international relations – and will continue to do so. A foreign policy restricted solely to the pursuit of material interests will be no more sustainable than a moral foreign policy that, relieved of political realism, seeks to evade the ongoing political debate.

Another look also shows us that these contradictions cannot simply be ascribed to the frontline supposedly drawn up between power and morality. This has become clear in recent years, for example, in terms of the two basic maxims of Germany's foreign relations – "War never again" and "Auschwitz never again". Skepticism concerning the use of military force runs up against the conviction that intervention is virtually the only way of preventing genocide and massive human rights violations. In the case of Kosovo this contradiction was aggravated by the conflict between a multilateralism rooted in principle and participation in a coalition of the willing, here resolved quite differently than in the case of the Iraq war. In the run-up to the Lebanon mission, finally, the discussion was complicated by the question of whether Germany's historical background might be seen as a reason for, or precisely against, involvement in the conflict.

These contradictions are most evident in security policy because the most serious changes to the foreign-policy environment have become manifest there. Germany, in the postwar era more a "recipient" than a "provider" of security, has been subject to the most stringent restrictions in this regard. But practical dilemmas are increasing in other fields as well, such as human rights policy, foreign-trade policy, and European policy. And it is precisely external trade policy that in recent years has developed more and more into an embattled policy field in which social (and environmental) resistance is forcefully articulated and interest conflicts are often played out between the "winners" and "losers" of a continuing process of worldwide market liberalization.

In essence, the problem is how best to translate a set of basic – though usually quite generally conceived – material and nonmaterial convictions (which largely constitute continuity in this respect) into practical, task-related options. Concrete goal conflicts, the constraint to reach ad hoc decisions, limited resources, and integration in international institutions are important factors influencing policy formulation and necessarily clash with the basic values underlying foreign policy, such as too abstractly formulated material interests.

### Overextension

The accusations of discontinuity leveled at the Red–Green Coalition – "Schröder as the 'demolition man' of Kohl's foreign policy" (*Frankfurter Allgemeine Zeitung*) – or the discussion over Chancellor Merkel's "new" foreign policy as the new parliamentary session got under way are political surface symptoms of a dilemma that is now taking on more discernible contours. What has become clear is that while the basic maxims of German policy in international affairs will retain their validity, they will lose some of their guiding power when it comes to a number of acute problems. It would seem both correct and important to point to continuity as long as what is at issue is the foundations on which any German foreign policy must rest. To this extent, the core stock of basic values and interests informing German foreign policy are not in question here; rather developments in international politics are forcing Germany to rethink the means and instruments it uses to achieve them. Continuity as a maxim must not be used as an excuse to avoid thinking about new strategies to ensure that these principles are in fact applied even under the conditions of an altered foreign-policy environment.

Modern, practical foreign policy is bound to remain contradictory. Under the conditions of complex international relations, and in view of the new challenges facing German foreign policy, it will not always be possible to derive consistent, contradiction-free options for action even from a catalogue of seemingly precisely defined interests. And bold public calls for a

“more unambiguous” definition of the interests guiding German foreign policy must not be allowed to obscure this point. It is precisely for this reason that Germany’s policy in international affairs is in need of a broad and intensive public debate, which of course cannot definitively establish concrete political implementation, but can provide an orientational and supportive basis for action.

### 11.3 The end of amicable disinterest?

It appears that the constantly invoked broad consensus on the principles on which German foreign policy is based has so far masked the need for a political debate. This is not least a sign of the success of German policy in international relations in recent decades. Many MPs are interested in foreign policy only on an ad hoc basis. Political energies tend to flow into areas in which the distribution of economic resources is at stake – for instance, labor-market and social policy or health care and tax policy. Foreign-policy issues rarely give rise to party-political disputes, and play a role within parties only when the lines of conflict cut straight across party lines, as in the debate on closing the missile gap with Russia. In addition, neither government nor opposition are often forced to deal with critical attacks or alternative concepts. The strategic community, the expert culture consisting of associations, think tanks, and NGOs and otherwise constituting the core of a contentious public sphere, has relatively little to say when it comes to foreign-policy issues. One reason for this may be that compared with other policy fields, foreign policy continues to be rather hermetic. The concrete motives, guiding principles, and strategies embraced by the limited number of foreign policy actors are for the most part only vaguely familiar, and are seldom made explicit. The legislature’s – de facto rather limited – influence on foreign policy and the fact that foreign-policy decision-making is generally concentrated in small government circles also narrows the relevant political discourses and hampers public debate.

While hitherto foreign-policy decision-making has often run ahead of public opinion, in future the public will have to be considered more as a partner in the making of foreign policy: political analysis, political debate, and political action need to be more closely dovetailed. More intensive communication on foreign policy themes, including public reflection on important issues, but also better parliamentary participation, could serve to boost the relevance of expert opinions and analyses, create more transparency, and give new orientation to foreign-policy decisions, enhancing their legitimacy.

#### Subtle differences

Nowhere does the programmatic consensus among the parties appear to be so broad as in foreign policy. A major part of the business of foreign policy is ad hoc crisis management, which does not offer politicians much scope for making their mark. Nor is there any reason to expect Germany’s role in international affairs to become the subject of sharp domestic controversies among the parties in the years to come. Given the need for a broader debate in society on Germany’s foreign-policy orientation, however, the parties should, in the years ahead, pay far more heed to the formulation of foreign-policy strategy. The initial concern will be to formulate, for the first time, a set of medium-term ideas on Germany’s foreign-policy orientation, going beyond how to deal with the next EU accession candidate or discussion of foreign intervention in the current crisis region. This debate will serve to accentuate, more than in the past, the subtle programmatic, but above all the strategic differences between the different approaches. When it comes, for example, to the issue of greater German military engagement abroad or the state of transatlantic relations, the lines of conflict will tend to run not only between the parties but also right through them.

For Social Democracy, freedom, justice, and solidarity are guiding principles of international

politics,<sup>6</sup> and they hold in a globalized world as well, albeit under more difficult conditions. As already mentioned, what is needed is to determine, with reference to these basic values, what means and strategies are best suited to achieving the traditional goals of Social Democratic politics under the conditions of changed international relations.

Substantial progress has been made in realizing the basic value of freedom, for example, with the establishment of international criminal tribunals, the creation of the Office of the UN High Commissioner of Human Rights, some progress on international law, and the most recent reform measures adopted at the United Nations (Human Rights Council, Responsibility to Protect, and Peace Building Commission), all of which appear to have met with broad acceptance among different political currents.

Apart from a number of dossier questions that even today have opened up differences between the major parties (for example, the issue of Turkish accession to the EU), the dividing lines between conservative, liberal, and social democratic foreign policy are likely to be drawn above all with reference to the issues of social justice and global involvement, government and governance, as well as the regulation of international relations and attempts to put them on a legal basis. Social Democracy's comprehensive idea of equality, which goes beyond the minimalist – primarily liberal or conservative – version of rights of privacy vis-à-vis the state and also includes a materialization of rights of equality, must also be concretized in international politics. What characterizes progressive politics in international relations is not only the specific development-oriented debate about the consequences of oppression, persecution, and repression, but also the use of collective measures to eliminate the quasi-feudal *structures* of global inequality. Social Democratic foreign policy should seek to establish global equity, much as in the case of freedom, as a strong reference point right across the policy fields of international relations – from poverty reduction and climate policy to technology and security issues.

Roughly the same can be said of the role of governance and collective decision-making processes in international relations: while liberals and conservatives tend to play down the aspects of governance and the state in the international arena, limiting them to issues of elementary security (the latter also showing a tendency to pursue particularist or communitarian strategies), a progressive foreign policy sees in efforts to create effective and inclusive institutions and to regulate international relations and put them on a legal basis opportunities to civilianize both international politics and the transnational economy. Market state or the reconstruction of political sovereignties, a partial, morally induced concern with the social question, or efforts to build an "organic solidarity" (Durkheim)<sup>7</sup> – the responses to many pressing challenges of international politics, such as climate, the environment, technology, the world economy, energy, migration, but also terrorism will be closely interlinked with these two sets of questions – governance and equity.

Often a broad global perspective on international relations is too general and abstract, and the great number of individual dossiers too minutely detailed and disparate to put together a convincing and attractive policy package in the field of foreign policy. What is needed here is an intermediate level that brings both aspects together, giving focus to foreign policy without losing sight of the interdependencies in international relations. As far as strategy formation is concerned, Social Democracy can draw on times in which foreign-policy visions and concepts were developed for the longer term, while always being bound up with the day-to-day business of politics: "new *Ostpolitik*", "change through *rapprochement*", "common security", and "structural incapacity to launch an attack" were medium-term political projects of this kind, implementing basic Social Democratic principles of international politics. Even today they remain the hallmarks of Social Democratic foreign policy, and have contributed to some

6] Wolfgang Thieler (ed.), *Grundwerte für eine gerechte Weltordnung*, Frankfurt, 2003.

7] Mathias Greffrath, *Was heißt links*, *Die Zeit*, 29, 14 July 2005.

comprehensive changes: détente, perestroika, German unity. The credo of the North–South Commission, “development policy is peace policy”, is currently more than ever the key to understanding the contexts of international politics. Today it is certainly no easy task to formulate such clearly defined projects and to translate them into viable policy – the global challenges have become more numerous, the interdependencies more complex, the actors involved more multifaceted, and the possible political successes more uncertain. All the more reason, then, to launch a political debate on these issues.

### III. In the jungle of world politics

#### III.1 Interim times

One thing typical of interim times is that they are periods in which world-political upheavals have already swept away the old structures and patterns of political action, without the new ones yet becoming visible. There frequently are struggles over new interpretations, new visions of the future are outlined, and political strategies are tried out and rejected in turn. Interim times are ambivalent. They create uncertainty, though they also offer new spaces for the re-formulation of policy.

The “balance of terror”, the Cold War’s repressive pattern with its clear-cut rules and routines, has dissolved in a world in which the classic patterns and mechanisms of political categorization no longer operate. “Uncertain”, “complex”, and “in constant change” are the attributes most frequently used to describe world politics today. The fact that the boundaries between domestic and foreign policy are becoming increasingly blurred, national processes are closely intertwined with global developments, and world-political action is widely networked, interdependent, and interconnected, is now, just about everywhere, a standard formulation in political science treatises and programmatic political speeches. The need to come to terms with this interdependence and complexity has been recognized for some 15 years now as one of the central challenges facing political action. The important features of this new complexity are: the tensions between transnational networks and national sovereignty, the discrepancy between global problems and effective capacities for solving them, the appearance of new (transnational) actors on the international stage, the breakdown of a single, overarching “strategic narrative”, the ambivalent results of political intervention, and the new role of identity in international relations.

The large number of discourses regarded as fundamental in international politics clearly shows that it has become more difficult today to conceptualize concisely the phenomenon of “world politics”. The end of the “short twentieth century”<sup>8</sup> saw the emergence of a series of competing worldviews that differ clearly regarding the determinative social forces of the present world order, the role and the forms of morality and power in international relations, or the probability of war and peace. Depending on individual tastes and inclinations, democratization, globalization, technology and cyberspace, identity, and knowledge are identified as the basic currents dominant in world politics. The range of the central political forces at work here extends from tribes and ethnic groups, new nationalisms and cultural regions, through regional organizations, investment banks, and transnational corporations to global institutions, NGOs, knowledge networks, or the various forms of media.<sup>9</sup> And the apotheoses of these narratives could hardly be more different, with some projecting the crises of the present into a dire future, while others depict a global village and a world with extensive zones of peace.

This all got under way with Fukuyama’s *End of History*. Having reached this point, it is claimed, means not only that Western-style liberalism has carried the day over Soviet-style communism, but also, in the long run, the end of wars between nations. For the time being, the argument goes, the world is divided into one zone in which a durable “democratic peace” is in the process of realization and another zone in which national-level conflicts will continue to emerge. It is further argued, however, that its victory in the “struggle for modernity” will sooner or later enable the Western model to pacify this zone as well. Interpretations that focus more on globalization as the driving force of world politics have, since the early 1990s, been working on a picture of the *end of sovereignty* in a *borderless world* (Kenichi Ohmae), a world in which, it is suggested, economic globalization and technological progress will render the world’s borders

8] Eric Hobsbawm, *The Age of Extremes: The Short Twentieth Century, 1914–1991*, London: Michael Joseph, 1994.

9] Greg Fry und Jacintha O’Hagan (eds.), *Contending Images of World Order*, New York, 2000.



more porous, paving the way for the gradual disappearance of the nation-state. Nowadays an Indian radiologist may analyze X-ray images overnight for US hospitals; and Bangalore and Boston have become neighbors in a globalized world. It is often argued that the dot-com boom, outsourcing, offshoring, and further differentiations of the international division of labor, growing and prospering middle classes in the emerging countries, the entry of India, China, and Russia into the global economy, as well as technological networking and improved exchange of knowledge have created a level playing field for the world economy: the *world has become flat* (Thomas Friedman)!

In view of the violent breakup of Yugoslavia, the “discovery” of Islamic fundamentalism, and the growing disparities between and within the world’s societies, however, doubts accumulated concerning whether the much advertised triumph of liberalism and globalization’s promise of prosperity for all would in fact be realized so quickly. Instead of focusing on universalist ideas of the world, these images were more strongly keyed to conflict, fragmentation, and the “unflat world”. Samuel Huntington’s image of the *clash of civilizations* is certainly one of the most controversial, but also most politically influential. Here, cultural, ethnic, and religious identities become important factors in the development of the coming world order. In the process sharp conflicts are likely to develop along the borders of civilizations – what German geographer Alfred Kolb called “culture continents”. Huntington sees the interests and role of “the West” in the globalized world threatened by the Confucian and Islamic regions’ gains in economic, political, and demographic power – and in particular by a possible alliance between them. Robert Kaplan’s essay “The Coming Anarchy”, which was faxed to all US embassies in 1994, focused on the fragmentation or “Balkanization” of the world. Kaplan saw the collapse of a number of states in West Africa as a harbinger of a zone of anarchy that, characterized by a mixture of demographic developments, social collapse, new wars, and massive environmental problems, was bound to increase the pressure on the prosperous parts of the world. Robert Cooper’s *The Post-Modern State and the World Order* may be seen as a variant here, but it is also one of the few pictures with a European perspective: the triptych it presents consists of a postmodern world defined largely by the European Union, and characterized by transparency, close interlinkages, and relinquishment of national sovereignty; a modern world that continues to be dominated by the logic of the system of nation-states and the iron law of sovereignty; and a premodern world characterized by conflict and failed states. The long-term goal is, accordingly, to extend the postmodern zone. If the premodern world threatens the other worlds, Cooper argues, they should respond with a “liberal imperialism” that imposes human rights and law and order – if necessary by creating “liberal protectorates”. Cooperative worldviews have a hard time of it in this debate. Two examples that might be cited in this connection are Rostow’s *The Coming Age of Regionalism*, which sees regional cooperation organizations going through a phase of consolidation and becoming important building blocks of global governance, and the notion that the common and interrelated problems facing our *endangered planet* may also lead to new forms of global governance.

This struggle between interpretations is not merely a matter of academic exercises; these images of the world, for the most part highly accessible, frame the political debates, provide orientation, and so become increasingly attractive precisely in times of uncertainty.<sup>10</sup> Not least, a number of concrete strategies and options for action are based on them.

### III.2 Options for action

We can distinguish three different options concerning how politics should respond under the conditions imposed by complex structures of order.

10] Paul Reuber/Günther Wolkersdorfer, *Auf der Suche nach der Weltordnung? Geopolitische Leitbilder und ihre Rolle in den Krisen und Konflikten des neuen Jahrtausends*, Petermanns Geografische Mitteilungen, 148, Heft 2, 2004.

## New foes

Many of the abovementioned world pictures depict worlds divided into two: Fukuyama's *End of History* breaks the world down into democracies and non-democracies, Huntington's *Clash of Civilizations* pits the West against a Confucian–Islamic alliance, and in Robert Kagan's world Mars (America) and Venus (old Europe) vie for the interpretation of the world and the understanding of power and morality. 9/11 was the catalyst that brought together, in one political strategy, a number of interpretations previously thought to be incompatible. From Fukuyama's "the West is the best" and Huntington's "the West against the rest" emerged the political idea of the "good civilization":<sup>11</sup> from Fukuyama it inherited the notion that the model of the Western democratic market economies could without further ado be transferred successfully to all other regions and countries. And from Huntington it received the conviction that the "good civilization" bloc is in a position to formulate a common will and that there is no neutral ground in the confrontation – "Those who are not with us are against us".

The popular German scare literature on the economic rise of Asia, for example, *Weltkrieg um Wohlstand* [The War for Wealth], tends to underline Germany's frontline position vis-à-vis the "Asian attackers", and then calls for the creation of an "economic NATO". In the West – and most influential worldviews are of Western origin – there appears to be a new longing for more clear-cut contours in world politics. New, seemingly clearly defined dichotomies are now to close the gap in our worldview left by the vanishing of the friend–foe schema of the Cold War period, the aim being to reduce the complexity of the political environment. The charm of clear-cut fronts is that they tend to mobilize, polarize, and provide orientation; but instead of leading to adequate solutions, they for the most part lead only to political dead ends and spurious certainties.

## Political bankruptcies

In view of the complexity or "general drama of politics", others – not without interests of their own – are already calling for the instigation of bankruptcy proceedings, claiming that the possibility of any effective, change-inducing, and efficient collective action has come to an end. In this view, politics, mostly commented on in cynical terms, is at best capable of moderating, suppressing problems, or cosmetic corrections. Talk of the "delusion of feasibility" does no more than paraphrase the desire to retain the status quo. Variants include constant references to the "reform logjam" and related complaints about the state, its political class, or the intransigence of its citizens, as well as an effusive crisis discourse, coupled for the most part with a good measure of cultural pessimism. In the end, these two views lead not to constructive efforts to attain new scope for action but on the contrary to a further delegitimization of political action – and occasionally to outbursts of antidemocratic sentiments as well.

## Doing it the hard way

A third option is – admittedly – the calmest, the least tangible in ad hoc terms, and the most difficult to sell – but in the long run it will nevertheless prove to be the most promising. It is predicated on the assumption, first, that complexity, be it on a European or a global scale, must be endured; second, that global conditions are shaped in accordance with ideas and interests, not without engendering uncertainties; and third, that it is therefore worth trying to come to terms with complexity, without falling prey to a naïve optimism about governance. The dominant insight here is that binding global regulatory frameworks and bodies of rules have contributed to civilizing relations between states (and within states); that global and regional cooperation lead not to more but to less complexity, since trust serves to reduce complexity and uncertainty as well as to regain room to maneuver; that what is therefore needed in turbulent times is

11] Graeme Herd/Martin Weber, Forging world order paradigms – "Good Civilization" vs. "Global Terror", in: *Security Dialogue*, 32/4, 2001.

not any self-granted dispensation from global rules but steadfast efforts to further develop a global governance that at present is still selective in nature; and finally, that what we have reached is not the end of history but only the beginning of a discussion on efficient and viable policy networks of regional and global scope.

### III.3 Jet stream and grounding

Coming to grips with complexity will not be an easy task. There is little reason to believe that the picture will begin to brighten soon. As an overarching trend, the “jet stream”<sup>12</sup> of international politics, *globalization* will continue to be the key frame of reference for the relationship between economy, politics, and society and to determine political discourses. At the same time, *uncertainty* may be seen as constituting the “grounding” of social development, against which background options and strategies of political action are developed.

#### Globalization

The narrow form of globalization – the compression of economic processes and market penetration – will continue to gain ground, boosted above all by technological progress (communication, information, and transportation) and its further diffusion. The consequence will be a growing accentuation of the effects of globalization and challenges in other areas – for instance in terms of patterns of culture and consumption or of political control – as well as a growing awareness of the significance of global developments for society and individual personal development.

But the Janus face of globalization has continued to take shape. The process of globalization, at least in its current form, is a long way from pursuing the path to the “global village”. While it may be said to have a homogenizing effect by incessantly penetrating new regions and countries and integrating markets, at the same time globalization tends toward fragmentation by generating development and conflict alike, opening up opportunities for societies but increasing their vulnerability, producing both winners and losers, and deepening the divide between those who are “networked” and those who are “disconnected”. The splendor and the misery of globalization clash both between and within societies: social integration but also marginalization, stable but also precarious social and economic conditions, global lifestyles and a longing for the “authentic” here confront one another.

But “globalization”, the embattled key concept of the 1990s, is bound to lose some of its ideological clout in the industrialized Western countries. The proponents of a euphoric globalization project, who emphasize the blessings of globalization, and its dedicated opponents, who point darkly to the curse of the global economy, have already made way for a more sober-skeptical view of the matter: here globalization is neither good nor bad, but a process some of whose individual aspects – such as the worldwide networking made possible by modern information technology – appear to be irreversible, but whose forms can in principle be shaped politically and so remain contested

#### Uncertainty

The ambivalent aspects of the globalization process create *uncertainty* and so contribute to a basic social sentiment that has intensified in the Western industrialized countries, too. In many regions of the world a manifest uncertainty associated with the day-to-day threat posed by hunger, disease, repression, and war has long been a constant of human development. While there the elementary pillars of human security described by Kofi Annan – freedom from fear and want and freedom to live in dignity – are all too often porous, the industrialized countries

12] Albert Bressand, Shell Global Scenarios to 2025, The Future Business Environment: Trends, Trade-Offs, and Choices, Royal Dutch/Shell, 2005.

have experienced the rise of a diffuse sense of uncertainty, or insecurity, that has attracted more political and public attention than virtually any other issue.

As early as the 1980s, and in connection with Chernobyl, Challenger, and *Waldsterben* [dying of the forests], the first “risk warnings” were to be heard emanating from the midst of the industrialized societies. In recent years, however, uncertainty has become a permanent state of affairs, combining different dimensions: internal and external, personal and societal, military and social. The surrounding world seems “desecuritized”, and what the unsettled members of twenty-first-century Western “risk societies” (Ulrich Beck) long for most is “comprehensive security”. Along with freedom and justice, security ranks very high in opinion polls on what people consider the most congenial ideas, and in three different ways: security as reliability of regulations and societal continuity; as social, existential security; and security as personal integrity.<sup>13</sup>

There are many reasons for this sense of insecurity. The growing “social vulnerability” (Manuel Castells) of Western societies is one important factor. A sizable portion of society has already been forced to bid farewell to “zones of social cohesion”, regular employment and basic social welfare; others, such as the greater part of the middle classes, live in constant fear of this precipitous social plunge.

Moreover, conflicts spilling over from an apparently “desecuritized” world into a Western “normality” believed to be secure and prosperous have opened our eyes to the vulnerability of modern societies – and not only since 9/11. From the perspective of Western societies, the largely routinized Cold War confrontation was replaced by a “new obscurity” that has – as noted often enough – lost its key ideological, regulative, and military coordinates. While the threat posed by the “balance of terror” appeared to be manageable, the clear rules of the Cold War no longer apply to today’s uncertainty phenomena; growing social uncertainty is aggravated by a sense of threat induced by terrorist attacks, climate change, crime, financial crises, pandemics, and virtual viruses. Cracks have appeared in the promise of security held out by modernity, which is based on the notion that risks are increasingly controllable.

Acknowledging risks is certainly not always a rational process. But even without shrill alarmism and incessant apocalyptic pronouncements, societal insecurity is bound to become a paradoxical challenge for politics in the years ahead, and political space must not be sealed off from society’s anxieties. What is called for is careful efforts to deal with them and – wherever possible – to eliminate their root causes. At the same time, the desire for security – and the state’s reaction to it – should not become so great that people come to regard as a refuge a strictly controlled polity that increasingly restricts their freedom. The need for societal security, which can be satisfied only vaguely, often gives rise to a call for “emergency measures”. In fact, this relies more on encouraging people to provide for their own security, to relinquish what are claimed to be “risky” freedoms, to accept the return of the Leviathan state and more social control. However, the real risks and threats facing societies can best be alleviated on the basis of a “problem-solving multilateralism” that focuses more on collective security, cooperative elements, transparency, opportunities for exerting influence democratically, and liberalization.

13] Zygmunt Baumann, Hochseilakte können nur die wenigsten wagen, in: Freitag, 34, 2005.

## IV. Fast forward – Issues and trends in international relations

The list of political challenges we are unable to deal with without consideration of global contexts has grown longer and longer in recent years. In our view there are eight issues that will define discourses in international politics: the global economy, developments in demography and migration, technological advances, the rediscovery of environmental and climate policy, the management and protection of resources, human development, conflict and security, and issues of government and governance. None of these issues can be looked at in isolation from the others; in fact, they are in many respects interrelated in terms of both the problems involved and the strategies that might resolve them.

### IV.1 Business as usual? The world economy and global development

#### Integration ...

Thanks to technological advances and better diffusion of information and communication technology, economic globalization will, in the years to come, continue to integrate new markets and regions. In 2020 aggregate world output will have reached levels some two thirds above that of today, exhibiting growth rates similar to those of the past 30 years. The key factors responsible for this development will include the penetration of new trade markets, increasing capital mobility, and a rapidly growing middle class, not only with greater purchasing power, but also with higher expectations concerning efficient economic management. Worldwide, financial services, media and entertainment, health, education, and travel will be among the most important growth sectors.

The Western economies will see their share of industrial manufacturing continue to decline, although most Western countries – Germany above all – will continue to be important manufacturing locations for high-tech products. Global markets will be dominated by some 500 multinational corporations, whose international division of labor will continue to fragment. At the same time, small, highly specialized firms will become increasingly important for niche products and high-tech innovations.

Assuming that current trends continue, the US, mainly due to its young demographic profile and high level of innovation, will continue, at least for the coming decade, to be the world's largest economy, with average growth rates of 3%. Japan will have trouble exceeding 1%, and the EU member states are – on average – likely to attain figures somewhere in between, though rates in the new Eastern European member states are likely to be somewhat higher.

Economic relations between the US and Europe – which at present amount to roughly 2.5 trillion dollars and account for roughly 12 million jobs in the US and Europe – will remain the world economy's most important economic axis. In the foreseeable future, no other bilateral constellation will even come close to reaching the high degree of interpenetration and integration typical of the transatlantic economy: nearly 75% of the FDI flowing into the US comes from Europe (2003), while the US accounts for 65% of Europe's FDI.

Nevertheless, the economic triad (EU–US–Japan) that has so far set the pace in the world economy will see itself exposed to greater competition from the emerging markets: in the next 15 years *China's* economy – the world's workshop – will triple in size and continue to gain ground, particularly in manufacturing.<sup>14</sup> Unlike India, however, China faces the problem of having to get rich before it grows old: the declining growth rates forecast for China from 2012 onwards will be due to the aging of the Chinese population (see Demography and Migration). *India*, the

14] Bernd Reddies, China: Its struggle for stabilization and equal status, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

global service provider, could turn out to be the world's growth champion, and its huge pool of well-trained, English-speaking specialists constitutes a reservoir of cheap labor and an expanding market for consumer goods. Services in the fields of software development and high-tech research and production of high-grade goods, for example, for the health sector – the subcontinent already leads the world in the production of generics – will be the driving forces behind India's growth. But it remains to be seen whether India's "leapfrog" development, concentrated in the highly qualified service sector and tending to neglect the industrial sector, will prove able to generate sufficient jobs for the younger generation, so tackling the social question at least to some extent.<sup>15</sup> Economic expansion in the newly industrializing Asian countries is also fueling the economic boom presently under way among the world's large resource-rich and agricultural economies – above all Russia, the world's energy pump and major producer of fossil fuels, but also metals, and *Brazil*, one of the world's major producers of food and raw materials and one of Asia's major suppliers of iron ore, copper and nickel, soybeans, and beef.

### ... and exclusion

While for the foreseeable future the large emerging countries will be able to profit from the trickledown effect of the world economy, entire regions face the threat of being left behind. Social disparities will grow both between countries and regions and within the world's societies, with an underclass of states crystallizing in the process.

In the coming years the regions with the highest rates of population growth will have the lowest share of world market growth. The development of the Middle East/North Africa region depends far more than other regions on rents, and the welfare disparities between the region's resource-rich and resource-poor countries are accordingly large. The region is on the whole poorly integrated into world markets – its shares in world trade (3.4%) and foreign direct investment (just 4%) are among the world's lowest – and it also has a very low level of intraregional trade. Apart from Tunisia and Morocco, there is little reason to believe that the countries in the region are about to embark on a program of economic reform or that – even more importantly – the region's resource-rich countries are likely to diversify their economies beyond oil and gas production. Israel alone accounts for 50% of the region's non-oil exports. But even the region's resource-rich countries will face problems in creating sufficient new jobs to absorb the region's rapidly growing working-age population in the coming ten years.

While Sub-Saharan Africa's<sup>16</sup> share of world trade declined to 2% in 2005, the region has experienced a gradual upturn at the local level. Its growth rates have ranged around 5%, with resource-rich countries such as Nigeria leading the way in posting strong increases. But this development starts out at a very low level and the chances are not good that by 2020 Sub-Saharan Africa will reach growth rates that – as in the case of China and India – are sufficient to contribute significantly to reducing poverty; low productivity, falling prices for agricultural products, growing competition from Asian developing countries (for example, in textile production), low levels of foreign direct investment, a continuing predominance of rural structures, poor infrastructure, underdeveloped middle classes, political instabilities, and poor governance – all these factors are likely to exacerbate an economic situation that is already very difficult. The region's only exception is South Africa.

Compared with the past decade, Latin America's economic development is likely to improve, although it will remain far behind the dynamics of India, China, and Southeast Asia. Led by Brazil, the region is likely to concentrate above all on raw materials and food.<sup>17</sup> Growth op-

15] Peter Gey/Matthias Jobelius/Renate Tenbusch, India: Challenges On The Road To Becoming A World Power, September 2007, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

16] Ulrich Golaszinski, Sub-Saharan Africa: the rediscovery of a continent, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

17] Wolf Grabendorff, Latin America: A lot of democracy, not much state and even less social progress, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

portunities for the South American economy lie mainly in agribusiness and mineral processing. As far as the industrial sector is concerned, the countries of the region are faced with strong competitive pressure, above all from China. Much will depend on whether the countries in the region succeed in creating a functioning single South American market and reaching agreement on a joint development model that also has public support.

While the flat world (Thomas Friedman) extends to Shanghai, Johannesburg, São Paulo, and Bangalore, the planet of slums (Mike Davis) will also continue to expand. The phenomenon of a rapidly growing global middle class able to afford the consumption characteristic of the Western industrialized countries, as well as an anticipated reduction in the absolute number of needy and poor people contrasts with the continuing accumulation of wealth in the hands of the few, a geographic concentration of poverty, and a dramatic deterioration of the material, social, and health situation in poverty regions. Above all China and India's highly successful poverty-reduction efforts are helping to make the first and most urgent of the Millennium Development Goals (MDGs) (to halve, by 2015, the proportion of people whose income is less than one dollar a day) at least a realistic prospect. Between 1990 and 2002, the incidence of extreme poverty declined from 28% to 21% – in absolute terms, this translates into 130 million people. Even if this positive trend continues, however, some 827 million people will still be living in extreme poverty in 2015 (that is, 380 million more than allowed for under the Millennium Development Goals) and a further 1.7 billion people will have less than two dollars per day to live on. While, thanks to China's development, East Asia (16.6%) has already reached the goal, Southeast Asia (10.2%) is just short of it, and the figure for South Asia shows a marked decline (29.9%), the number of people in Sub-Saharan Africa living in extreme poverty, in both absolute and percentage terms, has risen in the past 15 years to encompass 46.6% of the population. In Latin America extreme poverty has declined slightly (14.6%), while social inequality, more marked there than anywhere else in the world, has continued to rise. Since 1990, the starting point for the MDGs, 50 countries have fallen behind on at least one of the goals, and another 65 countries will be unable to reach even one MDG before 2040, thus missing the target by a whole generation.<sup>18</sup> From the European perspective, the development of poverty in the former Soviet republics is particularly alarming: while in recent years most countries have continuously improved their position on the Human Development Index – a combined indicator made up of income, education, and health – 18 countries have suffered setbacks since 1990: 12 in Sub-Saharan Africa, the remaining six on the territory of the former Soviet Union. This would seem to indicate that the development paths of the developing countries continue to be highly heterogeneous, with grave consequences for the stability of entire regions.

### Uncertainties

Further development of the world economy is bound up with a number of uncertainties, however. Apart from external events such as war, natural disasters, or a general deterioration of the security situation (that also threatens supplies of raw materials and energy), the most important factors influencing this development are technological change and innovation, degree of market interpenetration and integration, design of economic institutions, and the role of the US.

While skeptical scenarios point to an era of uncertainty that could negatively influence the economic climate, optimistic scenarios proceed on the assumption that fundamental innovations – such as decoding the human genome or the combined use of bio- and nanotechnology – and the integration of new markets may well prove able to spark a sustainable upturn of the world economy. Even though China's rise will lead to protectionist outbursts and a number of more or less severe trade conflicts, the world economy will, on the whole, continue on the present

18] United Nations, The Millennium Development Goals Report, New York, 2007; UN Millennium Project, Investing in Development: A Practical Plan to Achieve the Millennium Development Goals, New York, 2005.

course of liberalization. The US will profit less than other economic powers from further market opening and could develop into an even more difficult partner in trade policy – for Europe too. Numerous overlapping bilateral and regional agreements will regulate trade relations, and increasingly include social and environmental standards. In the most favorable case this will lead to a new attempt to establish a global regime, although in the more likely case it will lead to further disintegration of the regions that have been decoupled from the world market, to even greater integration of the – already well integrated – industrialized and emerging countries, or – in the case of a continuing regional renaissance – to a new “regional mercantilism”. China’s and India’s development paths also continue to be fragile; above all, unresolved internal social and political transformation processes, the ecological limits to growth, and energy supply crises could seriously disrupt their economic dynamic. China, which holds the world’s largest dollar reserves and is an important market and foreign direct investor, is already so far integrated into the global economy, however, that a slump in its economic dynamic would have serious repercussions.

According to an even more negative assessment of the global security picture security costs will continue to rise, leading to restrictions above all in transportation, communication, and production and trade of high-tech goods. Even though a deterioration in the security of energy supply could accelerate the search for alternative sources of energy, in the short term it would mean higher energy prices. In conjunction with a partial protectionism initially motivated by security concerns – above all in several “old” industrialized countries – low growth rates could spawn a new economic nationalism, involving high barriers for transnational corporations and mergers, conditionalities for companies investing abroad, and – especially in Europe – restrictive migration policies. One major point of contention in the transatlantic economy will be the US deficits, which the US government has been unable to get under control because of its growing defense budgets. With the economy prospering, the US would be able to deal with these deficits, but in a weakened world economy the most important holders of US debt (China, Japan, South Korea, OPEC countries) might start pulling out of what was once the key world currency. In view of the possible implications for their own position in the world economy, however, countries such as China could also assume the role of financial good Samaritan, continuing to support the US dollar, but now turning their new preeminence to political account, for example, by demanding more weight in international forums or threatening to veto planned US interventions.

In the years ahead the weal and woe of the international economic institutions will also depend on transatlantic cooperation and the ability and willingness of the US and the EU to take greater steps to include the emerging countries in world economic governance. And assuming that the current dollar–euro relationship continues to hold, any substantial progress in efforts to give further political shape to the international financial markets is likely to be halted by US resistance and be restricted to partial aspects that – such as efforts to control tax havens – are closely bound up with other core issues of international politics. It remains at least doubtful whether a massive dollar crisis would create the space needed to work out a new financial market architecture in view of the distortions such a step would trigger in the world economy.

### The interests of a trading nation

The Federal Republic of Germany’s influence in international affairs has always been rooted in its economic strength. More than most countries, the “world export champion” is reliant on open markets and a functioning global economy, and in recent years Germany has profited greatly from the continuing integration of markets, especially in Eastern Europe. This implies that Germany’s future prosperity will largely depend on the stability of world markets and the adaptation of elements of global economic regulation to the new conditions. A world economy that is generally uncooperative in nature can have serious implications for a country as highly



integrated as Germany. A creative foreign trade policy geared to cooperation and integration will thus be one of Germany's key tasks for the future.<sup>19</sup>

While it is true that Germany has an important voice in the global economy, the influence of individual countries – excepting the US – on its architecture is very limited. The only promising response to this weakness is further integration of Europe – internally, efforts to forge a strong and dynamic economic bloc (for example, on the basis of a common competition policy or a revitalization of the European macroeconomic dialogue), and externally with a view to assuming a major role in multilateral forums in order to forge ahead with reform of international institutions. The medium-term goal here must be a complete Europeanization of Germany's foreign trade policy.

While the international financial system has been spared a major crisis in recent years, the systemic risks that have time and again destabilized international markets – currency speculation and exchange-rate fluctuations, current account equilibria, or the growing role played by difficult-to-control hedge funds and private equity firms – are still with us. The only way to counter international financial markets' current crisis tendencies is to put in place a strong, transparent, and democratically legitimized international regulatory system, including both private- and public-sector actors. Apart from making it possible to better control market actors, such a regulatory system would also prove helpful in boosting market stability by renewing debt-relief efforts for highly indebted countries (for example, by creating an international insolvency mechanism) and establishing controls on capital movements. The international oversight authorities, above all the IMF, are in need of reform. Such reforms would include in particular a redefinition of quotas and voting rights designed to increase the weight of the emerging countries and to improve crisis management. The prospects of such reform options depend chiefly on whether and to what extent the most important international financial centers – in this case mainly the US and the UK – would be prepared to contribute to stabilizing the system.

Germany's export-based economy is necessarily interested in a long-term increase in worldwide purchasing power and the integration of new markets. One aim of German foreign-trade policy must therefore be to promote the development of – above all – its European neighbors, but also of less developed world regions, with a view to creating new long-term market opportunities and using instruments of economic and development policy to stabilize markets (see Section 5.5).

Germany's trade orientation will continue to involve a number of obdurate goal conflicts in foreign policy. As far as some of these conflicts are concerned – for example, arms exports or trade in sensitive goods – greater efforts should be made to strengthen the credibility of German policy (for example, in human rights and conflict prevention) than to service special economic interests. Other goal conflicts that may have a major impact on society – for example, efforts to restructure and open up the European agricultural market or, more generally, ongoing social adaptation – will prove more difficult to master.

## IV.2 Population matters! Demography and migration

### Two worlds

Population development forecasts are relatively stable. While it is difficult to predict the outbreak of war or crisis, and most of the technologies and the better part of the capital stock that will be in use in 2050 have yet to be created, over 40% of the world population of 2050 has already been born. The United Nations expects the world population in 2020 to be roughly 7.5

19] Michael Dauderstädt/Christian Kellermann, Controlling the risks of a global economy: Germany's role, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

billion people and the equivalent figure for 2050 to be some 9.2 billion (2005: 6.5 billion); over half of these people will live in Asia. While between 1950 and 2000 world population grew by 142%, it is expected to grow only by 49% by 2050 – and then to stagnate at around that level.<sup>20</sup> The coming 40 years could thus bring the end of massive, global population expansion, removing from the global agenda the problem of “overpopulation” in the sense discussed in international relations in the course of the twentieth century.

But population and population development will continue to be crucial factors as far as international relations and the global economy are concerned. The continuing – albeit slower – rise in world population – which will, moreover, be regionally concentrated and go hand in hand with other developments tending to aggravate the situation (urbanization, desertification, overfishing, shortages of drinking water, massive proliferation of small arms) – will increase the pressure on resource allocation, ecological systems, and social interaction. Regional developments will differ from what we have been accustomed to. The bulk of population growth will occur in the regions least equipped to cope with it economically, politically, environmentally, and socially. Asia will continue to have the world’s largest population, but trends will differ from region to region: while Pakistan and Bangladesh will face huge demographic pressure, China’s overall population, though it will not decline, will experience quite abrupt shifts in its age structure: for example, in 2020 there will be over 400 million Chinese over the age of 65. The most rapid population growth will be found in Sub-Saharan Africa, North Africa, and the Middle East, which contain 16 of the 20 societies with the world’s highest birth rates. In the coming 20 years the population will continue to grow in central Africa in particular (68%), but also in West and East Africa (52 and 55%), while the population of southern Africa will stagnate on account of the AIDS pandemic. The Middle East will experience dramatic growth in the working-age population (50% by 2025), and this will entail growing pressure on the region’s labor markets. Of the nine countries that will account for some 50% of the increase in world population (India, Pakistan, Nigeria, Democratic Republic of Congo, Bangladesh, Uganda, the US, Ethiopia, and China) only one is a developed, industrialized country.

Various demographic risk factors that will appreciably raise the danger of internal conflict will tend to coincide in many developing countries. In the coming ten years roughly one billion new workers will enter the labor market, 95% of them in developing countries.<sup>21</sup> Particular attention should be paid here to the high percentages of 15- to 24-year-olds (“youth bulges”); in some cases they account for up to 60% of the population and are often at massive risk of unemployment. Encouraged by rapid urbanization, they are likely to prove a social challenge and a serious instability factor (“angry young men”) precisely where economic opportunities are rare and youth unemployment rates are high.<sup>22</sup>

In most developing countries, however, the population will decline, with the average age of the population rising appreciably. In 2030 nearly one in four West Europeans will be over 65, while in Sub-Saharan Africa the same age group will account for no more than 4%. The countries most affected by population decline will be Russia (some 10% by 2025) and the eastern European countries, but also Japan. As far as western Europe is concerned, Italy, Germany, and Spain will experience a slight decline in their population, while the UK and France are expected to see their population rise in the coming 20 years. By 2020, however, Germany will not be tangibly affected by demographic developments (population contraction), although it will feel the anticipated shift in age composition, above all in its working-age population. Efforts to ensure that a sufficient number of qualified workers are available will become even more difficult in this period.

20] UNFPA, *State of World Population 2007*, New York, 2007; United Nations Population Division, *World Population Prospects: The 2004 Revision*, New York, 2004.

21] Erfried Adam, *Human rights and international social policy: Constraining the anarchy of power*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

22] Countries with high population growth face a risk of civil conflict twice as high as that found elsewhere.

## The urban century

Another demographic factor worthy of note is rapid urbanization. Since 2006, “officially” – and for the first time in history – over 50% of the world population has lived in cities; by 2020 the figure will have risen to over 60%. The world’s cities will account for nearly all of the population growth anticipated in the years ahead. It is in the developing countries that urbanization will progress at a particularly rapid pace, however. In Latin America, where even today 75% of the population lives in cities, the trend will continue, and it will accelerate in less urbanized regions such as Asia and Africa. In ten years Tokyo (28 million), Mumbai (28 million), Lagos (25 million), Shanghai (24 million), and Jakarta (22 million) will be the world’s largest urban agglomerations. In the Middle East and North Africa, where two decades ago only 30% of the population lived in cities, the figure anticipated for 2020 is 70%. Urban agglomerations tend to overlap with coastal regions, which will be home to some 75% of the population in the coming three decades. Big cities – in a sense, modern city-states – will become *the* central units of economic growth and the production of culture and knowledge, and they will attain more and more influence on (economic) globalization processes. The city will be a place of both opportunities and problems in condensed form, an enclave of prosperity and of slums. For many people city life will mean a relative improvement in living conditions, and for the impoverished rural population in large parts of the developing world, it will represent a place of refuge. At the same time, it is not only in the developing countries that the urban wilderness will go hand in hand with major challenges for urban infrastructure and social, education, and health systems. In the years to come the task of reducing urban unemployment is likely to be just as important for the stability of entire regions as attempts to find solutions for the climate problem or progress on disarmament.

## Migration

Besides the persistent migration of rural populations to urban areas and forced migration due to war and natural disaster, transnational migration from poor countries to rich(er) countries is likely to increase; its causes must be sought in differences in population development, different age structures, and accentuated economic and social disparities. But the scope of international migration will depend on a number of factors (such as the social and environmental situation in the country of origin, public opinion in recipient countries, immigration regimes, and so on) that are difficult to determine in advance. In fact, internal migration – that is, population movement within national borders – is far greater in scope than international migration, which at present involves some 170 to 190 million persons, many of them from the immediate vicinity of political and ecological crisis regions.

In the coming years most migration will be either to the US (the world’s largest net recipient country for legal migrants, most of them from Latin America and South Asia) and the European Union (most of it from North Africa, the Middle East, South Asia, and the postcommunist countries) or within a given region, from less developed to more highly developed countries. In Europe, which will receive roughly one third of net worldwide migration, Germany will be the most important recipient country, followed by the UK and Italy. The most important countries of origin will be Turkey, Egypt, and Iran. By 2050 the UN foresees net migration to Germany of nine million persons (6 million for the UK and 5 million for Italy). In recent years massive restrictions on permanent immigration imposed by traditional target countries, growing emigration pressure, but also growth in human trafficking have led to a strong rise in the numbers of illegal immigrants, on which no reliable statistics are available. At the same time, entire branches of industry are – as in, for example, Spain – wholly reliant on these illegal migrants.

The industrialized nations, with their low birth rates, will actively seek immigration and be forced to compete for qualified immigrants as a means of meeting their labor market deficits.

Countries such as Germany that traditionally have a large share of migrants and appropriate migration structures are likely to find this easier than, for example, Japan, where the cultural barriers are so high that they rule out any appreciable growth in immigration. For the developed countries, this situation may, in the short term, mean a better supply of labor, but it may also lead to social tensions and cultural conflicts. An economic downturn in the EU would reduce migrants' chances of integration, generating an increasingly protectionist public opinion, but also xenophobia, and in the end attempts to actively attract immigrants might – in view, say, of security threats – be drastically reduced.

In the countries of origin, in turn, emigration of skilled workers and specialists constitutes a serious obstacle to development. The countries worst affected by this include African countries with a small reserve of skilled workers, such as Ghana, Nigeria, and Algeria. As regards India, while 60% of the graduates of Indian technical colleges left the country in the 1990s, in the meantime this has been compensated for by the large number of qualified workers the country trains itself and the increasing trend toward outsourcing work to India. Despite some successful efforts undertaken by prosperous emerging economies, such as Taiwan, this distribution conflict is likely to grow in intensity in the coming years, fuelled by massive attempts by the countries of the North to recruit new skilled labor.

### Crossing boundaries

In the medium term there is little Germany can do to influence global population development. The resources available should be used to implement the decisions taken at the Cairo Conference on Population and Development (above all with regard to women's rights and family planning), and in working out development-policy priorities it would make sense to accord more consideration to the structure of migration to western Europe.<sup>23</sup>

However, in the short to medium term the only viable approach to meeting the demand for qualified workers must be a combination of managed immigration and improved integration strategies. At the same time, a (partial) legalization of illegal migration, which has become a fixed element of the European economies, could help to stifle human trafficking and defuse the dangerous conditions under which migration takes place. A migration regime jointly worked out by the European countries will have to define the criteria for immigration and clarify the issue of family reunification, which accounts for a large share of immigration to the EU countries. A package of this kind would also include a debate on the relevance of and the need for continuous immigration, a development for which Germany in particular is prepared neither in political nor in social terms.

The developed countries' grab for skilled workers, mostly from developing countries, to compensate for their own (education-)policy deficits defines a further facet of global disequilibrium. The countries actively recruiting immigrants will have to deal with the compensation issues involved, though it has become clear that the relevant measures will be difficult to enforce: at present there is some talk of an exit tax to be paid to the country of origin by the recruiting company.

In the coming decades the key issues in urban centers will be transportation systems, resource processing, land management, social infrastructure, and innovative administrative structures. German municipalities have much to offer in this connection. Closer cooperation in these fields with dynamic urban regions, which are often the economic centers of continents, would also benefit German cities and regions.

23] Ernst Hillebrand, *Too many or too few? Demographic growth and international migration*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

### IV.3 Is everything possible? Technology and information

#### Online

Technological progress has been one of the most influential factors behind social development in recent decades. New technologies have brought marked changes to communication, the production and distribution of goods, food production, and medical treatment, but also to warfare. More than anything else, it is information technology that has contributed to boosting the development of the world economy, integrating existing markets and opening up new ones. The Internet also facilitates international political management, from efforts to combat bird flu to the organization of the World Social Forum.

Nor will technological development lose steam in the years to come. More invisible and personalized, the technologies of the future will be more closely dovetailed with the various political, social, and private aspects of life. Of particular importance will be the interplay between three technologies: information technology, already well established, will become even smaller, faster, cheaper, more user-friendly, and more broadly available, close to omnipresent; advances in biotechnology will make it possible to better understand, modify, and control living organisms; and nanotechnology will make it possible to master microstructures and to develop miniatures that will substantially increase the capacities of the other two technologies. The greatest potential is assumed to lie in the combination and integration of different technologies. Medical research, material sciences, safety engineering, agroindustry, and modern transportation systems are the most important fields that will be influenced by the interplay between technologies. And without a massive use of technology (GrinTech – green integrated technology), it will be virtually impossible to tackle the most pressing problems facing the world in the years to come. New methods of water supply and improved filter technologies could help to ensure that clean and affordable water does not become a scarce commodity precisely in urban agglomerations: intelligent and fully biodegradable materials can pave the way for waste prevention in place of waste production.

But the further advance of technologization will prove to be ambivalent. The new technologies of the twenty-first century will not find themselves in the situation of twentieth century information technology, which did not need to overcome major resistance in society. The reverse sides of the new technologies are becoming more manifest. We encounter them, for example, in the form of infringements of the private sphere made possible by the surveillance possibilities opened up by huge databases; ethically more complex questions in biotechnology; and uncertain risk assessments and hermetic control of technologies that pose a massive risk, due to accident or misuse. A number of these technologies will become powerful political issues, and their adoption and further development will be accompanied by more social and political controversies than they have in the past. Another question that will grow in importance is the “reinvention” of technologies that have become obsolete or too risky.

#### Real time

It is due not least to advances in information technology that communication and the media have come to play an increasingly important role in international relations. The growing lack of transparency characterizing international relations and growing uncertainty concerning political decision-making have given the media greater influence over political processes. Satellite television and new stations such as Al Jazeera and Abu Dhabi TV, talk radio stations, but also the rapid growth of the “blogosphere”, have further boosted the decentralization of the media and information procurement. Today’s more diverse and broader flows of information, which can – despite massive defensive reactions on the part of authoritarian regimes – render political systems more permeable, have made it possible for individuals to form truths of their own.

At the same time, today's decentralized access to information and information dissemination makes it easier for all kinds of political actors to launch campaigns, to persuade people, to propagate their views, and to organize: the Internet, a medium subject to very little censorship, is crucial in this connection, and today the spectrum of interventions it has made possible range from the Internet petition and the virtual "*J'accuse*" to the downloadable terrorist video.

Television has in recent times clearly demonstrated the huge influence that (staged) picture worlds may have on our worldviews. In the second Gulf war, real time, live transmissions, pool journalism, and new military technology set the stage for a strategic occupation of our screens, a strategy that was supposed to show us a germ-free and victimless war; this strategy, however, proved impracticable in the third Gulf war thanks to the decentralization of information and altered attitudes on the part of many in the media. Richly illustrated information can create a "morality of perception" (Georg Seeblen) that calls on us to act, while the opposite "CNN effect" may lead to situations in which world events, no longer reported on, find little attention – and induce little political action. The discussion on the "image-defining role of the media" and the enlightening, distorting, or formative role played by the media in international relations shows, finally, that public opinion has become a weighty factor in international politics – and the question of how and through what media international politics can best be influenced is bound to grow in importance.

### Offline

Modern communication technologies such as the Internet awakened hopes of a "great equalizer" that was to be used to transfer knowledge and information throughout the world. In fact, global inequality has turned out to have another facet: a virtual wall separates the countries that have at their disposal as much information and communication technology as they desire from the countries that have limited access to this technology. While the digital divide finds real expression in other categories as well (rural/urban, income, gender, education, age), the most striking global inequalities are geographic: by far the greater part of mankind remains cut off from modern information and communication technologies. Some 90% of Internet users live in the industrialized countries; over half of the world's population lacks access to a telephone, while 19 out of 20 have no Internet access. While the US and Canada (69.7%), followed by Europe (38.9%), have the highest degree of market penetration (Internet users/population), the Middle East (10%) and Sub-Saharan Africa (3.6%) have the least.<sup>24</sup> The entire African continent (minus South Africa) has less Internet traffic than Manhattan. Asia shows a number of major disparities: while China, with 137,000,000 users, has the largest and fastest-growing Internet community and the Tigers and Japan have high degrees of penetration, parts of South Asia and – in particular – the Central Asian republics (with an average of 2.3%) have largely been left behind. In Latin America (17.3%) the *Cono Sur* countries, led by Chile and Argentina, are better connected than the Andean countries or Central America.

There is reason to believe that in the coming years the development divide between the "have nets" and the "have nots" will continue to deepen. And the parts of the world that already have technologies and continue to develop them will do all they can to improve their connectivity. Some countries in Asia will be better connected, as will parts of Latin America – above all Brazil, where over 20 billion euros has been invested in telecommunications projects in recent years, while no more than two billion euros has been invested in the Middle East, South Asia, and Sub-Saharan Africa.<sup>25</sup> The disconnected world will experience the emergence of islands of information and communication, where mainly social elites and NGOs will be connected.

Today, the ability to make use of information technology is one of the factors crucial for prospere-

24] Internet World Stats, [www.internetworldstats.com/stats.htm](http://www.internetworldstats.com/stats.htm), 26 March 2007.

25] UNESCO, World Report: Towards Knowledge Societies, Paris, 2005; Social Watch, Report 2006: Impossible Architecture, Paris, 2006.

rity. Viewed in these terms, lack of access is an obstacle to poor nations' social and economic development. The key factors needed for the further expansion of modern communication technologies are – as in the case of many other technologies – not only “hard” factors, such as the availability of a stable and broad physical infrastructure, market access, and affordability, but also “softer” factors, such as population education/training levels (reading skills and linguistic competence) and local acceptance of new technologies.

### Home base

Germany is a high-tech country, and much of its economic success and social prosperity depends on whether and how the country manages to develop, integrate, and market innovative products and processes. There are good reasons to believe that the markets of the future will be green. Transportation and mobility technologies, bioplastics, water and wastewater technologies, and energy efficiency may serve as examples of these key fields, which are directly relevant in meeting important tasks of the future. These in turn would include approaches to urbanization processes, the climate issue, or conflicts over water and other resources. Efforts to position Germany as a “global environmental engineer” would also open up opportunities for economic development. Apart from efforts to set the course for Germany's economic and innovation policies and for the conversion of the national industry structure, Germany needs above all to be engaged in international climate and environmental policy.

Today, knowledge ages and is replaced by new knowledge at a faster pace than ever before in history. Bearing in mind these rapid knowledge and technology cycles, and in view of demographic developments and the increasingly close linkage between technology and work, the ways in which knowledge is organized and diffused and approaches designed to adapt (vocational) careers will become important tasks for the future.

The path to the much-cited knowledge society and the use of new technologies is likely to lead to a number of conflicts, at both national and global level: distribution conflicts between different factions of industry over innovations, conflicts between ethical principles and competition-related interests, between the desire for open markets and the need for protection of innovations, or between the right to privacy and the need for control mechanisms. Society's acceptance of new technologies is increasingly becoming a precondition for fundamental innovation. Careful risk assessment and a transparent public debate on new technologies are indispensable in this connection.

This would extend in particular to “preventive control” of sensitive technologies designed to set social limits to what is technologically possible. Such limits might consist of a ban on development or “reinvention” of certain technologies. In the countries of the South, development policy must help to “leapfrog” environmentally harmful technology stages.

The fact that many Southern countries have limited access to information and technology is a crucial factor obstructing their development. This is why international engagement must work to ensure that access to technology becomes possible and affordable (for example, with the aid of a massive diffusion of the 100-dollar laptop developed by members of MIT's Media Lab), that illiteracy is reduced, and that education/training is improved. But technology transfer must be embedded in a knowledge transfer that does justice to the social and cultural aspects of technology. One contribution here could be improved international cooperation in education/training (for example, via universities and companies) aimed at boosting the brain gain for developing countries, and other efforts aimed towards at least containing the brain drain to the developed countries (see Section 4.2).

#### IV.4 Risky times? Conflict and security

Collective security and collective defense – guaranteed by the UN and NATO – are the basic conceptions on which Germany security has been based in the postwar era. Even though this may at times have been lacking in practical coherence, it did constitute the stable framework in which Germany, mainly a “security recipient” at the seam of global conflict, was embedded.

As far as both the actors and the threats and risks involved were concerned, however, the end of bloc confrontation gave rise to an obscurity as regards security policy for which no pattern of action had yet been developed. After some initial hopes in the 1990s, the UN proved unable to assume the role of stable and efficient backbone of a robust world peace order; NATO is in the midst of a transformation process with an uncertain outcome; new, regional security projects could turn out to be important structural elements of a new world order, but they remain highly fragile and limited in reach. Unmistakable, however, is the renaissance of great power politics, the return of war as a political instrument, and a growing inclination toward self-dispensation from collective norms, all of which has led to increasing damage to the multilateral world order since the mid-1990s. One of the most important tasks facing international politics is still to find a viable architecture for collective security. But this will succeed only if general agreement is reached on the nature of the crises and risks presently besetting the international system.

Today’s risks are characterized by their close interlinkage and interdependence, a rapid regionalization of local conflicts, asymmetrical constellations, the important role played by the media, and a heightened risk perception in the developed countries. The “list of global threats” compiled in the most recent report on UN reform (*In Larger Freedom: Towards Development, Security and Human Rights for All*) covers the most important security risks and is largely consistent with the lists of problems assembled by national governments and regional organizations: economic and social threats, including poverty, disease, and environmental degradation; conflicts between and within states, including civil wars and genocide; nuclear, radiological, chemical, and biological weapons; terrorism and transnational crime.

This situation has led the countries of the North to focus more and more on whether and to what extent conflicts and problems besetting some regions and countries of the South could also constitute a threat to their own security and economies. While the concrete threats facing Germany in particular have decreased since 1990, a number of (development-related) political problems have now come to be defined as relevant to security, and their implications for the countries of the North are not yet foreseeable. More complex and diffuse, and so more unpredictable than the East–West conflict this constellation contains considerable fuel for conflict and is leading to a sense of uncertainty in the countries of the North. Whose security are we talking about, therefore? Who is supposed to be protected from what dangers, and how? We must bear these questions in mind in discussing security risks today.

Looking at the great number of security challenges facing the world today, Western security circles regard the proliferation of weapons of mass destruction as potentially the greatest threat to global security, while seeing terrorism as the most immediate threat and identifying regional conflicts sparked by internal tensions as the type of conflict that will dominate in the years to come.

##### Terrorism

Since September 11, 2001, and other attacks on all continents (except for Latin America), transnational terrorism and the fight against it have become the dominant issue in inter-



national relations. In Western societies such terrorism is perceived as a substantial factor undermining security, although there is still some controversy over how best to deal with the threat.

A good number of factors have contributed to the emergence of this form of terrorism. These include a motivating ideology that serves to bridge the differences between terrorist actors, merging numerous regional specific conflicts to form what appears to be an overall strategy, a seemingly unshakable hegemonic power that serves as a "federator" ("the Great Satan"), powerful social tensions that generate violence-prone environments, and a number of emblematic organizations. At the same time, the structures of terrorism appear to respond very flexibly to change: the pressure generated by the "war on terror" has served to loosen the links holding the – increasingly faceless – terrorist networks together, while al Qaida itself has increasingly assumed the role of ideological and social leader. One fact particularly disquieting for Western societies is that Islamist terrorism has emerged not only in what have generally come to be termed failed states, which are certainly well suited for recruitment and training, but in Western societies themselves.

Indiscriminate murder and destruction of symbols of a "Western order" are part and parcel of a terrorist communication strategy that aims, above and beyond the targets and victims of its attacks, principally at achieving psychological effects and is designed to convey two messages: first, terrorists seek to convince potential followers that attacks on the overly powerful West, its representatives, and its culture are both possible and effective and that even in this asymmetrical conflict they are entirely capable of developing political power; second, the stage management of terror and the publicity accompanying individual acts exert their impact within – often democratic – societies, causing insecurity, fear, and intimidation. "The guerillero occupies the land, the terrorist takes possession of our thinking" (Heribert Prantl). It is precisely mass access to modern means of communication such as the Internet that has opened new avenues for terrorism to multiply its propaganda.

To cite an example, it is mainly terrorism that has been responsible for the fact that the (actual or perceived) need for more security has assumed such importance in the world's societies in recent years. Some countries have reacted externally with military power, but nearly all countries have responded internally by massively expanding their security strategies – with war between nations following on the heels of privatized violence, and with a sense of insecurity in society engendering what might be termed "security hysteria". In the past, military actions have not contributed to boosting security and containing terrorism, however; on the contrary, the military option has weakened the political strategies devised to counter terror, leading to further polarization and seemingly confirming the thesis of the clash of civilizations. By infringing international law, turning a blind eye to human rights, or forging alliances with authoritarian states for purely tactical reasons a kind of "mutual assimilation" takes place that further undermines the legitimacy of Western countries' antiterrorism efforts. The nightmare scenario in Iraq is the terrorist's dream scenario: "The West" wholly relinquishing its most important weapon, namely its civil, economic, and social attractiveness. If we look hard at the factors that led to its rise and the strategy currently deployed to combat it, we must conclude that it is unlikely that transnational terrorism will be completely overcome in the near future. But if the war on terror becomes a permanent state of affairs, it would have catastrophic results for (democratic) societies and a cooperative international order. No sustainable success in the struggle against terrorism is likely unless every effort is made to avoid using means structurally similar to those used by terrorism itself. Concretely, this means that the "war on terror" should first and foremost be addressed through politics and anticrime measures, not by military means.

## Disarmament and proliferation

All Western security doctrines regard the proliferation of weapons of mass destruction as one of the most important threats to global security. Issues of disarmament and arms control agreements have not ranked high on the agenda in recent years, however. The opportunity presented when the East–West conflict came to an end to accelerate the reduction of arms stockpiles, to establish a new disarmament and arms control regime, and so possibly to prevent the emergence of new nuclear powers, has not been taken. And despite the undisputed successes of, for example, a regime such as the Nonproliferation Treaty, the existing regimes are in danger and are coming under growing pressure from various quarters.

At present, for instance, we can observe a clear-cut trend toward the further proliferation and modernization of nuclear weapons, a development that could trigger a “spiral of fear”. Pakistan, India, and (presumably) North Korea have already become nuclear powers, and Israel is also reported to be in possession of nuclear warheads. Iran is working full speed ahead on a nuclear program that, according to the IAEA’s assessment, is also designed for military use. It is above all in sensitive regions such as East Asia and the Middle East that some other countries (for example, Japan, Egypt, and Saudi Arabia) might come to regard the acquisition of nuclear weapons as a viable security option. Enlargement of the circle of nuclear states would not only make the work of arms control far more difficult, but it would also – as the examples of Pakistan and North Korea show – increase the risk of proliferation between countries. What we see is a growing risk that a “nuclear supermarket” may develop that could, potentially, facilitate the access of terrorist actors to weapons-grade material. The old nuclear states in turn are currently modernizing their arsenals, demonstrating their intention to continue defending their privileged interests and their unwillingness to rid themselves of their nuclear weapons. At the same time, these countries are distancing themselves from the exclusively “political” role that nuclear weapons played in the past by developing tactical nuclear weapons designed explicitly for use (“mini-nukes”).

While there is no mistaking an incipient nuclear arms spiral that could unleash a dangerous dynamic in the coming years, we can at the same time note a decline in the number of countries producing chemical or biological weapons – a development due not least to the *Biological and Toxin Weapons Convention*. The focus now is more on non-state actors. While at present nuclear weapons are too costly to build without the aid of state structures (unless of course relevant groups gain the support of certain states), the rapid further development and dissemination of biotech research has given rise to a real danger that terrorists could acquire biological weapons, which are easier to build or procure. One of the central questions will be how successful regimes can best be modified and adapted with a view to effectively preventing non-state actors from building or acquiring such weapons.

At present there are no binding and efficient regimes in place to control small arms, the most devastating type of weapon in use in ongoing conflicts: today some 90% of all victims of conflict are killed by small arms, some 650 million such weapons are in circulation, half of them privately owned, and a good share of them – facilitated by organized crime<sup>26</sup> – wandering from crisis region to crisis region. Cheap, easy to transport and conceal, and simple to operate, small arms are the “perfect” weapon for the “new wars” (Mary Kaldor). The 2001 UN *Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects* has been the point of departure for numerous initiatives, most of them launched by civil society organizations. While the program contains a number of recommendations for action (such as identification and destruction of surplus publicly owned weapons) the control regimes continue to be weak. It is above all the resistance of the major producers (the US

26] Richard Mörbel/Sönke Schmidt, Prevention and suppression of organised crime: future action perspectives from a German and a European angle, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

and Russia) that has so far managed to prevent the inclusion of privately owned weapons, the setting of binding standards – that is, that give due consideration to the conflict risk in recipient countries – for weapons transfers, and the adoption of rules barring non-state actors as recipients. Despite EU pressure, the Small Arms Review Conference held as a follow-up on the Programme of Action 2006 was unable to come up with any new agreements. In view of the situation of violence in many countries, this void represents a serious problem for crisis prevention.

### Fragile states – fragile regions

According to estimates, today some two billion people live in fragile states, although it must be said that the range of states included here extends from weak states with deficits in individual areas to countries embroiled in civil war and collapsed states that have lost control over their own territory. The process of state failure as a rule takes a fair while to reach the stage of complete collapse. Fragile states usually have serious deficits in maintaining basic government functions, including the enforcement of the state monopoly on the legitimate use of force, lawmaking, taxation, or social services. Many factors play a role when a country develops into a failed state, and the impacts of these factors may differ considerably from one country to another. Two can be traced like a red thread through all the “failure stories”, however: social inequality and a state that has fallen into discredit are foremost among the causes of instability. Under the crumbling shell of the nation-state, we find structures that, far from serving to create stability, operate as causes for conflict. Autocratic rule and neopatrimonial political systems, often accompanied by systematic corruption, are factors that discredit state institutions. This lack of robust statehood and of elites oriented to the public good in turn serves to strengthen other substate structures: while “civic” loyalty tends to weaken in “shadow states”, ethnic and religious ties tend to strengthen as clans and local autocrats begin to exercise social control.

Transformation of the form of belligerent conflict is usually traced back to the “crisis of statehood”. The dissolution of the state monopoly on the legitimate use of force, a weak institutional landscape, and a lack of legitimacy in the eyes of society are generally seen as the most important preconditions for or as concomitants of an escalation of violent conflict. As Herbert Münkler noted, in many regions the “state-building wars” familiar from the era of decolonization are now being superseded by “wars of state collapse”. The most manifest expression of such regional conflict formations may be seen in the so-called “new wars” (Mary Kaldor). These conflicts, 90% of which are fought in regions of the South, are marked by a large degree of diffusion, irregularity, and asymmetry. All of the demarcation lines drawn – mostly based on Clausewitz’s ideas – to characterize war in the classic sense (for example, between government, army, and population, between combatants and civilians, national and foreign territory, between politics and the economy) have tended to become blurred. These conflicts do not center primarily on efforts to capture government power, but are dominated by other objectives such as identity politics or appropriation of (local) sources of wealth, energy resources, and so on. The war economies thus created serve to fund hostilities, although they themselves may become a source of conflict. Here the only function of statehood seems to be to block the access of regional warlords to the world market, assuming they are able to turn world market access to account, for example, in the form of diamonds, opiates, timber, or human beings. One effect of the informalization of such conflicts is that they are seldom terminated by agreements between the conflicting parties, tending more simply to weaken or to run out of steam over the course of time – although they may also flare up again at any time. Half the pacified countries of this kind experience, on average, the outbreak of a new conflict within less than five years.<sup>27</sup> One especially problematic phase tends to occur roughly three years after a peace accord has been signed, when the attention of world public opinion and the international do-

27] David Harland, Die Aufmerksamkeit für Konflikte hält nicht lange an, Interview mit dem Leiter der “Best Practices”-Einheit in der Hauptabteilung der Vereinten Nationen, in: *Aus Politik und Zeitgeschichte*, No. 41, 2005.

nors have turned to other, more pressing crisis regions; that is, when a certain surface stability has been created, but without remedying the root causes of conflict, which are often social and economic in nature. Here the particular challenge for the United Nations is to create – despite a lack of international public attention – an awareness of a given endangered region and to organize a continuous flow of financial and manpower aid that may contribute, post-conflict, to stimulating a certain measure of economic growth.

Many regions, some even in the immediate vicinity of the European Union, have experienced the emergence of complex conflict formations that are for the most part bound up less with world-political developments than with relations within a given region itself. These “security regions” are typically marked by a number of interlinked security-relevant factors, including institutional weaknesses in the countries concerned, informal economies, migration, border-crossing guerilla activities, smuggling activities, a massive proliferation of small arms, environmental disasters, or excessive resource exploitation. Fragile states have long been seen as a security problem of regional scope. Yugoslavia, Liberia, Afghanistan, Haiti, Cambodia, and Somalia – some of which have already experienced at least one intervention – are the best-known examples. But it was 9/11 and the links between transnational terrorism and failed states serving as a “safe haven” for terrorists that finally thrust the problem into the center of the security thinking of the EU and the US. To put it in the words of the 2002 US National Security Strategy, “America is now threatened less by conquering states than we are by failing ones”. The threat posed by the power of a hostile state is now being superseded by the threat posed by the powerlessness of an (ex)state. Thus far, the responses to the challenge do not seem to have born much fruit, however. In the coming years regions such as Central Africa or the triangle of Afghanistan, Iran, and Turkmenistan could slip further into a cycle of violence and instability. The final outcome of both the protectorates created by “liberal interventio-nism” in the 1990s and the military approach to combating terrorism has proven quite meager. Sustainable peacebuilding in fragile states – one of the main tasks, for example, of the newly established UN Peacebuilding Commission – is bound to become one of the key challenges facing security policy in the years to come. The task at hand gives us only a vague idea of the dimensions of this challenge: the Peacebuilding Commission will be expected to moderate between possible security measures, different donor countries, troop-providing countries, and the international financial regimes.

### Extension of the combat zone?

None of the challenges formulated here can be met by purely military means, and the military component plays the smallest role in each of the relevant individual problems. The approaches with the best chances of success in the medium term include diplomacy, cooperation, and global regimes in the case of disarmament; police and intelligence services, awareness-building and social policy in the case of terrorism; and preventive conflict management and sustainable state-building in the case of regional conflict.

This also appears to be the consensus in German and European policy. Both the European Security Strategy and the German “White Paper 2006 on German Security Policy and the Future of the Bundeswehr” are predicated on a broad concept of security that calls chiefly for a set of *preventive* instruments. The “comprehensive security strategy” is thus based on a broad range of non-military instruments and methods, and is designed to provide a joint and coherent approach involving all the different actors engaged in Germany’s security policy (“networked security”). The idea of a multidimensional approach has found its most prominent expression in the official German “Action Plan Civilian Crisis Prevention, Conflict Resolution and Post-Conflict Peace-Building”, which was adopted in 2004. The main problem involved in crisis prevention is the need to create an early-warning system that makes use of international decision-making processes and is responsible for the whole process, from the first early-warning signal

to the formulation and implementation of a prevention strategy. One particularly problematic aspect here is the gap between early warning and preventive action; its causes may be sought, on the one hand, in the at times somewhat impractical analyses formulated by “early warners” and, on the other, in the lack of political will on the part of decision-makers.

But the actual practice of Germany’s security policy stands in contrast to its constantly reformulated basic concerns: above and beyond cooperation in individual cases, an overall conception has yet to be worked out for networked security. The Action Plan has had little more than a symbolic effect, and the idea of prevention has not found concrete expression in either the funding provided for the relevant instruments or in a strategy. The existence of this strategic gap entails the danger that, given these conditions, an extended security concept can lead only to an extended defense concept that blurs the boundaries of situations in which defense becomes necessary, expanding the Bundeswehr’s tasks (at home and abroad), but without strengthening the civil instruments involved. Even today, when the Bundeswehr is sent on missions abroad, it is assigned, for example, police tasks, namely functions for which it is actually not responsible and that constitute a growing burden on it, in both personnel and funding terms. But a security-policy alternative designed to actively represent European interests abroad would require timely efforts to enlarge the civil components involved.

At the United Nations level, the concept of the “Responsibility to Protect” (R2P) was formulated in response both to alarming developments in some crisis regions and to the question of the conditions under which external actors may legitimately intervene to protect the civilian population: if a state is unwilling or unable to protect the population against genocide, war crimes, ethnic cleansing, and crimes against humanity, the responsibility to protect devolves upon the other members of the international community. And in view of the fact that (military) intervention is seen as the means of last resort to put an end to a conflict, early warning has an important role in this connection. At the UN level, the appointment of Francis Deng by Secretary-General Ban Ki Moon in May 2007 to the new position of Special Advisor for the Prevention of Genocide has upgraded this office, giving the R2P concept real relevance (as opposed to the rhetorical relevance it had previously). While the German government’s Action Plan also contains a commitment to the R2P concept, this has yet to be fleshed out in concrete, substantive policy terms.

Another question that needs to be addressed in connection with this still unresolved task is how, in the years ahead, German politics will deal with missions abroad involving German soldiers. Despite the over 10,000 German soldiers presently on missions in crisis regions throughout the world, a fundamental political and social debate on the aim and object of German missions abroad has been slow to develop; there is a tendency in Germany to “smuggle”<sup>28</sup> such missions past the eyes of the citizenry by seeking to minimize the scope of the risks involved, playing down their military character, and often not clearly specifying their aims and perspectives. The fact that hardly any public notice has been taken of the projected extension of the Afghanistan mandate is perceived with growing unease by the Bundeswehr. Instead of seeking to “conceal” military missions, it would be important to increase efforts to cast such missions in a political light and to engage in a public discussion on the decision-making process.

In this connection more and more calls have been heard for Germany to use a list of concrete criteria to formulate “more clearly” the point of a given mission and the mission area concerned. A debate of this kind could certainly contribute to improving the transparency of decisions and provide some points of orientation on missions abroad, but the result should not be a simple “checklist” with a bottom line indicating clear-cut pros and cons. In the years to come individual missions will need to be decided on a case-by-case basis, and here the German Parliament should take a more assertive stance than it has in the past. Nor should the discus-

28] Ulrich Speck, Kosmoblog, Die Zeit, <http://blog.zeit.de/kosmoblog/?cat=26>, 17 July 2007.

sion be keyed to “national interests”, which have been postulated again and again, but for the most part without a clear definition: while these interests may be bound up with the need to secure natural resources, they should be clearly oriented to the protection needs of the affected populations and based on rules that have been jointly agreed on. The five criteria used to examine the use of military means (seriousness of the threat, purpose of the intervention, ultimate means, appropriateness, consequences – they also went into the making of the final document of the 2005 UN Summit) could prove useful in better structuring the debate. But here too it is important to bear in mind that those who ask for criteria for missions abroad should start out by asking about crisis prevention. And as far as the White Paper 2006 is concerned, it would be essential to clarify the concrete structures in which an international security engagement is embedded, mindful of the fact that this may, in extreme cases, mean military intervention. These missions should be integrated in a system of collective peacekeeping in the UN framework, and the contributions of regional structures must be closely dovetailed and coordinated with the corresponding UN structures.

Looking at the various fields of foreign policy from the German perspective, the greatest change thus far has undoubtedly taken place in security policy. But strategic debate on the consequences, instruments, and aims of German security policy has made little headway in recent years. The White Paper 2006 did little to change this situation. A commission of inquiry on “networked security”, including representatives of politics and civil society, the Bundeswehr, security experts, and partners from abroad, could provide an impetus for a broader debate in society. The commission could be asked to conclude by issuing a brief, concisely formulated strategy paper – one conceived not as the end of the debate but as the point of departure for further debates. Security policy in particular must maintain a certain measure of flexibility in order to be able to respond appropriately to crisis situations, although it must at the same time be built on a foundation of predictability and reliability.

In Germany there is a fundamental consensus that prevention – a reasonable, effective, and lower-cost approach to managing conflicts with major escalation potential – must be given precedence over intervention, an after-the-fact response to war, genocide, or state failure. This must be given a clearer expression than it has in the past in terms of how the existing instruments are embedded in a security strategy, as well as in the expansion of funding and the coordination of the strategy.<sup>29</sup> It will be possible here to fall back on the preliminary work carried out by several international NGOs active in the field of early warning/early diagnosis. It would therefore make sense to build consistently on the first steps taken on the road to interministerial cooperation, for example, within the framework of the Action Plan. First studies on the Action Plan three years after it was adopted have come to the conclusion that no forward-looking developments have yet become visible – either in efforts to systematically network existing early-warning instruments or in approaches to collating crisis-relevant data with non-state institutions.<sup>30</sup>

Networked security calls for networked governance. With a view, among other things, to not overextending its capacities, Germany should take advantage of the parallel development of the European Security and Defence Policy (ESDP) and the process of coordination with the other member states to concentrate especially on those areas in which it has particular expertise, for example, promotion of democracy.<sup>31</sup>

In the fields of disarmament and arms control policy Germany has in the past earned interna-

29] Michèle Auga, Crises and wars in times of globalization: How German crisis prevention and peace building could help, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

30] Christoph Weller, Zivile Krisenprävention und Konfliktbearbeitung: Politische Herausforderungen und der Aktionsplan der Bundesregierung, [http://inef.uni-due.de/page/documents/Weller\\_-\\_Zivile\\_Krisenpraevention.pdf](http://inef.uni-due.de/page/documents/Weller_-_Zivile_Krisenpraevention.pdf), 16 Oct. 2007.

31] Stefanie Flechtner, On a new mission: the foreign mission of the Bundeswehr and German security policy, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

tional recognition that should be turned to account in the years to come. A strict arms export control policy, a multilateral, preventive arms control strategy, and efforts to preserve the non-proliferation regime would be among the central points of departure here. This would also mean taking a clear position against the modernization of nuclear arsenals and for efforts to swiftly reduce stockpiles – also in Germany.<sup>32</sup>

Since one of the aims of terrorism is to manipulate political thinking and action in target countries, the domestic approach selected for dealing with the threat is of crucial importance for thwarting terror. Without exception, the balance between security and freedom will ultimately be based on consensus in society. Thus far most countries have responded to the threat by restricting civil rights and liberties, adopting more refined methods of data collection and surveillance, and curtailing constitutional rights in favor of preventive and seemingly tougher and more effective emergency laws. Instead of continuing to overburden and fetishize the concept of security, it would be far more reasonable to develop a kind of political countercommunication that places its trust precisely in civil liberties and provides information and education as a means of helping the societies concerned to develop a civil and pragmatic approach to dealing with the threat.

#### IV.5 The last oil change?

While for years it could be taken for granted that energy would simply flow from the power socket, the water heater, and the furnace, in the winter of 2006 the current stock of uncertainties was supplemented by the fear that Germans and other Europeans might soon be sitting in unheated houses, staring into cold cooking pots if Russia turned off the gas supply. More than almost any other policy field, energy has in recent months been thrust into the consciousness of politics and the general public. While energy policy had vanished from the political agenda since the two 1970s oil crises, high oil prices, the climate debate, rising demand for energy in the emerging markets, and the political instrumentalization of energy resources have now sparked a debate on energy security. The energy issue is closely bound up with other core foreign-policy issues: without a secure, smooth, and affordable supply of energy, economic development is unthinkable – access to energy is an elementary component of global equity; successes in climate policy are contingent, among other things, on energy efficiency, availability, and consumption; renewable energies can be developed only on the basis of technological innovation; and, finally, the political stability of importing and exporting regions alike will depend in key ways on how energy policy is formulated in the future.

#### Scarce resources

Worldwide demand for energy is expected to rise by some 50% by 2030, and 81% of this demand will continue to be met by fossil fuels. Primarily on account of the transportation sector, oil (33%) will remain the most important energy resource, and by 2020 natural gas will have toppled coal from second place. Forecasts indicate that the contribution of nuclear energy will decline from 6.5% today to around 5%. Renewable energies will account for 8%, with hydro-power contributing the largest share; biomass will continue to grow in importance, especially for the fuel sector; and solar and wind energy are expected to post the highest growth rates. Wood, finally, continues to satisfy some 6% of worldwide demand for energy. But these figures conceal some different, in part conflicting, regional trends. The developing and emerging countries, above all China and India, will account for over two thirds of rising demand. By 2020, however, consumption of fossil energies – except for coal – and use of nuclear power will be appreciably higher in the developed than in the developing and emerging countries. While the share of nuclear energy will increase in Asia, in Europe it is likely to decline on account of public

32] Hans J. Gießmann, Farewell to disarmament? Points of orientation in Germany's arms control policy, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

reservations concerning the risks it poses. But the highly heterogeneous character of European nuclear strategies and the link with the climate debate could also lead to a situation in which nuclear energy experiences a renaissance by 2020. The most recent medium-term energy concepts formulated by the US and the EU indicate that agrofuels will be able to replace a certain share of fossil energy resources, above all in the transportation sectors of the developed countries, but also in Brazil and India. While capacities for the use of water power are practically exhausted in the developed countries, China, but also India and Latin America are likely to expand their capacities massively.

Although there has been some media talk of the possibility of “oil wars”, the macropicture anticipated for the *medium term* is not solely gloomy. Europe is unlikely to experience any protracted bottlenecks in its energy supply by 2020 – unless unanticipated, massive energy-related conflicts should develop. According to conservative estimates, the world’s proven oil reserves will last for some 50 years. The much-discussed peak, however – that is, the point at which oil production begins to decline rapidly – is anticipated somewhere between 2015 and 2025. In other words, time is growing short to embark on a new energy policy course, and there is no disputing the fact that energy resources are increasingly scarce.

The era of cheap oil likewise appears to be over, and the markets are likely to remain nervous. Growing demand, possible cuts in oil output due to lack of investment, but also to financial speculation in the oil market, are likely to keep prices high and volatile. In the coming years this – together with access barriers to regional energy systems – could lead to serious supply problems for a number of developing countries, for which oil is a particularly important cost factor. Twenty-five of the world’s poorest countries are forced to import 100% of the oil they consume.

The combination of rising demand and declining oil production in the most important oil-consuming regions is leading to a growing dependence on energy imports. This development puts the emerging countries and the developing countries in the same boat, and it is bound to give rise to major political problems, on top of the technical challenges involved (for example, transportation). In the coming two decades Europe will have to import some 90% of its oil (most of it from Saudi Arabia, Iran, Iraq, Algeria, Russia, and Norway) and 80% of its gas (from Russia, Norway, and Algeria, as well as from Qatar in the future). The US, which, unlike the other main importers, has appreciable oil and gas reserves of its own, will be forced to use imports to meet some 20% of its gas needs and 66% of its oil needs. But the US already has a highly diversified oil import structure, with its imports breaking down as follows: 33% from Latin America, 23% from the Middle East, 18% from Africa, and 16% from Canada. Coal, which covers roughly two thirds of China’s energy needs, will continue to play the main role in the country’s energy mix, although in the coming years the share of oil (and natural gas) will continue to rise because of China’s growing transportation volume, expansion of its oil-processing industries, and environment-related restrictions on the use of coal. Even today China is the world’s second largest oil consumer, after the US. China, which 15 years ago could satisfy its demand for oil from its own resources, will be forced to import some 80% by 2030. By 2020 India, which presently imports two thirds of its oil from Saudi Arabia, Kuwait, Iran, and Nigeria, will be forced to import roughly 90%.<sup>33</sup>

Since many countries will be virtually unable to compensate for these leaps in demand by utilizing domestic resources or improving the efficiency of their energy production and consumption, import structure diversification would be one possibility for them to at least mitigate their dependence on imported energy resources. But the geographic concentration of the most important fossil energies – oil and gas – sets limits to any such strategy. If, until the 1950s, some

33] Jochen Steinhilber, *China – A new actor in the Middle East and North Africa Region? Dialogue on Globalization*, Friedrich-Ebert-Stiftung, Berlin, 2006.



two thirds of the world's oil resources were produced in the industrialized countries of the North, including the US, today the focus of production has shifted to the countries of the South. The relative weight of the Middle East, which holds 62% of the world's proven conventional oil reserves, will continue to grow in the years to come, the reason being that the reserves in most other producing regions are dwindling and production is growing increasingly costly. Roughly the same can be said of natural gas. Europe's dependence on imports from Russia and Algeria will continue to increase; even today these account for 40% of Europe's gas imports. This growing concentration not only heightens the risk that a total breakdown of energy production and supply due to political instabilities, attacks on refineries, or environmental disasters could prove impossible to compensate for in the short term, but also makes the importing countries increasingly prone to political extortion. Compared with the US, Europe has the advantage of being very favorably located for imports from various regions of the world, since all of the world's important producing regions are close to it in geographic terms. In particular, it would be possible to lay pipelines linking Europe to 80% of the world's major deposits of natural gas, the most important energy source over the years to come – and this is a crucial strategic advantage. But while there are already two Russian pipelines to Germany, and Algeria is supplying southern Europe with natural gas, Europe at present has virtually no gas pipelines to the region with the world's largest reserves – the Middle East and the adjoining Caspian region – that do not lead through Russian territory. Here diversification would presuppose huge investments in infrastructure, which is very expensive in the case of gas, as well as long-term agreements, since such investments pay off only in 20 to 30 years time. At the same time, Europe is also particularly vulnerable since the supply sources it needs to meet its energy needs are increasingly located in countries that are unstable in political, economic, and social terms. The "arc of crisis" so important for Europe's energy supply contains some of the world most notorious trouble spots, nearly all of whose countries are listed in the Failed States Index.

### "How do we get our oil from their sand?" – Energy strategies

Today the individual actors concerned associate quite different approaches with the terms "energy security" and "foreign energy policy". In the years ahead the key question will be whether, with this macropicture in mind, we are entering a phase of confrontation or cooperation; whether energy policy is regarded as a zero-sum game in which there may be losers and winners; or whether efforts are undertaken to develop and acknowledge multilateral governance instruments that ultimately do justice to the issue of energy interdependence. The approaches favored thus far seem to indicate that importers and exporters alike are again showing an increasing tendency to adopt nationalistic strategies that could place substantial obstacles in the way of attempts to come up with cooperative solutions. True, the most important fossil energies continue to be traded freely; and in recent years the energy markets have been able to meet import needs and to avoid any major production stoppages – like those recently caused by the strike in Venezuela, the war in Iraq, and hurricanes in the Gulf of Mexico. But while, thanks to the huge long-term infrastructure investments made in recent years, the world gas market is in any case based largely on bilateral relations, the world oil market is moving further and further away from what would be termed a functioning competitive market. Already in the past, energy markets were anything but perfect markets; indeed, they were shot through, on both the demand and the supply side, with strong oligopolistic and monopolistic structures.

No other market – with the exception of the arms market – is subject to comparable government influence. The market was long dominated by the big Western energy corporations. Efforts should be undertaken – from a position of strength – to guarantee security of supply by further liberalizing the market, that is, by ensuring that access is as free as possible and by promoting direct investment. But for the future there is good reason to fear that a further concentration of production, an intrusion of geopolitics into the energy market, and a renatio-

nalization of natural resources will work more to augment the defects of energy markets and further strengthen neomercantilist tendencies.

In recent years the governments of some important producing countries have increasingly intervened in the energy sector, and this has often involved the expropriation of foreign oil corporations and/or crowding them out of the market. According to estimates, today some 77% of all proven gas and oil reserves are controlled by state-owned or -oriented corporations. While some state-owned corporations operate on market principles, others – kept on a short leash – sometime use energy resources as a “currency of power” (Frank-Walter Steinmeier) in international affairs. Russia’s gas policy vis-à-vis its neighbors, Venezuela’s oil-financed “Bolivarian Project”, China’s protection of the Sudanese government in the UN Security Council, and Iran’s open threats to use its energy exports as a weapon are eloquent examples. Recently Venezuela called for the creation of a “gas OPEC”, and Iran and Algeria have already expressed their interest. But these developments also give rise to energy problems in the narrower sense: stringent restrictions on investment and exclusion of Western companies could lead to a growing undercapitalization of energy production, obstruct the exchange of sensitive technologies, and further intensify the general mood of nervousness in the markets. The IEA estimates that Russia alone will have to invest 17 billion dollars a year to satisfy the demand for Russian gas and oil in the coming years.

The importing countries have thus far not looked to cooperative approaches to safeguard their energy needs either, preferring in most cases to pursue national energy strategies. The US energy security policy focuses on strengthening national energy autonomy and reducing dependencies – on both unstable producing regions and energy imports in general. In the years ahead the US plans to cut imports from the Middle East by some 75%, focusing instead on African and Latin American oil resources, while at the same time massively expanding the development and use of “green energy”. Europe, on the other hand, plans to achieve energy security by creating a highly diverse and dense network of dependencies between producers, importers, and transit countries. With a view to meeting the energy challenges of the future, the EU member states have also reached consensus on a future approach geared to a target triangle consisting of security of supply, competitiveness, and environmental compatibility; its most important strategies include, apart from import structure diversification, efforts to boost energy efficiency and to develop new technologies. The main idea is to continue, in this framework, to foster and expand strategic partnerships with producing countries, to develop cooperation with the emerging countries, above all on alternative energies, and to work for a binding multilateral framework for international energy relations. While the EU countries are generally agreed that energy policy must be viewed more as a Community task, the organization of Europe’s internal energy market and Europe’s external energy relations will make it very difficult to translate this understanding into a concrete policy. The reason is that the energy situations, energy mixes, and energy strategies of the member states are too divergent, and no common responses have yet been found concerning either the future role of nuclear energy, the relationship between market and state in the energy sector, or the further integration of European power grids. The most serious problem facing Europe’s external energy policy is that the EU has not been speaking with one voice with Russia, and Moscow is taking advantage of this cacophony to further bilateralize its energy relations.

Latecomers to the highly competitive energy markets, such as China and India, which are not integrated into the long dominant and tightly knit market structures, have in recent years sought to use aggressive flanking political measures to realize their energy strategies, even tapping more risky and marginal oil resources – not least in some of the globe’s darker niches.

China in particular – mindful of the key role played by energy security in its development model – has thus far focused less on the Western-dominated energy markets than on supply

agreements concluded on a bilateral basis, for example, with Saudi Arabia, Iran, or Oman. Beijing is seeking to strengthen the hand of its own state-run energy corporations by having them participate directly in the development of oil and gas fields, as well as in oil production, mainly in Africa. In Sudan in particular, China's opportunistic oil strategy has led to results that come close to its ideal of the exclusive oil relationship. Sudan's "pariah" situation and the absence there of Western corporations have induced China to slip into the role of Sudan's most important oil producer, exporter, and importer. In Europe's view, the problems involved in engagement with the emerging countries have to do less with security-of-supply problems than with the economic and political effects that such strategies may entail. At least as far as the situations in Sudan and Iran are concerned, China's oil interests have put obstacles in the way of a debate in the UN Security Council – and at the same time have made it more difficult to formulate cooperative solutions for the energy sector.

The efforts undertaken thus far to come up with an international energy policy have been insignificant. Hardly any multilateral approaches have been adopted to bring the various actors involved to the negotiating table. Proposals aimed at assigning the WTO responsibility for energy policy do not appear to hold much promise of success. For one thing, the forum is, in its present state, simply not in a position to take on another major issue. For another, some important exporting countries, such as Iran, are not WTO members. Other producing countries, such as Saudi Arabia, have recently become members, but their energy sectors have been explicitly exempted from the WTO's rules. The situation would be similar if Russia should finally join the WTO. The negotiation and implementation processes for other agreements, such as the Energy Charter worked out in the OECD framework or the Multilateral Agreement on Investment, are making no progress. For the foreseeable future, little chance is seen for framework agreements aimed primarily at further liberalizing energy markets and opening the exporting countries for foreign direct investment, the main reason being that most producing countries reject liberal competition rules for their energy sectors. But this is not to say that there are no common interests among the industrialized countries, the emerging countries, and the exporting countries that might at least provide a point of departure for some first steps on the road to cooperation in regulating relations between producers, importers, and transit countries. Even in a buyer's market, the aim of security of supply for the consuming countries meets with a desire on the part of the producing countries to export their energy resources on a continuous basis. Security of production and transportation infrastructure is likewise in the interest of both parties. What is urgently needed, however, is energy cooperation with the emerging countries. In the field of energy as well, asymmetry in multilateral policy dialogues is more than likely to lead to misjudgments and misinterpretations on the part of both the emerging countries and the industrialized countries involved. In seeking to achieve energy security, China and India have thus far given preference to exclusive supply agreements over the market mechanism, as well as to bilateral relations over multilateral solutions. Distrust of the oil market and of joint approaches to "energy governance" runs deep. In recent months the international energy market has not exactly proven generous to the Chinese newcomer. And the (successful) defensive political battle waged in the US to fend off a Chinese company's billion-dollar bid for UNOCAL, a California oil corporation, and the protectionist reflexes it triggered have not done much to foster trust. But whether or not this approach would actually lead to more energy security has already become a contentious issue, at least in China. In the years following the 1970s oil shock, the Western industrialized countries were generally disappointed with their experiences with strategic oil partnerships; many of the energy agreements China has concluded are risky, and there is considerable doubt as to whether they will ever pay off – for example, in the case of Iran. Finally, the bulk of the oil China imports must be shipped to East Asia via sea lanes that are controlled by the US. In the framework of ASEAN+3 China is already seeking more cooperation, for example, on the development of a regional strategic oil reserve. This would be a good entry point for an intensive and institutionalized energy dialogue geared to gradually strengthening the confidence of the emerging countries (and industrialized countries) in cooperative solutions.

## Facilitation

Looking to its security of supply, Europe would be well advised to diversify its import structure as a means of improving the supply market; to build up strategic gas reserves to cover short-term crises; to foster and expand strategic partnerships with important producing countries; to provide impulses to work out a broadly accepted multilateral framework for energy policy; to use technological innovations to improve energy efficiency; and to advance the use of new sources of energy.<sup>34</sup>

The link between the climate debate and the energy issue is one reason to fear that the decision to phase out nuclear energy will be increasingly challenged. Here it would be essential to take a completely unambiguous position. Far from solving future energy problems, nuclear energy is bound to create new ones. Uranium itself is a scarce resource, the technology creates substantial security problems (protection against attacks, proliferation), thus far no permanent disposal sites have been found that are at once technically robust and acceptable to society, and, finally, nuclear energy is part and parcel of the old “command and control markets” and therefore not competitive.

In Germany energy policy is regarded above all as supply(-side) policy. In the future it will be increasingly important to gear energy policy less to the small number of suppliers than to the large number of consumers concerned. Attempts to manage demand should focus on both energy security (reduction of imports) and the international climate targets. Efforts need to be redoubled in the future to exploit the resource of “efficiency”, and this means above all a need for technological innovations (for example, in the transportation sector), legislative measures (for example, designed to promote heat insulation of buildings or to improve automobile fuel mileage), and information and education (for example, labels, so-called energy passports, and so on).

What is most needed on the supply side is efforts to reduce marked dependencies in gas imports: seven EU countries import 100% of their gas from Russia. This, however, would call for major investments (for example, in infrastructure for liquefied gas transport), flanking political energy-security measures (for example, the Nabucco pipeline project from Central Asia to Europe), and a common European policy toward Russia. Many of the goals formulated in energy strategies will come to nothing if individual countries continue to foster their special relationships with Russia, while others, with an eye to their neighbor to the east, are calling for an “energy NATO”. Instead of further enlarging national energy policies, what will be essential for Europe’s energy security in the coming years is that the member states take steps to transfer responsibilities for energy policy to the European level.

As regards the emerging countries, it would be important to seek to open the International Energy Agency to non-OECD members. This might start out with some first projects, for example, efforts to build joint strategic reserves as well as a dialogue on energy efficiency and alternative technologies. Confidence-building measures should include an unambiguous US commitment to keep the international sea lanes open, a strict *laissez-faire* approach when it comes to bids for oil licenses in Iraq, efforts to promote, instead of prevent, joint ventures with the emerging countries in the energy sector, technology transfers in the field of renewable energies, and a generally more sober sense of proportion as regards the effects of the Asian countries’ engagement in the energy sector.

34] Dietmar Dirmoser, *Energy security: New shortages, the revival of resource nationalism and the outlook for multilateral approaches*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

## IV.6 You don't need a weatherman to know which way the wind blows

Now that the "big narratives" and the fierce ideological debates between the political systems are over, what remains is a field that is as well suited for passionate discussion as it is for splitting the world up into camps: climate and the environment. The ongoing scientific, political, and social discussions could hardly be more contentious, the interests of the actors involved are contradictory in nature, and the complexity and inertia of the world's climate and ecosystems contribute to increasing our uncertainty about further development. At the same time, climate and the environment constitute, in a sense more tangible and manifest than in practically any other policy field, global challenges that can be effectively addressed only on the basis of global approaches. These are long-term, complex problems that extend far into other fields – economic, social, cultural, technological, and security – and the great diversity of actors involved (state, non-state, and private) will make environmental and climate policy a test bed for the development of efficient and equitable forms of global governance.

### SOS signals

For the past decade science has been split into two camps: the skeptics, who view the thesis of climate change with a critical eye, and the admonishers, for whom the available evidence on global warming is already sufficient. Forecasts on global climate change and its impacts have remained highly controversial. But thanks not least to the report prepared by former World Bank Chief Economist Nicolas Stern and the Fourth Assessment Report issued by the Intergovernmental Report on Climate Change (IPCC), the second position now appears to be gaining more acceptance among politicians and the general public.

While carbon dioxide levels in the Earth's atmosphere are higher today than they have been for 300,000 years, it is still difficult to say how the climate system will react. The IPCC Report predicts that in this century average temperatures will rise between one and four degrees. The difference between these values is substantial, however: while it might still be possible to adapt to a temperature rise of one degree, an increase in the magnitude of four percent would be likely to have devastating consequences for the world's ecosystems. Under the IPCC Report's worst-case scenario, by 2020, and assuming a temperature rise of one percent, 30% to 40% of all species would be endangered and extreme weather events would increase in frequency; by 2050, and assuming a temperature rise of two degrees, the world's biological systems would start to change, a development that would have severe consequences for the world supply of food and water, and entail, for many coastal regions, an acute risk of flooding; by 2080, and assuming a temperature rise of four degrees, sea levels would be likely to rise by four to six meters, aggregate world output would plummet, and some 40% of the world's animal and plant species would be extinct. But the first changes have already become visible: the Arctic ice cap is melting faster than expected, Europe's glaciers are shrinking dramatically, and the areas of distribution of various species have changed markedly. This is not to say that the dispute over the causes of climate change and the best approaches to dealing with its consequences is over; but it has become more difficult to dismiss the forecast warnings as mere apocalyptic prophecy.

But even beyond the narrower climate discussion there are unmistakable SOS signals indicating that pressure on the environment continues to mount. The most pressing challenges include the growing scarcity and declining quality of natural resources (soil, drinking water, fish, timber), the threat to a biodiversity that is of immense value for present and future generations, widespread degradation of the biosphere (oceans and rainforests in particular), and the urbanization of world society: a total of 10 million hectares of virgin forest is cut down every year, while the erosion and deteriorating quality of soils pose a danger to agricultural production. Today 250 million people are directly affected by desertification, and a further billion are at

risk. Nearly half of the world's wetlands, which are important for the world water balance and supply, were lost in the course of the past century. Viewed in terms of the sustainability of the world's fish stocks, today's fishing fleets are roughly 40% larger than they should be, and 70% of the most important marine fish species are either overfished or have already reached their biological limits. The OECD countries produce four billion tons of waste per year. In Germany, the US, and Japan the volume of waste generated has increased by 28% during the past 30 years; but it is above all in the populous countries of Asia that waste production will become a serious problem.

### Precarious environmental imbalances

The world's regions are affected in very different ways, however, and the gap is growing between developed industrialized countries, which have zones with relatively stable environmental conditions, and the less developed regions, which are faced with a situation of dramatically growing environmental degradation. These imbalances are exacerbated by three additional factors: the regions whose societies are most dependent on natural resources are hardest hit; the people most affected are often not the chief perpetrators; and the hardest-hit regions for the most part lack the necessary adaptation and coping capacities.

Especially in Europe, but also in other countries of the North, environmental technology and new methods and processes have contributed to stabilizing and improving environmental conditions. Energy-efficiency technologies, but also efforts to reduce car traffic (such as the congestion charge recently imposed in London), have appreciably cut pollution levels in urban agglomerations, and a growing ecological awareness has led to the production of more environmentally-friendly goods and the creation of more and more nature conservation areas. Biodiversity has largely stabilized. But environmental setbacks have occurred in the maritime zones along the Mediterranean, where pollution has risen sharply. A number of countries, mainly in south and southeast Europe, are faced with freshwater scarcity.

The responsibility of the industrialized countries for a large share of the world's pollutant emissions, resource consumption, and waste generation, however, stands in glaring contrast to the developed regions' success in stabilizing their own ecosystems. The industrialized countries' "ecological footprint" extends far into the other regions of the world. In recent years these countries have been able to improve the quality of the environment within their own borders, but by passing the growing environmental costs of their prosperity on to the countries of the South – either directly, by having their ships scrapped in low-cost countries such as India and Bangladesh, or indirectly, by having their toxic IT wastes "recycled" in Asia and Africa. The integration of a number of developing countries into the global trade system as suppliers of raw materials is also leading to a redistribution of environmental burdens due to the environmentally harmful methods used, for example, to extract and process mineral resources in situ.

The developing countries are, furthermore, particularly vulnerable to the impacts of climate change. Even minor changes to climate can impede access to safe drinking water, impair the productivity and use of agricultural land, or encourage the spread of (infectious) diseases. There is also a close correlation between poverty reduction and environmental development: people living in absolute poverty are wholly reliant on access to natural resources, and any deterioration of the quality or availability of such resources constitutes a direct threat to their existence. Moreover, people in absolute poverty are more directly exposed to the impacts of extreme weather events, such as floods or drought. If the sea level should rise by 50 cm – that is, by half of what *optimistic* forecasts predict – then some two million people would be forced to leave the Nile Delta, and a rise of one meter would adversely affect 25 million people in Bangladesh. Conversely, many people in developing countries are forced to overexploit natural resources to sustain their livelihoods. The growing scarcity of resources, but also the anti-

pated sharp rise in the number of environmental refugees, hold substantial conflict potential. Climate change can thus constitute a crucial barrier for development and an important instability factor. It will be virtually impossible to reach the Millennium Development Goals without a comprehensive environmental policy. But without economic and social progress, it will not be possible to implement environmental protection in the developing countries.

Two developments in particular have in recent years served to sensitize the industrialized countries and challenge the defense mechanisms they have used to deny the state of the global ecosystems: Hurricane Katrina showed that even the developed countries may be highly vulnerable to extreme weather events – and the substantial costs they entail. The Stern Report estimates that by 2100 the economic costs of climate change could reach 20% of GNP, and that they could therefore trigger deep recessions. The rapidly growing economies of some emerging countries and adjustment in the consumption styles of a new middle class in these countries have begun to alarm the world's already industrialized regions, and environmental aspects are part of this picture: by adopting the growth path of the industrialized countries, China, India, and Brazil have cast a new light on the overexploitation and the finitude and vulnerability of global environmental space. Business as usual in the industrialized countries, in the countries that are the world's current growth champions, and in a handful of other countries about to take the leap would inevitably lead to environmental collapse. What is needed to stop this development is a process of rethinking, above all in the industrialized countries, and the required outcome is a drastic reduction of resource consumption based on conservation and greater efficiency. Only in this way will it be possible to gain the support of the emerging countries and countries in transition for a more environmentally compatible development path.

### Environmental architectures

The challenges are grave, the ecological prospects are at times bleak, and we seem to be rapidly approaching the tipping point from which there is no return. But environmental and climate policy are now on the move as well, and this gives reason to hope that joint efforts will be possible in the future: climate protection is once more on the agenda of the most important international forums, for example, at the G-8 summits in Gleneagles and Heiligendamm; it was a priority issue of the German EU Council presidency and at the core of the Lisbon Agenda; in the US, regional emission-reduction initiatives (for example, in California and New York) have shown that the rejectionist front is crumbling; China has now identified massive environmental degradation as an impediment to its growth; German industry sees in the environmental (technology) market one of its important future markets; and a new environmental movement, one with actors recruited also from outside the classic environmental community, seems to be in the making.

One serious drag on international environmental and climate policy is the fact that its institutions are weak and quite widely dispersed. Some 240 regional and global environmental agreements add up to a virtual jungle of regimes, though one that has already posted a number of successes in individual, in part highly specific areas (such as the Ozone Protocol or the Rio Conventions, which are designed to protect the world climate, preserve biodiversity, and combat desertification). The Kyoto Protocol, which sets, for the first time, binding limits for emissions of climate-damaging gases, must certainly be seen as a breakthrough in climate policy. At the same time, the reduction goals, lowered again and again and by no means sufficient, and – above all – the seven-year ratification process clearly indicate how difficult it is to reach agreements on environmental issues. Progress in international environmental policy is being made at a very slow pace. The greatest obstacles include the need for consensus on decisions and the fact that some agreements lack binding force because some individual countries have opted out of them; the protracted ratification procedures; a lack of enforceable sanctions; and substantial coordination problems between the various institutions and protocols involved. The

parallel existence of numerous protocols and conventions, bilateral standards, and corporate responsibility pacts and declarations reflects both the diversity of interests and issues involved and the weakness of global climate and environmental policy. The fragmented international institutions – including, for example, the United Nations Environment Programme – which could potentially serve as a peg on which to hang the highly diverse set of environmental agreements, lack sufficient resources, are ineffective when it comes to decision-making procedures, usually lack powers of their own, are weak on implementation and poorly coordinated. In the field of environmental and climate policy there is no regulatory institutional framework of the kind provided for by the WTO or the IMF and the World Bank.

Proposals for a future global environmental architecture are not lacking, however: in the late 1990s France came out – albeit unsuccessfully – in favor of a global environmental organization that would serve to integrate the great number of existing environmental agreements. The advantage of a central institution would be that it would be in a position to assert itself vis-à-vis the other powerful global institutions, to improve the coordination and coherence of programs, and generally to give more weight to the implementation of environmental agreements. But critics have objected that the complexity of the issues and actors involved in environmental policy speaks less for a centralized solutions than for the creation of flexible alliances and environmental clusters – although these would at the same time need to be better coordinated.

There is also reason to doubt whether the proposed new global environmental organization would in fact be able to remedy the problems posed by insufficient resources, lack of political will, and a need for further integration. Instead of creating new structures, the aim of other proposals is therefore to implement environmental agreements more effectively, to improve the quality and effectiveness of existing institutions, and to “mainstream” environmental policy. This would imply a need to integrate more environmental expertise into the existing development, trade, and financial institutions – in particular the World Bank; in their project agreements the multilateral banks, the IMF, and the WTO would have to give more space to environmental aspects, and national governments would be expected to make environmental compatibility a key criterion of, for example, their development policies.

Scenarios on the future development of climate and environmental policy indicate that one crucial element is the need to establish strong institutions with a view to leading the world on to a sustainable climate course. Whether this succeeds will depend mainly on the shape given in the coming years to the relationship between industrial, developing, and emerging countries, as well as between the state, market actors, and society. One of the reasons why environmental and climate policy will become a test case for global governance is that while in the years to come there is likely to be a need for quick, effective, and global action, policy needs staying power to bridge the time difference between action and visible effect.

### More than hot air ...

In the coming years Germany could play an important role in international environmental and climate policy: its multilateral orientation, the presence of German representatives in top positions in environmental organizations, a solid environmental balance, the fact that the UN Climate Secretariat is headquartered in Bonn, its innovations in environmental technology, and its generally environmentally aware and interested population all mean that Germany has the conditions needed to establish – also at home – “foreign environmental policy” as a central policy field.<sup>35</sup>

The fundamental precondition here would be further successes in attaining a positive environ-

35] Herrmann E. Ott, *International climate policy 2020: A challenge for German (environmental) foreign policy*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.



mental balance in the national (and European) framework. The development of environmental and climate policy is a global challenge, though it also involves possibilities for national and local action. These would include efforts to meet agreed targets and to give more space to environmental aspects when it comes to approving export credits, the development and implementation of new environmental technologies (energy efficiency and waste disposal), a process of rethinking in the energy sector, and promotion of alternative energies (in particular, solar energy), ecological adjustments to the tax system, and a public debate on energy consumption and consumption patterns. Air traffic should be included in emissions trading, too.

These “confidence-building measures”, which – for the industrialized countries – would include efforts to induce Japan to reengage in climate policy and – above all – to induce the US to return to a climate regime, could help to win over the rising powers for further integration into a climate regime. Strategic partnerships with the anchor countries are also of particular importance for climate protection. India, Brazil, and China are already responsible for close to one quarter of worldwide greenhouse-gas emissions; Russia, Indonesia, and Brazil have significant forest areas. An agreement that includes the US, India, China, the EU, Russia, and Japan would already cover two thirds of total world CO<sub>2</sub> emissions. Binding targets, agreed to in particular by these countries, would be an indispensable element of a future climate-protection architecture. Germany should use its good relations with these countries and its leading position in environmental technology to bind these countries more closely into the post-Kyoto process and to step up technology cooperation in environmental areas.

But climate policy is also and above all a question of equity. There is no way to tackle the problems of climate change sustainably in a divided world. Climate protection must therefore be keyed to standards of equity, and it should be paid for chiefly by those who are most responsible for the problems involved. This would include an equitable distribution of contributions to climate protection (based, for example, on the criteria “reduction potential” and “capacities to fund measures”), participation of the industrialized countries in the funding of the measures needed to adapt to climate change that can no longer be avoided (with some of the resources involved flowing back to the industrialized countries in the form of technology exports), and generally greater efforts to conceive environment and development as one.

On the basis of these confidence-building measures, it could well be possible to come up with a more effective and comprehensive environmental and climate architecture. Each of the – roughly speaking – three positions encountered in the debate (further development of existing institutions such as the UNEP, establishment of a new global environmental organization, and mainstreaming of environmental issues) has its advantages and disadvantages. But the different concepts are not mutually exclusive, and many of their elements are complementary. In the years ahead efforts to found a new special organization are unlikely to find support from either the US or developing countries. A more likely scenario is a reorientation of UNEP, which would include closer cooperation with UNDP. The problem will be how best to improve the global visibility and clout of environmental and climate policy without neglecting the need for the participation of the important civil society actors involved in the field of environmental protection and without losing sight of the different levels of action at which the complex problems are articulated.

#### IV.7 “Here am I Man, here Man may be ...”

A person’s first and inalienable rights are received at birth: human rights. All men and women are entitled to their human rights – “without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, birth or other status” (Universal Declaration of Human Rights). The purpose of human rights is to protect human dignity, and in this function they must remain indivisible. Human rights form an integrated

whole consisting of civil, political, economic, social, and cultural rights that are equal and interdependent. It goes without saying that this necessarily implies the universal validity of human rights: wherever, and into whatever cultural context, a person is born, that person is entitled to his or her human rights.

This at least was the basis of the idea adopted in the United Nations Charter in 1945 in response to two world wars and the period of inhuman National Socialist and fascist tyranny. Since then, seven core conventions have been concluded in addition to the Universal Declaration of Human Rights (1948): the International Covenant on Economic, Social and Cultural Rights (1966), the International Covenant on Civil and Political Rights (1966), the International Convention on the Elimination of All Forms of Racial Discrimination (1965), the Convention on the Elimination of All Forms of Discrimination against Women (1979), the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984), the Convention on the Rights of the Child (1989), and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990).

As this enumeration shows, human rights are not without a history; over the decades human rights have also been subject to “generational change”. The classic, civil, and political human rights are part of the first generation, or first dimension, of human rights; the second dimension focused more on economic, social, and cultural rights; while the third and – at least for the present time – last dimension demands “meta-” human rights, such as the rights to peace, a clean environment, and development. The right to development has in the meantime been included in the catalogue of human rights; above all it more strongly reminds the international community of its obligation to enforce human rights, even in countries that have proven unable or unwilling to do so.

### The implementation of an idea

However, demands cannot have an impact if they are not concretely addressed – and it is here that the discussion begins, for the question of implementation is every bit as political as the idea of human rights is reasonable and plausible. There is doubtless no other field of national and international action where the difference between rhetorical commitment and actual behavior, between norm and practice, is as great as it is in relation to human rights. International law obliges the state to respect, protect, and guarantee human rights – after all, the state is the signatory of the human rights conventions, which means that the nation-state is responsible for guaranteeing human rights. At the same time, human rights are the normative basis of both humanity and the state. They therefore have precedence over other principles characteristic of the state, including ideology, the nation, or culture, and they thus also serve to protect the individual from the state, the presumptive “upholder” of his or her human rights, which means that the state is obliged to provide protection against arbitrary state practices such as forced labor, child labor, torture, or indeed genocide. In states no longer able to exercise their responsibility to protect because of their weak structures or powerless institutions, or because they have lost their monopoly on the legitimate use of force – that is, in failing or failed states – or in states that themselves violate the human rights of their population, the responsibility to protect human rights must be assumed by another authority, and this can and must be the international community. While one question that arises in this connection is the extent to which international organizations are bound by human rights standards, the fact is that their members – all of them states – are bound by these standards. This is of course easier said than done – and it is hard to imagine a state that would voluntarily relinquish its sovereignty or own up to its responsibility for the human rights violations it has committed without being subjected to severe pressure. When it signs a human rights convention, a state accepts its duty to report on its actions, and theoretically it must also accept the possibility that individuals or

other states may initiate proceedings against it; but the United Nations is unable to enforce compliance – unless it invokes Chapter VII of the UN Charter, which has been used rarely to impose economic sanctions and even more rarely to impose military sanctions or to order a so-called “humanitarian intervention”.

One other aspect that needs to be viewed in connection with humanitarian interventions is the recent development of efforts to establish international relations on a legal basis, which would include the establishment, in 2002, of the International Criminal Court (ICC), as well as former ad hoc tribunals such as those appointed for Rwanda and the former Yugoslavia. As important as these unique international legal institutions are for the development of human rights, the refusal of the US to ratify the ICC’s Rome Statute is a clear sign of their limited scope. If Chapter VII is not invoked, the only means left is for the United Nations or the numerous nongovernmental organizations active in the field of human rights to “blame and shame” an offending state.

Today the question of the – at least potentially – antagonistic nature of some principles of international law (state sovereignty, the ban on the threat or use of force, and the protection of human rights) is more topical than ever. In response to the 9/11 terror attacks the protection of human rights have been pushed into the background in favor of efforts to protect national security. In this connection particular consideration has been accorded to the US high-security prison in Guantánamo, where the US is holding several hundred terrorism suspects without regard to the rule of law, as well as to the interrogation methods used by the CIA, which has at least tolerated the use of torture and mistreatment. In July 2007 the latter practice occasioned the US President to ban the use of torture during interrogations of terror suspects and to declare, five years into the war in Afghanistan, that the US would respect the provisions of the Third Geneva Convention. In Germany, too, on the occasion of a case of child abduction in 2002, there was a controversial discussion over whether the police were justified in threatening to use force, or more precisely, to use torture, to induce a suspect to testify against his will, provided this would have prevented the child’s death. The fact that even in established democracies it is – as noted above – possible to discuss the status of, or perhaps even to violate, human rights, which enjoy absolute protection even in times of emergency, illustrates the need for a more focused and consistent approach to human rights.

### The reality of a norm

It is easy to say that human rights are indivisible; but whether this implies, for example, that social rights may not be enforced at the expense of freedom, and vice versa, or that women’s rights may not be diluted in a strongly male-dominated society, or that the right to the free exercise of religion may not be relaxed in non-secular countries is increasingly becoming a political question, and thus the subject of constant discussions among the UN member states. In any case, the 1993 Vienna Declaration, signed by 171 countries, states in Article 5: “All human rights are universal, indivisible and interdependent and interrelated”.<sup>36</sup>

Implementation of this provision seems to be more difficult when it comes to the right to decent working conditions, however. Here it is less the world of states than its business enterprises that are obliged to respect and guarantee the rights of the people they employ, and so to prevent, for example, child labor and forced labor as well as other “modern” forms of slavery. There is no international body that could induce companies to enforce decent working conditions in the failing or failed states referred to above, which are unable to apply whatever national labor laws they may have, or in countries that fail to enforce the so-called Core Labor Standards. Here international law runs up against its limits, for it is only states – the exclusive subjects of international law – not business enterprises, that can be held accountable in such

36] [www.unhchr.ch/huridocda/huridoca.nsf/\(Symbol\)/A.CONF.157.23.En](http://www.unhchr.ch/huridocda/huridoca.nsf/(Symbol)/A.CONF.157.23.En), 17 July 2007.

cases. And while the so-called Global Compact – an agreement reached in 1999 between the United Nations, civil society, and business enterprises – takes up this problem complex, with its members declaring, with their signatures, their willingness to work for compliance with minimum social and economic standards and promotion of human rights, the Compact's members need not fear any sanctions if they do not match their verbal commitment with concrete actions. The German Institute for Human Rights entitled its 2007 Yearbook *Private or State? Achieving Human Rights!*, and Irene Khan, Amnesty International's Secretary General, addresses the issue in her foreword to Amnesty's Report 2007, noting: "Corporations have long resisted binding international standards. The United Nations must confront the challenge, and develop standards and promote mechanisms that hold big business accountable for its impact on human rights".<sup>37</sup> In saying this she is also expressing the sentiments of several non-state organizations that have already threatened to pull out of the Global Compact if the United Nations does not give it a more binding framework. The German development ministry, the Federal Ministry for Economic Cooperation and Development, has reaffirmed the implementation of the Core Labor Standards as a goal in its Action Plan on Human Rights; in addition, the type and scope of development cooperation the ministry provides is conditional on the labor standards practiced in partner countries.

### Instrumentalizing culture

Having looked at the discussion on the indivisibility of human rights the discussion, no less controversial, on the universality of human rights now follows. Although the universality of human rights, now enshrined in the Universal Declaration of Human Rights, has been justified differently in political, philosophical, theological, and even legal terms, it has been challenged again and again with the argument that some human rights bear unmistakable signs of Western influence and are therefore not in any real sense applicable to other cultural areas. In Western cultures, it is argued, the individual is given a higher value than the community; the opposite is the case, it is claimed, in other societies, where the community counts more than the individual. This colonialist-sounding argument can be refuted by pointing out that human rights protect the rights of every human being, so laying the groundwork for a community-oriented life in human dignity. The universality of human rights must be emphasized precisely in times in which religion has (re)gained a toehold in politics; that is, when both private and official religiosity have again come to serve as a measure of value orientation,<sup>38</sup> something which secular societies believed had been overcome with progressive modernization. The UN Charter was signed by nations representing all world religions. A religiously motivated political fundamentalism cannot be justified with reference to the right to freedom of worship, but must instead be seen as an outgrowth of social, economic, or political crises that are in need of political resolution by the international community. It is no more legitimate to use religion to justify human rights violations on the one hand than it is to use the need for security or the fight against international terrorism for the same purpose on the other. There is no way to resolve these conflicts without reflection on the universal and indivisible nature of human rights.

### An action plan for human rights

Germany is party to all important human rights conventions, has been a member of the UN Commission on Human Rights Commission since 1979, and received 154 votes in its election to the Human Rights Council created in 2006 to replace the Commission on Human Rights – the highest number of votes in its regional group.<sup>39</sup> This would seem to indicate that Germany is taken seriously on human rights, but also that its active engagement is expected in the further development of human rights. The main focus here should be on issues important to the deve-

<sup>37</sup>] <http://thereport.amnesty.org/eng/Download-the-Report>.

<sup>38</sup>] Thomas Meyer, Religion and politics: A revived area of conflict, Compass 2020, Friedrich Ebert Stiftung, Berlin, 2007.

<sup>39</sup>] Erfried Adam, Human rights and international social policy: Constraining the anarchy of power, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

loping world, including the right to development, social and cultural rights, and enforcement of the Core Labor Standards. "This human rights dialogue should be positioned within the broader context of multilateral negotiations such as those on UN reform, WTO trade policy, ILO social standards, the Millennium Development Goals and development policy, and it should be addressed as a single complex".<sup>40</sup>

Further upgrading of the Human Rights Council as a means of ensuring that the UN continues to play a leading political role in human rights in its interaction with other international organizations is crucial. The new annual "Universal Periodic Review" created in 2006 in connection with the transition from the Commission on Human Rights to the Human Rights Council will have a central role to play here. The review should be used not only to cite human rights violations but also to condemn them in the form of concrete recommendations for action to be taken by the countries concerned. Due to its members' different expectations and interests, the Human Rights Council will have to negotiate the danger that it might be shunted on to a path of inaction. Germany should use its weight in the Human Rights Council to make the Periodic Review a politically effective instrument for the enforcement of human rights, in this way helping to establish the United Nations as an organization that not only sets standards, but also implements them.

In this connection Germany should work to give more binding force to the Global Compact – also in its own interest. After all, Germany conditions its development assistance on the implementation of the Core Labor Standards, and it needs reliable indicators for the purpose. As early as 2005, the UN Sub-Commission for the Promotion and Protection of Human Rights proposed a set of "Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with regard to Human Rights"; responsibility for their implementation lies with the member states, however. Germany could play a leading role here. It would be absolutely essential to include civil society organizations in these efforts, since the former are an important component of the Global Compact and have already committed themselves to working to give standards more binding force. To supplement this standards-based approach to the enforcement of human rights in business enterprises, it would make sense to underline the actual and effective correlation between human rights – and here in particular the right to life, freedom and security – and international competitiveness. For it is not only the business enterprise that is forced to deal with the consequences of indecent working conditions or even forced labor – injuries, lower life expectancy, low levels of identification with work, and low motivation to work – the state, too, is adversely affected in that it is forced to bear the overall economic and social burden. Furthermore, a country engaged in international or regional trade is obliged to meet the standards laid down in trade agreements; and if a state flouts international human rights standards, it will not be the country of choice for many foreign corporations on the lookout for a business location that offers reliable legal and internationally accepted framework conditions.

As far as Germany is concerned, it would make sense to elaborate a "National Action Plan on Human Rights" designed to achieve a coherent, interministerial human rights policy, and including civil society organizations such as the German network *Forum Menschenrechte*.<sup>41</sup> The German development ministry's (BMZ) present Action Plan on Human Rights should be incorporated into the national action plan, which should also define Germany's contribution to the worldwide enforcement of human rights.

Developments in recent years also show that not only the universality and indivisibility, but also the concrete formulation of human rights must be emphasized. Here Germany should, regardless of its own strategic or political interests, insist on the primacy of human rights – in

40] Ibid., p. 20.

41] Ibid.

the fight against terrorism no less than in dealing with a politically motivated fundamentalism justifying itself on religious grounds.

#### IV.8 New world, old order? Government and governance

Issues bound up with governance and government – that is, the process of adapting the nation-state to the new conditions, the further development and consolidation of statehood in developing countries, and efforts to build stable and efficient regional and global structures – will be one of the key challenges of the years to come. The outcome will be one factor determining success or failure in the other core areas of the global agenda.

##### Statehood under pressure

For years, there has been a growing discrepancy between the social affairs to be regulated by policy and the governance capacities available for the purpose. Above all in the fields of health, education, and social welfare, policy continues to be heavily bound to traditional national structures. However, their power to shape policy is in decline, due to growing interdependencies and the pressure generated by global problems, as well as an ongoing process of sovereignty transfer to supranational institutions, and the competition of new global actors. A deliberate policy of relinquishing political control and fostering deregulation and a general discrediting of statehood also play a role.

In fact, a process of internationalization has been in evidence for years now, in the form of standards and norms, treaties, and obligations. Today, 80% of all European economic regulations are rules and directives adopted by the Council of Ministers in Brussels. All the same, the nation-state remains – despite a tangible loss of substance – the central place where policy is made, at least until new sovereignties are created at other levels that serve to boost democratic participation and the efficiency of decision-making processes.

On the other hand, it is not the modern nation-state but a fragile, “precarious” statehood that has become the norm of political organization in most developing countries. Efforts to maintain or to build state structures are faced with many different threats: debt crises, conditionality-based economic programs, elites that regard the state as their “prey”, social inequality and poverty, insecurity; in other words, a general delegitimization of statehood and its representatives. Many such countries will now have to get on with their faltering state-building efforts under conditions dictated by global economic processes and in a situation in which the vibrancy of the nation-state model seems to be waning.

The majority of developing countries have long had to struggle with impaired statehood. In the 1990s, however, weak, failing, and – in particular – failed states were recognized as a problem of international politics, with major consequences for the industrialized countries: for example, migration, terrorism, and organized crime.

By contrast, in recent decades democracy has become increasingly attractive as both a system of government and an international norm. The “third wave of democratization” (Samuel P. Huntington) has caught up numerous countries in its flow, and today two thirds of all countries are electoral democracies, more than half of them with extensive political freedoms. The sustainability of this development is by no means ensured, however. The further development of “defective democracy” seems to be blocked in many countries, and restrictions on civil liberties or a lack of checks on the executive are often accepted as a permanent state of affairs. The legitimacy of young democracies is eroding because they are unable to satisfy the hopes placed in them for more participation, social justice, and security.<sup>42</sup> The first contours of new

42] Marika Lerch, Democracy in the ascendant? Opportunities and limitations of strategies to promote democracy, Compass 2020,

models, such as “sovereign democracy”, and variants, such as “developmental democracy” and Islamic democracy – in which the concentration of power and restrictions on civil liberties are justified with reference to local mentalities, religion, or a given course of economic development – are already recognizable, and in future these tendencies might well come to constitute a standpoint antagonistic to “liberal democracy”. Apart from the political, economic, and social processes at work there, efforts to strengthen and breath life into the standard of “liberal democracy” in these countries themselves will also depend on whether such efforts are embedded in an effective global governance structure that is able to guarantee realization of the three pillars formulated by Kofi Annan – freedom from want, freedom from fear, and freedom to live a life in dignity.

### New political sovereignties?

While it is true that the existing political structures continue to be underdeveloped and limited in scope in the face of pressing global problems, a number of regulatory systems and regimes – generally referred to as “global governance” – have emerged in the past two decades that focus on politics beyond the nation-state – some of them binding, some based more on soft power, some formal, some more informal in nature. Apart from a largely governmental multilateralism and its core institutions (UN BWIs, WTO, NATO), today regional organizations (above all the EU; see Section 5.1), supranational and international law, civil society organizations, and private actors (mainly transnational corporations) are among the important components of this framework. A number of developments in the 1990s gave reason to hope that all this would give rise to a new structure designed to solve global problems. These developments included a renaissance of regional cooperation – especially in Sub-Saharan Africa, South America, and Southeast Asia – a broadly conceived process of juridification (for example, the introduction of international criminal tribunals), new institutions (such as the WTO) the broad engagement – despite setbacks in Rwanda and Srebrenica – of UN Blue Helmet missions, some first initiatives and agreements on climate policy (Kyoto Protocol), gender issues, and sustainable development, and the improved networking and global alliances of numerous NGOs (for example, on the issue of landmines). The fact that the tasks that need to be tackled collectively are growing in number is undisputed. At the same time, in recent years we have experienced a growing tendency on the part of certain countries to exempt themselves from global standards, as well as a waning willingness to cooperate in global institutions.<sup>43</sup> While there was still talk of a “vigorous multilateralism” in the 1990s, today national governments seem more prone to succumb to the temptations of unilateralism. The 9/11 terror attacks and the war in Iraq were certainly turning points here, and protectionist tendencies are also being fueled by the uncertainties facing world economic development, as well as by new competitors in international markets. The existing system of global governance is now coming under substantial pressure from various quarters.

Above all, the main pillars of multilateral cooperation – forums such as the UN, the WTO, the BWIs, and NATO, but also the EU – are in crisis and are groaning under the burden of their tasks and outmoded structures. This is closely associated with public criticism of these institutions. Depending on its source, the object of criticism may be the dominance in the international forums of the strongest countries and their interests, their lack of transparency and possibilities for sufficient democratic participation, their strategies’ lack of coherence and effectiveness, weaknesses in their implementation and enforcement efforts, and the fact that international politics is generally not subject to sufficient parliamentary control.

The global arrangements that today form the backbone of economic and security cooperation

Friedrich-Ebert-Stiftung, Berlin, 2007.

43] Jürgen Stetten, Multilateral institutions: Building new alliances, solving global problems, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

are, in essence, Western institutions. This “transatlantic multilateralism” now sees itself challenged by the integration into the world market of the major emerging countries, as well as by the realization that global problems such as climate protection or energy cannot be solved without the integration of China, India, or Brazil.<sup>44</sup> One of the crucial issues of global governance in the coming years will be whether it would be best for these countries to be largely absorbed by the existing, Western structures, or whether the institutions themselves need to be transformed. Strategic considerations, but also the ponderousness of the international organizations, have led to mounting calls for more flexible and selective forms of international diplomacy, including ad hoc consultations, contact groups (for example, Kosovo, Iran, North Korea), concerted action on the part of the major powers, coalitions of the willing, South–North cooperation projects. These groups’ policies are defined in their own capitals, and their legitimacy is based less on representation than on the effectiveness and results of their cooperative efforts. The initiatives are rarely integrated into the formal structures of global governance. These initiatives may, from case to case, provide support (“global governance of the last resort”), but they may also compete and undermine these formal structures.

### A fragmented multilateralism?

A new protectionism, persistent distrust between the old powers and the new global players, unilateralist reflexes, and a deadlocked EU could fragment the structures of global governance even further, and there is no way of knowing whether they will be replaced by new decision-making structures. There is much, however, that indicates that in the coming years global governance will be more inclusive, but also more exclusive: the big emerging countries will be better integrated into international cooperation, mainly on the basis of “extended versions” of Western coordination and initiative mechanisms. Otherwise the costs of implementing new rules, particularly in the fields of climate, financial, and energy policy, would – in the eyes of the West – be prohibitively high. In the eyes of the big emerging countries, in turn, further economic integration would lead to a lock-in effect that forces them to become more involved in coordinating work on global issues. This process of gradual integration could, in the medium term, pave the way for the adoption of new structural elements in international relations, – such as the “L-20”.

The trend toward a “multilateralism à la carte” of the kind practiced by some influential nations could gather momentum. Instead of “cooperation wherever possible”, the motto might then be “cooperation wherever necessary”. However, “reformed” neoconservatives such as Francis Fukuyama have expressed the hope that a multiform, but also narrower multilateralism of this kind (“realistic Wilsonianism”) could serve to restrain the American Gulliver and induce him to engage in multilateral cooperation. This development will at the same time widen the gulf between the powerful and the powerless. Classic North–South forums such as the UN could lose some of their relevance and influence if key decisions were taken in the context of more exclusive multilateral arrangements, from which for the most part the developing countries remain left out. There is also a danger that while a particularist multilateralism would improve the effectiveness of policy regulation, it would at the same time further cement the role of the executive in international politics, pushing back the influence of social actors and NGOs. However, the role of the UN in this – all in all more flexible – multilateralism could be strengthened by finding a mix of intelligent global agenda-setting (for example, in climate policy), new structural elements (such as a UN environment organization), a more clear-cut division of labor between the UN and the regional organizations in peacekeeping, and a better dovetailing of ad hoc groups and the more exclusive circles with the more comprehensive structures of global governance.

44] Dirk Messner, *The European Union: Protagonist in a Multilateral World Order or Peripheral Power in the “Asia-Pacific” Century*, in: *Internationale Politik und Gesellschaft*, Heft 1, 2007.



## Integration, cooperation, initiation

Unlike the globalization discourse in the early 1990s, which depoliticized the economy, discredited the state, and sought to range global processes against the “Leviathan”, the coming years will see the pendulum swing more in the direction of a rehabilitation of the political vis-à-vis the economy. But the motto will have to be “Beware of extremes”, and the search for new policy space will be geared more to pragmatic solutions – beyond statism, but also beyond denationalization and demonization of state action. This will open up the possibility of engaging in an open political debate on a *modern conception of the state*, at both the regional and the global level.

The development of the European Union and its rule-based framework is highly conducive to global governance structures. If the present tendency to cling stubbornly to formal state sovereignties – one of the main obstacles to the development of efficient regional structures – should gradually weaken in the years ahead, a systematic regional exchange could impart substance and fresh impulses to this new regionalism. Led by the EU, regions could become more firmly entrenched at the political level, in this way becoming an important building block of global governance. German policy should generally seek to develop a higher profile in international politics as initiator and agenda-setter. The negotiations on the statute for the new International Criminal Court were a good example of this.

Germany’s policy, based on interdependent interests, is forced to rely on functioning multilateral institutions, and at the same time the experience Germany has gained with complex multilateral structures practically predestines it to active engagement in efforts to adapt and reshape global governance.

Germany must make more systematic use of its relations with the large emerging countries to forge new alliances. The policy fields best suited to the purpose would be energy and climate policy, as well as international health policy.<sup>45</sup> A new forum designed to bring the leading industrialized and emerging countries together would be a good starting point for efforts to improve the coordination of international policy.

The coherence of international policy will remain one of the central challenges of the years to come. Entry points at the global level include improved cooperation between the multilateral organizations, as well as interregional coordination mechanisms. What is needed at the European level is a stronger voice for the EU in international organizations and a more flexible mandate for negotiations in international forums. Finally, at the national level, Germany should improve its efforts to manage coherence both among ministries and in the policy fields that are most interdependent – trade, climate, conflict resolution, human rights, security. Appointment of a minister of state for global governance might prove conducive to this purpose.

Establishment of a parliamentary globalization committee could help strengthen the hand of the Bundestag and – in view of the fact that in parliament global issues are often dealt with in isolation – at the same time prove conducive to discussing global challenges with reference to issues that they have in common. On the other hand, any larger measure of “executive multilateralism” could serve to severely restrict the Bundestag in its political control function.

45] Wolfgang Hein, *Global health: A policy field of underestimated importance*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

## V. Fissured worlds

### V.1 Europe – The new City built upon a hill?

The European Union will remain the major construction site of German politics. The nexus of relations here is extremely complex, and domestic and foreign policy are closely interlinked. Some of the central problems of international and domestic policy are most clearly in evidence here, too – we need think only of the future of the present welfare model, Europe's role as an interface to the Islamic world, migration, and the aging of European societies. We also find here the laboratory of the "postmodern zone" (Robert Cooper), in which efforts are under way to develop intelligent institutions designed for transnational government and to consolidate Europe's integration, but also an example for regions in other parts of the world.

At the same time, just about everyone considers the EU to be in a sorry state, under serious threat from unresolved challenges. The rejection of the EU Draft Constitution by France and the Netherlands, both founding members of the European Community, has made it even more urgent to address the question of how European institutions should be further developed. Furthermore, the Kosovo issue and the rift over Iraq have dampened hopes of rapid progress on the Common Foreign and Security Policy; the unresolved and increasingly pressing social question in European societies is serving to estrange more and more people from Europe; there is widespread resentment at the "overextension" of the EU caused by recent enlargements; and enlargement and consolidation are increasingly viewed as antagonistic tendencies. Institutional and political crisis, enlargement crisis, and social crisis are merging into a gloomy scenario in which the EU is not up to meeting the challenges facing it and a twilight of the gods is approaching.

While the many different deficits besetting the EU cannot be denied, a look at the history of its integration can at least qualify the current crisis discourse. Economic and monetary union has been achieved, and good progress is being made on increasingly close cooperation in the fields of justice and internal affairs, as well as in stabilizing, transforming, and integrating numerous eastern European countries. We can also point to a number of more recent examples that serve to underline the Community's capacity for further development, as well as for effective policy-making. Furthermore, the fact that the EU, in the course of its 50-year history, has grown from its original six members to a membership of 27 in five enlargement rounds shows that Europe has lost none of its attractiveness. In the past as well, the Union has, following periods of flourishing, again and again fallen prey to accesses of depression due to numerous blockades engineered by special interests, failed projects, and the sheer complexity of the task facing it. Europe was born of crisis, and crises are an elementary, but also productive, component of the European integration process: indeed, it has been precisely in the difficult situations that new ways were found of continuing European integration. It is not least for this reason that an often sloganeering and final crisis discourse has tended to chime with the political preferences of those who see – and wish to see – in European integration little more than a successful system of market regulation.

"What is Europe?" "Where is Europe?" and "Who is European?" – all these questions have been subject to debate since the beginning of European unification. The structure of today's Europe is difficult to define: neither a confederation of states nor a federal state; neither a "Europe of homelands" nor a "European superstate"; EU rule nevertheless extends into the national space of each of the member states, the Union makes law and has greater international influence than any other regional organization. The development of this often confusing "system sui generis", with its treaties and various supranational and intergovernmental elements and bodies, does not follow an inherent functional logic, but is the outcome of a series of gradual reforms that came about on the basis of political compromise and under external pressure. The

integration process is fundamentally open, and Europe's future political, social, and territorial form is in no way fixed. Its borders are not "natural", but based on conventions and have been extended again and again in the course of integration – not without occasional setbacks. In the coming years Europe will experience friction over social, economic, and foreign-policy challenges, and this will force it to (re)explore the space for new arrangements.

### Europe must work

The EU's legitimation crisis is seen as one of the central challenges facing continuing European integration. Declining opinion poll ratings, alarmingly low turnouts for EU elections (above all in the new member states), and failed referendums add up to a mixed picture of lack of interest in European issues and growing resistance to projects designed to deepen and enlarge the Union. It was long possible to push through and implement European integration in the form of a purely elite project that rested on the tacit consent of the population. The failure of efforts to adopt a common European Constitution appear to spell the end of this epoch once and for all. If a better social basis is not found for Europe's path to integration, European development will be blocked. Furthermore, questions bound up with the democratization of Europe, the overall balance of what Europe has thus far achieved in social terms, and the way in which the integration process is perceived and communicated are closely interrelated.

Despite having an anthem, a flag, and a currency, the EU remains a weak political system with influential national governments, and there are substantial democratic deficits when it comes to mediating between these two levels. In fact, the European institutional and decision-making system is not transparent, the European Parliament continues to be weak, the national parliaments are poorly integrated into European affairs, and European actors, including political parties, are far from sufficiently visible. All these are serious defects, but they could be at least mitigated by more participation of society, for example, via direct elections for the President of the European Commission or efforts to strengthen the powers of the European Parliament. To be sure, it is not enough to point to the EU's democratic deficits: for one thing, the ongoing debate also points toward a kind of "democratic isolation" on the part of the EU, with, for example, national governments emphasizing – often for opportunistic reasons – abstract criteria that could just as well be used to criticize political realities in any of the member states. But what is sometimes termed "Brussels despotism" is for the most part subject to more control, less corrupt, more transparent, and more representative than the political systems of most member states. Moreover, the spectrum of tasks delegated to the EU by the member states will determine whether and how the Union is able to develop new legitimacy resources. In fact, European institutions are today mainly responsible for fields that were, for the most part, already insulated from direct social influence (monetary policy, technical standardization, economic diplomacy, jurisdiction) – while the EU is largely excluded from policy fields in which decisions are taken on central issues of (re)distribution policy and there is more social influence (for example, tax policy, social policy, but also education policy).

For this reason, if the EU is to attain legitimacy in the coming years it must develop resonant European projects, which also formed the basis of the "permissive consensus" between Europe's political elites and its population in the past. From the idea of European reconciliation to the single European market, which prompted a positive "Europhoria", these projects formulated clear-cut aims of European integration, and for most people they stood for peace, jobs, and growing prosperity. Since the early 1990s, however, this consensus has increasingly unraveled. Mass unemployment and the unsuccessful search for a (European) development model in which economic modernization is not attained at the expense of social cohesion, a certain alienation from European politics and its technocratic methods – including the strict convergence criteria – and a lack of progress on social integration have tended to undermine what was once general approval. What is more, when it came to the Maastricht criteria, which

were used by many European governments to justify their market-driven economic policies, the “exhausted” population began to perceive Europe less as part of the solution than – increasingly – as part of the problem. Today, between Porto and Prague, the idea of a purely economic union will not be among the dreams of most Europeans. If Europe has “lost the plot” (Timothy Garton Ash), the main reason is that it has been unable, as a political entity, to reach agreement on projects with mobilization potential, and Europe’s politicization has been thrust into the background to make space for a kind of technocratic pragmatism. “Europe must work” – in a twofold sense: on the basis of effective and democratic structures and in the sense of European political initiatives that are visibly geared to tackling the social problems besetting Europe’s societies.

### Foreign-policy challenges

While foreign and defense policy continue to be among the core tasks of national governments, in recent years the EU has also left its mark on international terrain. This includes above all its transformation and integration policy vis-à-vis East-Central and Southeast Europe, but also its military and police missions, its greater diplomatic weight in international forums, and its role as Europe’s largest donor in development policy and its most important actor in international relations, advocating a clear-cut multilateralism.<sup>46</sup>

The EU’s most powerful and most successful foreign-policy instrument is enlargement. The “lure of membership” (Robert Cooper) has helped to democratize the East-Central European countries that have now become member states, to pacify and stabilize the Balkans, and to induce Turkey to alter its administration of justice and initiate economic reforms. The accession process and the “Copenhagen Criteria” have given the EU a set of potent instruments that it can use to gain fundamental influence over developments in its neighboring countries, thus enabling it to contribute to security and stability in its immediate environment.

Despite this all in all successful balance, the EU’s enlargement policy is today more controversial than ever. While the European public has on the whole voted narrowly for EU enlargement, support in some of the old member states is declining. An EU extended to the east is increasingly perceived as a threat to jobs and prosperity, a fact that has found succinct expression in the – already proverbial – “German angst” concerning the Polish plumber. And the case of Turkey has led to a nervous debate on the EU’s nature, cultural barriers, and boundaries.

The question of the EU’s boundaries has turned out to be a central aspect of Europe’s foreign and security policy. Within the EU’s boundaries we find countries that are – despite obvious differences – rooted in the same modern democratic capitalist system, while outside them we find countries that function on other principles. For many EU member states, the countries of southeastern and eastern Europe radiate a vague insecurity – in part because of their lack of adequate legal frameworks and investment conditions, in part on account of their (seemingly outmoded) clientist political and social structures, and not least because of their weak economies. Keywords such as “illegal migrant workers”, “trafficking in human organs”, “organized crime”, and “forced prostitution” tend immediately call to mind the eastern borders of the European Union. This situation is aggravated by the many and various unresolved conflicts there – from Kosovo’s status through the question of the state in Bosnia and Herzegovina,<sup>47</sup> to the tensions between Moldavia and Transnistria and the war in Chechnya, which tend to augment many EU citizens’ sense of uncertainty. Asked what it intends to do in such cases, the EU finds itself in a dilemma. On the one hand, it could duplicate the current strategy, namely to mitigate the conflicts and uncertainties in a given region by absorbing its countries into the

46] Christos Katsioulis/Gero Maaß, European integration: Prospects for the future as a security and welfare union, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

47] Britta Joerißen, The Balkans: On war, peace and Europe, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

EU – although at present both the EU’s current internal crisis and the ongoing crises in the regions in question appear too great. The sole exception here is the Southeast Central European countries to which long-term EU commitments have given clear accession prospects, although their accession seems to be receding further and further into the future. On the other hand, it could seek to protect itself from these countries along its eastern borders, seal itself off from them, so to speak – but this is probably not a viable option, not least because of the existing economic cooperation projects there, not to mention the close relations of some EU member states to their neighbors beyond the border.<sup>48</sup>

Against this background – that is, faced with the question of how best to achieve rapprochement with these countries in political, economic, and social terms without offering them membership – the EU developed its “European Neighbourhood Policy” (ENP) in 2002. Initially conceived with only the countries to the east of the EU in mind, the policy was, under pressure from the southern EU countries, enlarged to include a number of southern Mediterranean countries, and now the ENP embraces, in addition to Armenia, Azerbaijan, Belarus, Georgia, Moldavia, and Ukraine in the east, Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the Palestinian Authority, Syria, and Tunisia to the south. The EU has developed a separate “strategic partnership” for Russia.

The EU uses ENP in pursuit of its aim of strengthening “prosperity, stability, and security” in the countries named above, though the focus is clearly on the EU’s security interests. In this connection, the Council concludes that “[p]olitical instability and weak governance in our neighbourhood could impact on the EU”,<sup>49</sup> and that ENP should be further expanded, “especially ... considering the potentially high long-term costs of failing to support our neighbours”.<sup>50</sup> And yet the conflicts of interest between the EU and the ENP countries are becoming clearer by the day, with the latter focusing above all on access to financial aids and to the single European market. But the EU’s initial hope that the incentives it has provided would set political reforms in motion in the ENP countries has not (yet) materialized. It appears that the incentives are not attractive enough. In East-Central Europe and in South Europe the strategy has worked, but it now appears that it is simply not sufficient to apply EU enlargement policy without its greatest incentive, namely EU membership, in order to achieve the desired political and social transformation in the ENP countries. One of the greatest foreign-policy challenges currently facing the European Union is development of a clear and effective concept for the EU’s external boundaries, one that creates a balance not only between “prosperity, stability, and security”, but also between EU incentives for and demands on its neighbors with a view to resolving the existing conflicts of interest by political means. But the approach currently in use – namely to offer a package of bilateral action plans instead of pursuing a strategy keyed to the special features of the regions concerned – works counter to this end. Moreover, these ultimately very different regions are to remain gathered under the ENP umbrella.

It is not only since 2001, or 2004, that security has ranged high on the agenda. Since the Council meetings in Cologne and Helsinki in 1999, European Security and Defence Policy (ESDP) has been regarded as part of the Common Foreign and Security Policy. ESDP was touted as the project of the decade, and it was supposed to give new momentum and political contours to European integration and develop an attractiveness comparable to that of economic integration in the golden 1980s, the era of “Europhoria”. In fact, security policy has become – not least in the wake of an intensified debate on security policy and under the pressure generated by international crises – one of the European Union’s more dynamic fields, though one in which there is a wide gap between expectations and (feasible) practice. Long justified less in terms of

48] Michael Ehrke, *The European Union and the post-communist sphere: Integration, European neighbourhood policy and strategic partnership*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

49] Meeting of the Council (General Affairs and External Relations) on 18/19 June 2007, [http://www.eu2007.de/en/News/download\\_docs/Juni/0628ENP/ENP\\_en07.pdf](http://www.eu2007.de/en/News/download_docs/Juni/0628ENP/ENP_en07.pdf)

50] Ibid.

security policy than with reference to integration and foreign policy, ESDP was given a stronger strategic component when the European Security Strategy (ESS) was adopted in 2003. Vaguely formulated in many places, the ESS paper still manages to outline – in ways setting it off from the US – the contours of a European approach to security policy. While it is true that, based on an expanded conception of security, Europe – the “civilian power with teeth” (Frank-Walter Steinmeier) – also relies on military means, the strategy provides mainly for the use of a set of integrated economic, civil, and police instruments. Embedded in an “effective multilateralism”, the strategy propagates the export of “responsible government” as a value and focuses on the regional and international structures that cause conflict, instead of being centered on rogue states.

But while the institutional, technocratic structure of ESDP has made rapid progress in terms of early warning, analysis, decision-making, and planning, a number of core political questions are still unresolved and continue to be highly controversial among the member states. When, where, and with what means should the EU engage in the field of security? Of what nature is the relationship between ESDP and NATO and the United Nations, and how is Europe dealing with US misgivings? How does the policy define the relationship between military and civil means? What measures are provided to ensure ESDP’s democratic legitimacy and ability to act? Are the member states prepared to mobilize the resources needed to develop ESDP and to advance the transformation of security structures in the countries themselves? So far, no strategic consensus has emerged on these questions, but without it an alternative European security concept remains a chimera.

## V.2 The G-1

Far more than any other country, the US will continue to determine developments in international relations in the years to come. The US is by far the world’s greatest military power, it has the world’s largest and – compared to the other industrialized countries – most dynamic economy, it is the world’s laboratory, its culture is globally present, and it has institutionally anchored veto powers in all important international organizations. But whether and to what extent many of the global and German goals outlined above are in fact reached will depend on the ups and downs of cooperation with the “indispensable nation” (Madeleine Albright).

Based on Lord Ismay’s three necessities – “keeping the Russians out, the Germans down and the Americans in” – and with Europe as the center of the bipolar confrontation, it must be said in retrospect that the transatlantic relationship functioned quite smoothly during the Cold War, despite periodic crises. In recent years, however, transatlantic differences have become more pronounced. While the Iraq war has deepened the divide between Europe and the US, cracks in the Western alliance had been visible for some time. Still, the governments on both sides of the Atlantic have managed again and again to develop joint positions on important issues of international politics. However, the Landmines Convention, the International Criminal Court, the Biodiversity Convention, and the Kyoto Protocol are telling examples of a “multilateralism minus one”, though one that has remained limited in its effects. As far as issues related to reform of the international financial markets are concerned, there has been no progress for years now because of the US’s skeptical stance. And a certain mutual mistrust has grown over security policy, human rights, the relationship between religion and politics, and fair burden-sharing in the transatlantic partnership.

The character and causes of the present crisis are controversial, however, and the signals from both sides of the Atlantic contradictory. There have been calls for prudence from those who see nothing new in this crisis discourse, since, as they claim, the rhetoric of trade war and the growing estrangement of the transatlantic partners has long been part of the political discourse – and criticism is simply part of the natural process of change within transatlantic relations.

While poor policy management and a lack of openness to the sensibilities of the other side, it is further argued, caused a surge of irritation as the Iraq war got under way, the situation is now gradually returning to normal.

Thanks to the density of EU–US relations below the political level, the crisis did not escalate into a transatlantic cold war: the transatlantic economy – the most stable area of transatlantic relations and the one with the highest level of coordination and networking – was not affected by the dispute. Transatlantic social and civil society contacts are robust, and, despite what is often claimed, the populations of the US and the EU are largely in agreement when it comes to their analysis of threat perceptions and their positive assessment of the United Nations, arms control, international environmental policy, or development aid. Nor are Americans and Europeans far apart in how they view international challenges.

But when it comes to the transatlantic security partnership and – more generally – to issues bound up with the present world order, the causes of the dispute seem not to be merely questions of style. It is here that the loss of the “external federator”, the common enemy, has made most clearly manifest the end of what was so long taken for granted in transatlantic relations. As a characterization of the differences in thinking between the US and the EU, we may regard Robert Kagan’s depiction of the American Mars and the European Venus as oversimplified, and the conclusions he draws as wrongheaded. But it cannot be denied that the conflict over the different US and European visions of international politics are due to the huge (military) power differential between the US and the EU, as well as to fundamental differences in their security cultures. While the American side increasingly perceives institutional arrangements as fetters and has therefore opted more for unilateral action and an attempt to use a robust military and intervention policy to prolong its world political hegemony, Europe is pointing to the rapid depletion of a logic based purely on power and has opted for multipolarity, balance, and multilateralism.

Today, broad segments of the US elite see in Europe a community calling for more of a voice in the decisions made by its US ally, but without at the same time being willing to shoulder (military) responsibility and international obligations. Instead of looking threats straight in the eye, it is claimed, Europe is timid and hesitant, loses sight of the big picture amidst rules and negotiations, and yet slipstreams in the US’s regulatory policy wake. In other words, it is precisely what Europe regards as its political strengths that are interpreted here as weakness.

Europe in turn looks anxiously across the Atlantic. The US and Europe have grown apart, and the arrogance of power lies at the root of it. For Europe, the US is all too quick to opt for military force and all too reluctant to use its civil power; the US thinks in friend–foe categories, demands loyalty, and yet is unwilling to engage in dialogue and cooperation; the US too often exempts itself from jointly adopted rules to be effectively integrated into multilateral efforts. “The US’s normative authority is in ruins”, as Jürgen Habermas has put it. One look at Kabul and Baghdad, years after “Mission Accomplished”, appears to confirm this. In the end, the Europeans fear for their own development perspectives (for example, in the framework of ESDP) in the face of a great-power USA that permits itself to determine on its own what or who stands for Europe (old or new Europe?) and is in a position to drive a wedge between its own allies.

Nor is the situation much better with NATO, the core institution of the transatlantic partnership. The eager acquisition of new members, the call for alliance action, and the ongoing NATO missions (the alliance remains the only military “subcontractor” able to carry out a wide range of missions effectively) cannot conceal the fact that the present transatlantic dissent has eliminated the basis that NATO needs to fulfill its *political* function, that is, to effectively work out and implement joint “Western” security strategies. The loss of a shared threat perception

has led to a “security dilemma in alliance politics” (Glenn Snyder); in the dispute over its future (global?) orientation, the alliance has the outward appearance of being badly unsettled; and its relevance is increasingly open to doubt. This is also shown by the striking decline in public support for NATO in countries such as Italy, Poland, Turkey, and Germany, which have traditionally been among its chief proponents.

Perhaps a Democratic win in the upcoming US presidential election would go some way toward calming frayed nerves. But the security environment has changed so drastically, and differences of opinion in the alliance appear to be so structural and deep that a mere change of administration in Washington would probably not suffice to reconstruct the Western alliance on the old basis. The relationship between EU, NATO, and US must be redefined.

### What’s so bad about being Venus?

In the years to come, too, the major disagreements between the EU and the US will be played out in the field of security policy. This is unlikely to shake the transatlantic marketplace to its foundations. The crucial factors at work here include internal economic developments and China’s role. The two most important transatlantic “domestic” economic issues that will influence the future of US–European economic relations are the implementation of the Lisbon Strategy on the European side and reduction of the budget deficit on the US side. A generally cooperative transatlantic tone could have a beneficial effect on efforts to shape the world economy in the framework of trade and financial policy, though without being of crucial importance.

The divide could widen over security policy. The growing transatlantic estrangement is best illustrated by sensitive, though at the same time decisive, issues of international politics – approaches to China, Russia, and the Middle East, as well as the fight against terror. A number of European countries increasingly view the US as the Other, seizing on this impulse to further expand ESDP. The cracks are supposedly to be found in NATO as well, and they are a sure sign that the alliance is becoming an arena for protracted transatlantic conflicts. An EU reduced to its core dimensions and integrated under a common security policy would have no room for US ideas on a NATO with global reach because this would entail a deterioration of relations with Russia. The US is more likely look around for more flexible security partnerships (coalitions of the willing), cherry-picking among the countries of Europe. It is further argued that this partition of Europe into (in the US view) supporters and rejectionists (Stanley Hoffmann) is likely to prevent Europe’s security policy from developing fully. NATO is on its way to becoming a relic of the Cold War, an alliance that still discusses security issues, but with no real willingness to seek compromise or prospects of action.

If the US consolidates its preeminence, the logic of power remains in place, the (military-)technological gap continues to grow, and no real progress is made on a joint security policy (leaving important countries such as the UK out in the cold), then it is entirely possible to imagine the development of an even more “Americanized” NATO. All that would be needed is a unifying threat scenario: perhaps Russia in the throes of crisis or a more manifest clash of civilizations; perhaps an insight on the part of Europe – induced perhaps by the failure of efforts to integrate Europe – that NATO is in fact the only organization capable of reliably carrying out a broad range of missions. In political terms, NATO is threatened with becoming a body of loyal followers in which the US lines up consent for its security strategies; in military terms, it is in danger of being used, flexibly and globally and under US leadership, to contain international security risks.

One medium-term option would appear to be a soft separation between Europe and the US, but one that would not rule out friendship within the framework of a minimum Atlanticism



– without the exclusiveness typical of the postwar era. The US's military course is visibly running up against rooted in financial, organizational, and legitimacy factors. And in the long run the US's unipolar pretensions and aggressive power politics will not go over well with China as the creditor expected to pay for it. The recent case of North Korea clearly shows that diplomatic means still have some prospect of success. Other examples – for example, Iran – could be added.

Nevertheless, different threat scenarios continue to be drafted on both sides of the Atlantic, and while the US seeks security in technological development and conversion of its weapons systems, Europe is investing in instruments designed to prevent crises, contribute to state-building, and reconstruct conflict-torn societies (civil and military crisis-response forces, police operations, development policy, economic programs). In the best case this will lead to a balancing out of existing antagonisms in the two security strategies, recognition of the other side's capacities, and a deepening of the international division of labor in the field of security policy. As among the ancient gods, Mars and Venus would find each other once again – for a time. This would mean undertaking greater efforts to get China and Russia involved. This would require the EU to continue to hone its security conception and to advocate it assertively and in unison, doing more to focus and integrate its security resources and to induce the UK to become involved. In the US, in turn, the view that a strong Europe is good for the US would have to reassert itself, as well as a more pragmatic course in foreign policy.

But this harmonious form of division of labor would stand and fall with the institutional framework used to negotiate the different US and European views on concrete conflicts and to adopt and implement joint strategies. This would be possible only in a NATO whose European pillar had been substantially strengthened. There would be two ways of doing this: the US could give Europe more voice – either in recognition of the fact that the US is reliant on Europe's capacities in resolving conflicts or at least to delay development of the ESDP. It is more likely, however, that the EU will itself have to initiate a Europeanization of the alliance by speaking with one voice, namely with more coherence than hitherto, so consolidating its position within NATO. This may mean that in future, NATO, a supplier of collective security goods, will be deployed more on Europe's periphery, while the US will seek other, more flexible security partnerships.

### Transatlantic perspectives

The diagnosis – close economic integration, the central institution in crisis, decline of the collective identity on which mutual relations are based – shows that while there is still common ground in today's transatlantic relations, there is no way back to the old and familiar roles. A new transatlantic bargain is needed to fill the void left behind by the decline of the once frequently invoked community of values. As far as many global issues are concerned, the US is the key, and a permanent deterioration of relations could make it difficult or even impossible for Germany and Europe to reach their foreign-policy aims. At the same time, the price Europe would have to pay if it fell into line with the present US course would be a surrender of its own, clearly stated principles of cooperation and multilateralism. There will be no easy way out of this dilemma. The European Union itself will be faced with the difficult task of redefining its relationship to the US, a process that will at the same time raise a number of internal European questions.

One first step might be to place US–EU relations on a more stable footing outside the field of security policy. It would be possible in the medium term to develop projects focusing above all on energy issues and climate protection, world trade, and economic cooperation for the Middle East, conceived as a contribution to reaching a peace settlement in the region. But even a continuing phase of easing tensions will not be enough to restore transatlantic relations to the exclusivity they once enjoyed. Both regions are also developing intensive bilateral relations

with other countries, and these in turn affect the relationship between the US and Europe. It would be particularly important to do more to make relations with Russia (but also with China) an important part of transatlantic consultations. An enlargement of transatlantic cooperation to include Canada (and Mexico) would pave the way to gaining a new mediator for difficult issues bearing on transatlantic relations.<sup>51</sup>

In future, security policy will remain the most delicate field of transatlantic relations. In the coming years it will virtually impossible for the EU to attain its security goals without the US, and certainly not against it. However, general attempts to tie European foreign policy to the policy pursued by the US (as the UK has sought to do) have proven every bit as unsuccessful as attempts to establish Europe as a countervailing power, an idea that is generally rejected within Europe. At the same time, the only way to stabilize transatlantic relations in the long run would be for Europe to enhance its organization – with a view both to showing more coherence in its role as partner and to closing Europe’s gates to American cherry-picking. Progress here will be gradual because Washington would be unwilling to accept any formal restructuring of NATO on the basis of a two-pillar model and because the idea would have little prospect of finding consensus among the EU member states. If it strengthened CFSP and stepped up efforts to focus its resources, Europe would have a more audible voice in transatlantic bilateralism. More transparency as regards ESDP objectives could in turn help to prevent irritations on the US side.

### V.3 Our friends and neighbors ...

There is every indication that in the years ahead a number of regions around the European Union will be faced with a very difficult process of change and transformation; its outcome is entirely open, and it is certain to have an impact on Europe. The situation is tangled and very difficult: the growing pace and reach of economic globalization; rising demand for energy; ethnic tensions and conflicts at the seams of the world religions (the preferred playgrounds of major powers); fragile democracies and authoritarian regimes; social polarization; a “moody bear” to the east; and the world’s powder keg to the south – all this adds up to a fairly problematic picture. If the impact on Europe is to be minimized and the causes of these risks tackled, Europe must also develop strategies for and with its more distant neighbors.

#### A seismic conflict region

Edgar Morin refers to the Middle East as a seismic point where all conflicts are played out at the same time: the dispute between religions and the conflicts between religion and secularism, democracy and autocracy, poor and rich, and aging societies and general overpopulation. Like no other region, the Middle East is characterized by classic territorial and hegemonic conflict formations; these would include above all the Israeli–Arab conflict, the Iraq conflict, the Shiite–Sunni conflict, and the dispute over the Iranian nuclear program. Whether or not these conflicts are resolved will determine whether the crisis of the “blocked regions” will deepen in the coming years or some first, halting steps will be taken towards political and social consolidation.

The Arab–Israeli conflict is a fundamental one that is not only crucial for Israel and Palestine but also leaves its traces in the other Arab countries, as well as in relations within the Arab world. The security situation in the Gulf region was long shaped by the hegemonic conflict between Iraq and Iran. The most recent Iraq war has altered the security perception of the Gulf states, and while Iraq no longer poses a direct military threat, its instability is generating new dangers. Not only has the Shiite takeover of power in Iraq intensified Sunni extremism, but gro-

51] Almut Wieland-Karimi, *Transatlantic relations: Together the West is exploring new shores*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

wing Shiite power also strengthens the hand of Shiite communities in Saudi Arabia and Kuwait, and it could contribute to further destabilizing these countries. Iraq's weakness at the same time means that there is no longer a strategic counterweight to Iran. Surrounded by a hostile US and rivals such as Turkey, Pakistan, and Saudi Arabia, and increasingly dependent on less than reliable partners such as Russia, Iran, in its isolation, is seeking to play a more active role in the region. It can base its activities on rent-type revenues from its oil and gas reserves, its influence over Shiite factions, and a strongly developed national consciousness. Moreover, the protracted US occupation of Iraq is not only exacerbating tensions with Iran, but at the same time creating further domestic pressure on the regimes in the Gulf region. The political reform process is making little headway, above all in Saudi Arabia, the region's most conservative and influential country. The leadership of some of the region's monarchies is in the process of change, and the pro-American line pursued by a number of governments is fuelling extremist groups and the political instability of a number of regimes. The escalation of the dispute over the Iranian nuclear program also shows how far the "West" and the Islamic countries have already drifted apart and how difficult it is to integrate Iran without at the same time coming up with a political settlement in the region.

Nearly all the countries in the region are faced with severe internal social and political challenges. A large number of distortions are further destabilizing these countries – a development viewed with alarm not least by Israel in respect of a number of countries that are more or less well disposed toward it. As far as their key economic and social data are concerned, the countries in the region rank low on cross-country comparisons. With the exception of the energy sector, the region is very weakly integrated into global markets, and it depends above all on rent-type revenues from oil and gas; there is virtually no cooperation in the region itself. Its societies are among the most illiberal in the world. Unemployment, above all among young men, is very high and is expected to continue to mount in the years to come – fuelled by a demographic development that, in contrast to other global trends, gives reason to expect marked population growth in the region. Moreover, more than in any other region of the world, (cultural) globalization is perceived in the Arab world as a threat, and it is polarizing the region's societies. We can identify a certain "cultural leveling" in the region due to the opening up in which several of its countries are engaged, as well as the dissemination of new means of communication and the emergence – for example, in Iran – of a secularized middle class. This goes hand in hand, however, with a need for cultural autonomy on the part of other segments of society, which – given a politically more aggressive twist – is used by numerous groups against the threat of a US-led "Western cultural and value imperialism" that, camouflaged as universalism, allegedly threatens the region's autonomy. This translates into a growing risk that – in addition to the region's traditional conflicts – we could, in the years ahead, see a further escalation of internal conflicts that (especially in view of the weapons stockpiled in the region) could quickly assume military character.

Given the close interrelatedness of these numerous conflicts, regional crises could be defused only if their root causes were addressed at the same time. This Herculean task is scarcely to be accomplished without an overall concept supported by the most important international actors.<sup>52</sup> The tasks and approaches that a concept of this kind must comprise are so many and various that they hardly seem manageable. The window of opportunity for a two-state solution, without which the region's core conflict cannot be resolved, is closing due to the region's demographic development and Israel's settlement policy. In other words, the time has come to launch the final status negotiations. In view of the rule of three widely subscribed to in the Arab world – "No war without Egypt, no peace without Syria, and no agreements without Saudi Arabia"<sup>53</sup> – the task would be to get these countries solidly involved in the ongoing initiatives, and not to isolate them; not least in view of the need to stabilize Lebanon and Iraq. It will be

52] Andrä Gärber, *The Middle East and North Africa: A gridlocked region at a crossroads*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

53] *Ibid.*

virtually impossible for Iran to play a constructive role in the region without a solution in the nuclear dispute. And without better socioeconomic development, distributive justice, and political freedoms, the region's societies are unlikely to settle down. There are already a number of initiatives, but they need to be better coordinated. There is little demand in the target countries for approaches such as the WEU's Mediterranean Initiative, the OSCE's Mediterranean Dialogue, or the NATO Mediterranean Dialogue; and the Barcelona Process will lead to an (artificial) separation from the region of the countries bordering directly on the Mediterranean. It would make sense to harmonize the European initiatives to form an overall concept and to better dovetail the EU's neighborhood policy with its relations with the other countries of the region. The Middle East Quartet – possibly broadened to include China – should be upgraded politically and turn its attention to other core conflicts in the region besides the Arab–Israeli conflict, such as the nuclear dispute with Iran or the issue of Iraq. The revitalization of a comprehensive Middle East peace process would have to be embedded in a regional initiative designed to promote disarmament and efforts to reduce tension, one formulated and acted on in the region itself and moderated by external actors – including Turkey – and designed to pave the way for dialogue between the region's countries and societies. One crucial factor will be whether and to what extent it proves possible to get the integration-minded segments of Islamic movements involved, particularly when it comes to issues such as respect for democratic rule and renunciation of violence. Thanks to its economic influence, the role it plays in the EU and the international organizations, and its generally stable and good relations with most of the important actors in the region, be it Israel or Iran, the US or China, Germany will be in a good position, in the coming years, to make an important contribution to forming the political nets that would support an overall concept for the Middle East.

### A new Silk Road?

Developments in Europe's Eurasian neighborhood are also fueling European uncertainties about the stability of some of its neighbors. While a number of border conflicts have been settled in Central Asia in recent years (for example, between Kazakhstan and Turkmenistan, Uzbekistan and Kyrgyzstan) borders in the region, artificially drawn under the Soviet Union, continue to be a cause of conflict. These borders cut through economically coherent areas, transportation routes, and water resources, creating strong minorities in all Central Asian countries. The growing scarcity of land and water in the region could cause these conflicts to escalate. Toxic salts from the shrinking Aral Sea have turned parts of Uzbekistan, Kazakhstan, and Turkmenistan into a contaminated ecological crisis region that is home to 20 million people. Following the breakup of the Soviet Union, Central Asia has moved closer to its neighbors to the south, and thus to their problems as well. Since the 1999 attacks in Tashkent, the problem of terrorism and the infiltration of radical Islamists from neighboring countries have topped the region's security agenda. In Afghanistan's shadow, Central Asia remains an important transit region for the drugs trade. Thanks to its infrastructure (research reactors, scientists) and its uranium reserves – Kazakhstan possess one quarter of the world's uranium reserves, and Kyrgyzstan and Uzbekistan are among the world's leading producers of low enriched uranium – Central Asia is also a sensitive region when it comes to the issue of proliferation.

All the Central Asian countries have substantial and strategically important deposits of raw materials: Turkmenistan, for example, has the world's fourth largest natural gas reserves and Kazakhstan possesses oil, gas, and various mineral resources, few of which have been tapped. The breakdown of the Soviet Union left these countries with dramatically shrinking economies, a development that constituted a severe strain on the region's societies in the context of their newly acquired national independence. Thanks to their natural resources, Kazakhstan, Uzbekistan, and Turkmenistan today enjoy high grow rates, while, for example, Tajikistan's economy continues to falter, with the country now listed as a "least developed country". One thing that all the region's countries have in common is that their internal social disparities are on the in-

crease. Like the Middle East, the Central Asian republics have high rates of population growth, and the large number of young unemployed men there could become a destabilizing factor, particularly in connection with the harsh methods used by the region's governments against Islamic tendencies, an approach that will favor the rise of revolutionary religious movements. Domestically, the Central Asian governments are no match for the conflict potentials they face. The region's defective democratic structures and openly autocratic regimes have – as the recent unrest in Kyrgyzstan and Uzbekistan has shown – considerable destabilization potential. It is likely that the political picture of the Central Asian republics will be colored by a marked nationalism, as well as by the spread of political Islam.

Both Central Asia and the South Caucasus, torn as it is by ethnic conflicts, civil wars, and separatist movements, serve their region's large neighbors as arenas in which to play out their various interests. Apart from its abundant natural resources, Central Asia's central geographic location is an important factor here. Russia is interested in intensifying its North–South relations with India and Iran; Europe is seeking to revitalize the ancient Silk Road, which led across the Black Sea, the South Caucasus, and today's Central Asian republics. The South Caucasus is seen in Europe above all as an alternative route for energy imports from the Central Asian republics that would reduce Europe's dependence on Russia. Along with South Asia and Southeast Asia, the Caucasus and parts of Central Asia are involved in US anti-terrorism strategies. Russia and China – which fears that religious and separatist movements might spread to its eastern provinces – are seeking to use the Shanghai Cooperation Organization, whose members also include Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, as a forum to articulate their interests in the region. Originally founded to improve border security between the former Soviet republics and China, the organization has also come to be seen – in light of NATO's eastward expansion and a renewed US–Japanese security alliance – as a strategic counterweight to US dominance in Central Asia.

While the EU was only lightly engaged there in the 1990s, in 2007 it responded to the region's growing role in world politics and energy policy by developing a new Central Asia Strategy. European interests are focused on the need to stabilize Central Asia in political and social terms, which is seen as a precondition for stabilizing Afghanistan. The strategy's components include regional security issues, efforts to combat drug trafficking and terrorism, cooperation projects in the field of education and on the development of an "e-Silk Road", and further development of the rule of law, human rights, and democratization. The cooperation is also set to focus on improving the region's desperate environmental situation – the water issue in particular is seen as a potential cause of conflict. Finally, the EU is also interested in diversifying its energy suppliers and the transit routes they use. At present it is unclear how the EU intends to weight and link the various objectives of the other major actors in the region, which tend to diverge substantially. While the US would like to see Central Asia move closer to South Asia with a view to seeing Afghanistan supplied with energy, Russia is seeking – successfully – to tie the region to the north. In recent years the US has lost some of its influence in the region, and the producing countries see the Russian pipeline as the only option that can guarantee that Central Asian oil and gas can be exported without friction. Whether or not the new EU strategy will be able to bridge the contradictory approaches pursued in the region – European/German energy imports via Russia on the one hand, stabilization of Afghanistan on the other – remains an open question.<sup>54</sup> There is a risk that human rights protection and promotion of democracy could fall by the wayside in a situation marked by a growing lack of security of supply, mounting concern about Russia's development, and the lack of freedom in most Central Asian societies. In view of its lack of real influence on the social development of the countries concerned, but also of the tough competition it faces from China and Russia, which do not condition energy cooperation on political reforms, the EU will find it very difficult to induce its new partners to shoulder obligations. The "strategic partnership" with the Russian Federation illustrates these difficulties very clearly.

54] Reinhard Krumm, *Central Asia: The struggle for power, energy and human rights*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

## A moody bear?

After years of depression that saw the “stranded world power” (Dmitri Trenin) in political free fall and struggling to overcome a period of social and economic instability that swept away the certainties of the old Soviet Union, Russia has today regained a measure of economic stability and become politically more self-assured. This is due to the country’s dynamic economic development in recent years, which has brought growth rates of between 6.5 and 7.5%, mostly thanks to the world’s booming energy markets. In recent years Russia, with its vast oil and – above all – gas reserves, has become the world’s energy pump. Today Russia is the world’s biggest energy exporter. At the same time, since the 1998 financial crisis it has pursued a stable fiscal and monetary policy. Wages in Russia have risen at rates in excess of inflation and are usually paid on time; Russia has repaid its debts and now holds sizable currency reserves. But whether this path of economic development will prove sustainable is still an open question. While Russia, which is counted among the so-called BRIC countries, is expected to have a gross national product larger than Italy’s and France’s by 2025, the obstacles to realizing this optimistic estimate are clearly visible. As in other countries, huge profits from Russia’s extractive industries have led the country’s leadership to neglect the need to diversify its economic structure. Russia’s domestic industrial sectors, above all chemicals and mechanical engineering, are under severe pressure to adjust. Thus far, Russian markets have not proven particularly interesting for foreign direct investment. Russia will have to invest some 700 billion dollars in the energy sector if it is to avoid production shortfalls, develop new fields, and enlarge its refinery and transportation capacities. It will be able to mobilize these huge sums only if it opens up the national economy and seeks better integration into the world economy, develops an efficient banking sector, and improves its economic legislation. While at present Moscow seems to have opted more for stronger state control of its strategic economic sectors, a basic conflict is emerging in the Russian economy: between the political attempt to protect and insulate important economic sectors from the impacts of the market and the need to further open up other industries to the world market. This conflict will be further fueled by the Russian government’s resource-oriented foreign policy on the one hand, and on the other by the mounting liberalization pressure created by the need to attract more foreign direct investment, the slow pace at which a middle class is developing, a growing group of trained managers, and the country’s upcoming accession to the WTO. “Asian” solutions that buy partial opening at the price of protection for certain industrial sectors are likely to emerge in the coming years. A dramatic break in Russia’s demographic development, further accentuated by one of the world’s highest HIV infection rates, constitutes another economic problem for the country – but also a social problem. Beginning in 2008, Russia’s working-age population will decline by at least one million per year, and at the same time Russia may find itself faced with a growing brain drain – sparked by unequal distribution – to the US, Europe, and Israel. While a policy of controlled immigration, conceived above all with Russia’s demographically strong neighbors in mind, could ease the situation, it would be difficult to formulate in view of ongoing political conflicts with neighboring countries and ethnic tensions and nationalist sentiments in Russia itself. And it is still too early to predict how Russia’s young democracy will develop. What Moscow refers to as its “sovereign democracy” (the companion to its “sovereign economy”) often turns out in practice to be illiberal, with power being further centralized, the executive upgraded at the expense of parliament, party pluralism obstructed, and the media and civil society reined in. This “guided democracy” shows signs of conscious efforts to mark it off from “Western-style democracy”, to pursue the idea of a special path for Russian society, and to ward off any outside criticism of the domestic political situation in Russia.

The picture is similar when we turn to Russia’s foreign policy. While in the 1980s Gorbachev used foreign policy as a lever for domestic reforms, today Russia’s domestic policy determines its foreign policy. Following years of declining political and economic power – in which Russia went, as Helmut Schmidt put it, from the status of a world power to that of “an Upper Volta

with missiles” – Russia’s self-confidence in foreign policy has been gradually boosted by high energy prices, the country’s dynamic economic development, and the growing weakness that the US inflicted on itself when it opted for war in Iraq. Alongside its “sovereign economy” and “sovereign democracy”, Russia now wishes to return to a “sovereign foreign policy”. The former “sick man of Eurasia”, long at the mercy of globalization, is now pursuing a classic policy designed to achieve its national interest, orientated towards sovereign decision-making, the creation of spheres of interest, and a multipolar world order. In the early 1990s there were still expectations that Russia would follow the European example and embark on a Western development path. Today, based on a strict *realpolitik*, the Russian government is seeking to secure the status quo. In dealing with the countries on the territory of the old Soviet Union, it uses a carrot – for countries that work in favor of regime stability and do not openly oppose the restoration of Russian power – and a stick (for example, supply restrictions, boycotts) for countries given, say, to colored revolutions. It makes targeted use of separatist conflicts in order to destabilize countries, and it vehemently defends – as in Chechnya – its territorial integrity. Moreover, it judges international settlements in terms of whether they are consistent with the principle of nonintervention and serve to protect the integrity of the countries concerned; and it uses the rise of new powers to diversify its foreign policy. The strategy assigns as much importance to the BRIC countries Iran and Turkey as it does to cooperation with other resource-rich countries. This will not be a sufficient basis for a “special Eurasian path” for Russia, since no solid anti-Western alliance appears to be emerging (to say nothing of one under Russian leadership) and Russia is not powerful enough to go it alone. All the same, there is a danger that Russia’s foreign policy – encouraged by difficult domestic transformation processes – might drift onto an increasingly unpredictable seesaw course that would place further obstacles in the way of efforts to develop stable international relations and improve global crisis management.<sup>55</sup>

The prevailing conditions are anything but favorable for a close partnership with Russia. While the Russian government is still officially committed to the policy of a fundamental opening up to the West that was adopted in the early 1990s, the political style in evidence has increasingly shifted from cooperative to confrontational. The list of controversies between Russia and Europe and the US is a long one. It extends from Russia’s iron-fisted policies vis-à-vis some of its neighbors, a resource-oriented foreign policy and a seemingly never-ending conflict over NATO and the status of Kosovo, heavy-handed treatment of civil society and the meat boycott imposed on Poland, to the disputes surrounding the projected US antimissile shield, the termination of the CFE Treaty, and the recent announcements concerning possible termination of the INF Treaty. Now that the Russian charm offensive seems to be over, Putin’s Byzantinism has given the West a frosty sense of unease, while Russia considers any European criticism of the state of democracy and human rights in Russia as an act of aggression. There is controversy over the causes and depth of the changes observed in (the style of) Russian foreign policy. While some see this as a reaction to a deep disappointment at the West’s policies, the growing rejection of Russia, and growing pressure from abroad, others see in Russia’s more aggressive policies the clear-cut strategy of a government seeking to secure its power at home by gaining more influence beyond the country’s borders.

Political ideas on how to deal with Russia are just as divergent. Those calling for a harder course toward Russia for the most part also, pointing to a lack of shared values and the extremely slow pace of progress on democratic and rule-of-law development, see the concept of “rapprochement through integration” as a failure and are now calling for more “realism” in European–Russian relations. This would include the demands that Russia turn away from its present authoritarian course at home, that Europe show more solidarity and unity in the face of Russian attempts to split the EU, and that Europe adopt a more self-assured neighborhood and Central Asia policy, one that could – for example, when it comes to the energy issue – be used to oppose Russia’s interests. Others see here the risk that Russia might seek to isolate itself and

55] Matthes Buhbe, *The main features of a German strategy towards Russia*, Compass 2020, Friedrich-Ebert-Stiftung, Berlin, 2007.

turn its back on Europe. Despite a certain disenchantment with what has been achieved so far, this group sees no alternative to efforts to establish the closest possible ties between Russia and Europe on the basis of increasingly dense integration.

As a cooperative and Europe-oriented partner, Russia would unquestionably have much to contribute to the continent's stability and prosperity. Russia has already become "indispensable" again in global politics (Egon Bahr). Against or without Russia, there will be no way to resolve the most pressing crises in Europe's immediate neighborhood – the status of Kosovo, the Middle East, the Iran nuclear issue – or to stabilize the eastern European neighbor countries and achieve energy security in the short and medium term. Russia will remain a moody partner in the years to come. Looking at developments in Russia over the past 15 years, we must conclude that it is unlikely that the status quo will simply continue. While this may mean a measure of uncertainty, it also opens up possibilities. The instruments used for cooperation with Russia will have to be flexible enough to be able to bridge the present ice age, but also to take advantage of new opportunities for closer cooperation when spring comes. A pragmatic approach that is not likely to fall victim to Russian domestic politics is therefore required. This approach should reserve the term "strategic" for the limited number of areas in which both sides have a real interest in partnership, whereas at present there are few real prospects for a comprehensive and institutionalized "strategic" partnership with Russia. In individual areas, however, it would be important to work for, and continuously expand, relations with Russia that are as closely knit as possible. There are good reasons to believe that – as in the case of other politically difficult partnerships – economic cooperation, including energy policy, could form a nucleus of relations that guarantees a minimum of stability in European–Russian relations. While Moscow virtually never misses a chance to remind Europe of its dependence on supplies of gas and oil from the "energy superpower", the EU has a de facto demand monopoly on Russian gas – at present all of Russia's pipelines lead to the West – and this gives it a strong negotiating position. Russia is just as interested in good buyers as Europe is in having a reliable supplier. The lucrative European market remains tempting for Russia, and at the same time, Russia will be unable to raise the modernization investments needed by the Russian industrial and energy sectors without foreign direct investment from Europe. If it is to conduct effective and targeted negotiations with Russia and avoid the danger of a split, EU policy towards Russia needs to be put on a more European footing and given the shape of a common strategy that enjoys the support of skeptics and proponents alike. But pragmatism need not be understood to mean abandonment of principles. The development of democracy, human rights, and the rule of law in Russia should therefore not be beyond criticism. But rather than simply take global note of authoritarian developments in Russia, it would make more sense to express precise and targeted criticism of particular developments and at the same time to intensify contacts with Russian civil society and Russia's Europe-oriented intellectual elites.

#### V.4 New kids on the block – a new political geography?

The growing uncertainty over the coming new world order is also fueled by the rapid economic rise of a number of emerging countries, whose economic growth is regarded in the centers of today's global capitalism with a mixture of fear and fascination. While the advance of India, China, but also Brazil, into the core of the world's leading economic powers appears to shape the contours of a "new trade geography", it is still unclear whether the rising powers will leave discernible traces on the political map.

##### From economic strength to political influence?

A number of names for this group of countries are making the rounds: the "BRIC group" (Brazil, India, Russia, China) – from a study issued by Goldman and Sachs – is certainly the most



prominent among them<sup>56</sup> (an “S” is often added for South Africa, and the acronym BRICSAM was coined to include Mexico and the ASEAN countries as well). These acronyms should not be allowed to cover up the fact that these countries differ considerably in terms of their levels of economic development, their forms of government and social models, and, generally, their influence on global politics. This even applies to the four BRIC countries (to say nothing, at this point, of the larger groups). What we find here is increasingly diversified economies (for example, China) as opposed to largely resource-driven economies (for example, Russia); authoritarian systems as opposed to pluralist democracies; and more nationally oriented economic development strategies as opposed to more open economies. Looking at the larger groups of emerging countries, we find differences over trade policy (for example, concerning China’s role in Africa and Latin America) or over the makeup of an enlarged UN Security Council, which appear to indicate that at present there are few joint positions beyond an emphasis on development concerns. Owing to their sheer size, the pace of their growth, and the degree of their integration into the world economy, India and China are, among the countries concerned, surely the only new “BRICs in the wall” capable of altering the basic patterns of global politics and the global economy.

Despite this heterogeneity, we can identify a number of common development patterns and features. For BRIC and Co., the starting point and first criterion is a clear-cut surge of economic development in the countries themselves, followed by a stronger position in the regional and global economy, with every reason to believe that these countries will continue to consolidate their position. Several macroeconomic scenarios today indicate that (i) in the years to come the BRICSAM world will continue to post rates of economic growth greater than those of the OECD world; (ii) by 2030 – and this is a conservative estimate – the export volume of the BRICSAM group will exceed that posted by the OECD; (iii) by 2016 China will have advanced to second place in the world economy, with India moving into third place by 2032; and (iv) in less than 40 years the BRIC economies will be larger than those of the G-6 (US, France, Germany, Italy, the UK, Japan) (calculated on the basis of GDP/dollar). But development of this kind could be endangered by any one of a number of factors: structural economic problems, ecological and social problems, unstable financial markets, protectionism in the US and Europe. Whether or not globalization will take on an Asian face in the course of the next 20 years remains an open question in view of these challenges.

The economic rise of China, India, and Brazil has gone hand in hand with opening up when it comes to foreign-policy issues. Russia, the “stranded world power”, is also using its resource-oriented foreign policy to intervene more forcefully and self-assuredly in world events. While, to cite an example, even two decades ago large parts of the globe were largely terra incognita for Chinese diplomacy, today China – in search of export markets and investors, but above all raw materials and energy – is forced to assert its interests in regions in which it has traditionally had little strategic interest – including Sub-Saharan Africa and, especially, the Middle East, where India is now moving to close the gap on its Asian rival. The arriviste powers also appear to have rediscovered the regional level as a political playing field on which they can boost and legitimize their claim to a voice in global affairs and push back the influence of other actors – above all the US. Brazil, for example, has blocked the formation of a pan-American free trade area and pushed for enlargement of MERCOSUR. But the line between cooperative involvement and efforts to achieve hegemony, between the needs of a region and the aims of the leading powers is a fine one. Brazil was the main reason why efforts to stabilize and enhance the institutional design of MERCOSUR failed: it was unwilling to cede any sovereignty in exchange for closer cooperation. And China’s regional engagement is viewed with a distrustful eye by its less powerful neighbors. China, however, which in the past was more skeptical toward regional cooperation, has recently begun to step up its cooperative efforts with and in the

56] Dominic Wilson/Roopa Purushothaman, *Dreaming with BRICs: The Path to 2050*, Goldman and Sachs, Global Economic Papers, October 2003.

Southeast Asian regional forums (ASEAN, ARF-ASEAM). By 2010 a free trade area is projected between China and ASEAN; it would include some two billion people and thus be the world's largest. In the Shanghai Cooperation Organization, in turn, China, together with Russia, is seeking to forge regional ties with Central Asia. That the project is directed not least against the US is shown by the fact that Iran has, on China's initiative, been given observer status.

Even against the grain of their regional engagement, several such countries have launched new initiatives designed to better network their relations. Here too, the driving force is economic cooperation, which is reflected in a growing number of bilateral trade, investment, and technology agreements between emerging countries, but also in regional forums such as the China–Africa Cooperation Forum or the South American-Arab Summit, which are concerned mainly with trade, energy, and raw materials issues. Since the failure of the 2003 WTO summit in Cancún, the establishment of the G-20+ and an upturn in cooperation among India, Brazil, and South Africa (IBSA) have meant that new Southern groups are now represented in the global game, and these cooperation projects appear to be both more institutionalized and more durable in nature. Unlike the approaches adopted by earlier South–South cooperation projects, these alliances are concentrated on a limited number of issues.<sup>57</sup> The G-20+, a group of emerging and developing countries that represent over half the world's population – including, among others, all the important countries of the South (India, China, Brazil, Mexico, Indonesia, South Africa, Nigeria, and Egypt) – is focused almost exclusively on agricultural issues, including, for example, US and EU agricultural export subsidies, the opening of European and US markets, and protection for national agrarian structures. More extensive proposals, such as one on the establishment of a free trade area among the countries organized in the G-20+, have yet to be given concrete shape. IBSA also initially focused on economic and trade issues (for example, trade in generics, free trade between MERCOSUR and India, improvement of shipping and air routes between these countries, approaches involving joint production of weapons, and, in general terms, efforts aimed at giving a more development-friendly shape to the multilateral financial and trade system). But the alliance has also been broadened to include technology cooperation (for example, on agrofuel production and space research) and security arrangements (for example, support for enlargement of the permanent membership of the UN Security Council). In ways similar to the G-20, IBSA is more an issue-oriented alliance than a fixed political bloc, but its canon of values, which explicitly includes democracy and human rights, marks this alliance off from China, and IBSA also appears to be rather homogeneous in its makeup. How resilient the first shoots of a “South–South multilateralism” will prove, whether they will continue to be properly tended, and whether the countries involved will prove able to turn their economic rise to account in terms of growing political influence are all matters that are difficult to judge at present. However, the challenges to the present core countries of the global economy that are emerging together with the new powers are clearly discernible even today.

### Integration or countervailing power?

The rise of new economic powers affects some of Germany's – itself a trading power – fundamental interests. While it opens up new chances for new markets, it will also ratchet up competition for markets and raw materials and increase the pressure for change in global market institutions. The German Chamber of Commerce and Industry estimates that as early as 2008 China could challenge Germany for its title of world export champion (although German companies will be involved in roughly 50% of Chinese exports). The new constellations have already forced the Western industrialized countries to deal with a number of questions, in particular financial, trade, and energy issues. Roughly the same can be said of climate policy and a number of security issues. Whether and to what extent the rising powers are integrated

57] Thomas Manz, *Allianzen und Gruppen im Global Governance System: Multilateralismus zwischen partikularen Interessen und universellen Anforderungen*, *Internationale Politik und Gesellschaft*, Heft 2, 2007.

politically will determine the viability of multilateralism in the years to come.

Those who still express concern are often referred to the example of Japan, whose economic rise was accompanied by massive fears in Europe and the US before the country was integrated, more or less smoothly, into the global (Western) economy. Unlike Japan, however, which was already tied into security alliances with the US, the BRIC countries largely move outside the Western institutional system.<sup>58</sup> It is likely to prove more difficult for the existing institutions simply to absorb them. And some of these countries' relations with the US are proving difficult. Russia and China at least, but also Brazil, are not always seen as like-minded countries in the clubs around Capitol Hill – although a sense of uncertainty about US policy serves to unite all four BRIC countries. India was long alarmed over Washington's close cooperation with Pakistan; Brazil is unsure about Latin America's future role as regards the US; Russia sees itself cut off more and more from decisions that affect its elementary interests; and China is unsure whether its current good relations with the US are due only to the "war on terror". There are still no signs of the "Islamic-Confucian alliance" predicted by Samuel Huntington, and the paramount strategic significance of Sino-US relations for China's economic development (the US is China's most important investor and largest export market) and security situation (for example, as regards the Taiwan question) has again and again induced China to join forces with the US.

In recent years, however, the more active foreign policies of some emerging countries have increasingly come into conflict with US and European aims. In its dealings with resource-rich countries in the Middle East and Africa, China cultivates the image of a country that stands up for national sovereignty and opposes regime change and intervention. With a view to securing access to resources, Beijing has presented itself, often to isolated countries, as a reliable trading partner, investor, technology supplier, lender, and provider of development aid. Many African countries value China's new role as an alternative monetary fund prepared to grant politically motivated loans at preferential terms – and without imposing "shock therapy" and conditionalities attuned to the letter of the Washington Consensus. Bolstered by its oil rents, Venezuela is also expanding its influence on the South American continent. The new donors are outlining a development model (a market economy, but authoritarian structures in government and society) that, while it flies in the face of the principles of "good governance", is nevertheless quite attractive for developing countries, and is even regarded as an alternative to the models promoted by Western development agencies, above all the World Bank and the IMF ("Beijing Consensus"). There is every reason to expect these stark differences over the issue of democracy promotion between Europe and a number of influential countries to grow in scope. As regards security decision-making too, China and Russia have in recent years increasingly proved to be spoilers, at least from the Western point of view: Russia's blockade on the Kosovo question has long made it difficult to come to a decision. The specter of a Chinese veto has shielded Sudan from any substantial sanctions concerning its oil concessions. Nor would China permit any extensive resolution to be adopted against Iran – one of China's most important oil suppliers – without a quid pro quo. On the other hand, China's engagement in finding a solution to the North Korean nuclear issue has shown how valuable, indeed indispensable, the contributions of these countries to multilateral strategies may be.

The US and Europe have yet to develop an identifiable strategy for dealing with the new powers. While the US is seeking to use its nuclear agreements with India to forge closer ties to a "new power" that is potentially well disposed toward it, its China policy has vacillated between selective accommodation and a Cold War-style containment rhetoric expressing alarm concerning an allegedly inevitable Chinese–US confrontation ("Better to be Godzilla than Bambi"<sup>59</sup>). Russia and China would be unlikely to find a place in a "concert of democratic

58] Andrew Hurrell, Hegemony, liberalism and global order: what space for would-be great powers?, in: *International Affairs*, 82/1, 2006.

59] John J. Mearsheimer: Better to be Godzilla than Bambi, in: *Foreign Policy*, Issue 146, 2005.

states” of the kind mooted by some democratic think tanks. But Brazil, which has in recent years thwarted some US trade plans, could become an important counterweight to Venezuela’s attempts to forge new alliances rooted in open anti-Americanism. Countries such as China, India, and Russia are not easy partners for Europe either. For Europe they are part of the “world of modern states” (Robert Cooper), typified by classic concepts of power and sovereignty, noninterference in the internal affairs of other states, and the notion of a balance of power in international relations. The question of authoritarian legitimacy poses serious problems. This also sets narrow limits on attempts to win these countries as allies for the project of developing an “effective multilateralism”, in particular when it comes to issues such as human rights and environmental and social standards, to which Europe is deeply committed and which the countries in question have considerable difficulties in accepting. The signals from the EU and the US indicating interest in better integrating the rising powers into global management have been weak. After the failure of the attempt to reform the UN Security Council, and in view of the no more than marginal adjustments made to the IMF’s quotas/voting power and the very guarded market-opening process announced by the G-8 (“Heiligendamm Process”), there is little reason to believe that the rising powers will be integrated rapidly and comprehensively into the existing, Western-oriented institutional system.

But it is also unlikely that it will come to a general break with the post-war institutions of the international system. Indeed, the more likely scenario is that the South–South Groups will continue to consolidate against this background, the aim being to build a countervailing power, and this has already brought them more influence in the WTO. This need not be looked at negatively as regards the overall system of global governance. Issue-oriented and representative groups of emerging countries may enhance the pursuit of consensus at the global level – provided, that is, that these groups do not see themselves as mere blockade forces and that it proves possible to guide the ongoing disputes with the core countries of the global economy into cooperative channels. This development may even help to stabilize the trend toward regionalization. This, however, will depend in large measure on whether the local top dogs are prepared to integrate their regions – even if that means ceding some of their sovereignty – or prefer to view their regions merely as spheres of influence. A number of emerging countries will also continue to see themselves as watchdogs of the developing world in the international system. But at the global level the interests of both the rising powers and the “underclass” of the world of states are likely to diverge more and more in the future.

## V.5 In the shadow of globalization

### A damning indictment

At first glance development is encouraging. Today more people than in recent decades have access to the resources they need for survival. The number of the absolute poor – namely those who are forced to live on less than a dollar a day – has declined, from 28% (in 1990) to 21% (in 2002), a fall of 130 million people. Between 1990 and 2002 the number of chronically undernourished people declined by 9 million, and access to sanitation and safe water likewise improved. It was in particular a decline in infant mortality, achieved, for example, through comprehensive vaccination programs, that led to higher life expectancy – an increase of two years between 1990 and 2002. To cite another example, the prevalence of tuberculosis declined by 20% between 1990 and 2001. Developing societies have shown – from a global perspective – similarly positive trends. The illiteracy rate has declined, and the percentage of women in education and training has increased. The “third wave” of democratization has reached numerous countries. Freedom House notes that today 123 of a total of 192 countries are “electoral democracies”, while in 1974 the figure was less than one third; the number of “liberal democracies”, which guarantee political and civil liberties in addition to the right to vote, has doubled to 76 countries in the past 30 years.

However, two developments run counter to this positive overall impression: marked regional disparities and a weakening dynamic in poverty reduction, and a recently observed performance deterioration on some indicators (such as hunger). This is shown not least by the interim results of efforts to attain the Millennium Development Goals. The international community has fallen behind on most of the goals set for 2015. If progress in human development does not move faster than it did in the 1990s, the only MDGs that have a chance of being reached are Goal 1 (Reduce income poverty by half) and Goal 2 (Reduce by half the proportion of people without sustainable access to safe drinking water). This is probably thanks only to progress in the world's two most populous countries, China and India. The often cited trickle-down effect has failed to materialize; in other words, the greater economic dynamic that was expected to emerge, mitigating, in an upward movement, the situation of global inequality and reducing the social and economic uncertainty besetting people's day-to-day lives in poor countries, has not developed. On the contrary, despite an economic upturn in the 1990s, the social gulf has continued to widen both between developing societies and between the global "haves" and "have nots". The socioeconomic development of emerging countries, countries in transformation, and developing countries has also continued to diverge. In a number of emerging countries and countries in transformation economic growth raised average income levels in the 1990s. Even though this made it possible to reduce the number of persons living in absolute poverty, progress has been concentrated for the most part on one population segment, the urban middle class. At the same time, many of these countries – and this applies above all to resource-rich states – continue to be marked by extreme social imbalances. If we look at income distribution, child mortality, or school attendance, we find that, despite the generally prosperous development in many of these countries, disparities have continued to grow between ethnic groups, rural and urban regions, and men and women. Health systems in particular are seriously underfunded and often not accessible for some segments of society. While no OECD country spends less than 5% of GDP on health care, the percentage in most developing and emerging countries ranges between 2% and 3%, and rural areas tend to be alarmingly undersupplied with health services. The incidence of tuberculosis and diphtheria has begun to rise again in recent years.

While living conditions have improved markedly in East Asia, but also in parts of Latin America, for one third of developing countries the 1990s were a "decade of despair", in which a number of economic and political tensions came together with environmental and natural disasters to produce a real development crisis that has remained acute until today. While in the 1980s only four countries showed declining figures on the UNDP Human Development Index – which includes per capita income, life expectancy, and education levels – the 1990s saw declines on the Index for a total of 21 countries, including Russia, six former Soviet republics, and 14 Sub-Saharan African countries. Despite occasional "poster children" such as Ghana or Senegal, a disastrous constellation consisting of deep economic crisis, armed conflict, poor governance, and exploding HIV infection rates have turned back the clock in the two regions. It is here, but also in the Middle East, that we can clearly observe the link between poverty and conflict: the poorest sixth of mankind is forced to cope with four fifths of the world's civil wars. Based on the current dynamic, Sub-Saharan Africa is unlikely by 2015 to reach even those Millennium Development Goals on which it has made some halting progress: only in 2129 will the goal of universal primary education be reached, only in 2147 will poverty have been reduced by half, and only in 2165 will child mortality have been cut by two thirds.

### What is left of the "Third World"?

Even in the past, the "Third World" was, viewed in comparative terms, little more than an "imagined community" (Benedict Anderson). The concept broadly disregarded the empirical sociopolitical disparities between the countries and regions concerned. The processes of differentiation set in motion by globalization, as well as by the collapse of the Soviet Union and

the East European regimes (which – even in official terms – transformed the “second world” into a developing region), have served to further extend this world. Instead of moving resolutely to adopt the democratic and liberal market model embraced by the West, responses to the process of globalization and outcomes have varied significantly. Having embarked on development paths based on a mixture of export orientation and protectionism and designed to develop their domestic markets, East Asian countries such as South Korea and Taiwan have long since graduated from the status of developing countries; in recent years a number of East-Central European countries have used European integration as a means of catching up with the process of globalization; large emerging countries such as China, India, and Brazil are seeking closer and closer integration into the global economy and are now, in material if not (yet) in institutional terms, among its core countries; while many tiny countries have developed offshore financial centers – “capital’s red light districts” – seeking highly specific approaches to plugging into the communications channels and financial flows of international markets. While these countries have generally posted positive results – though to some extent accompanied by heightened domestic inequalities – other developing countries continue to be faced everywhere with the (in part intensifying) Third World syndromes and *anomie* typical of fragile political, social, and economic systems. For example, the countries of the Middle East are partially integrated into the world economy, but the – in part rising – rent-type revenues they earn do little to improve their development situation; indeed, in some cases such revenues stand in the way of economic diversification and benefit only these countries’ small elites and often autocratic regimes. In other developing countries, in turn, individual islands of prosperity (for example, the urban elites of coastal regions) or enclaves of the global economy (for example, special production zones or service facilities) have experienced integration within the global economy. Alongside corrupt elites, clientism, and massive social problems, a tendency in these countries to discredit the state, a consequence of the development paradigm dominant until quite recently, has prevented individual development approaches from having an impact on higher-level structures. Finally, the regions threatened by state breakdown – above all Sub-Saharan Africa, the Caucasus, Central Asia, and, to a lesser extent, several Andean countries – have experienced a massive downturn. The deterioration of the social, material, and health situation of many people there is closely associated with a deterioration of public order: elementary government functions – peace and security, functioning markets, human rights, and the rule of law – are restricted at best to individual regions (such as a capital city), if they have not broken down altogether. The “markets of violence” that often emerge in such places serve as bases for illegal trafficking and criminal networks of all kinds. They are part and parcel of shadow globalization, and at the same time serve to finance persisting anarchy.

Terms such as “Third World” or “the South” have always been somewhat imprecise. A continuing process of fragmentation induced by various global ups and downs have further undermined their usefulness as collective terms for countries with similar development problems. The “Third World” is vanishing from the statistics, taking with it a particular view of the global development dilemma. It is true that even rich countries have persistent poverty segments, social disparities are deepening in the emerging countries, there are rich elites in developing countries, and the term “Third World” has developed from a geographic category into a social category used throughout the world (Marc Berger). But far from being uniform, the impacts of global problems are geographically concentrated, whether in terms of health, climate, nutrition, or conflict. Regardless of social differentiation, the fact remains that a small part of the world’s population, living in the North, continues to enjoy the lion’s share of world income, and worldwide social and economic distributive injustices not only persist but are deteriorating.

It is therefore interesting to note that the proclamation of the end of the “Third World” coincided with the search for new lines of conflict, now defined less in socioeconomic terms than in terms of security and culture. The development dilemma now found itself displaced by the se-

curity dilemma<sup>60</sup> – at least in the eyes of the North. Countries and regions of the South are now perceived as a security risk, and at the same time classic development problems such as poverty, hunger, disease, and environmental crisis are being redefined as *security* problems with an unpredictable impact on the countries of the North. Only a distorted view could, without further ado, diagnose the establishment of a new, uniform concept of the enemy, casting the South in the role of the new East and switching from Marx to Mohammed. In contrast to the Cold War, the situation is not that of compact, clearly defined opposing sides arrayed against one another, nor is there any good reason to expect this to happen in the near future – the problems involved are too intricate and the interests and coalitions differ too greatly.

But regardless of whether we speak of the Third World as an institutionalized and politically effective group, the semantic core of the Third World discourse serves as a vehicle of identification in international relations. The Third World discourse has been invoked time and again in connection with recent disputes, from trade policy and the nuclear conflict with Iran, to Hugo Chavez's "Bolivarian Revolution", as a means of calling for solidarity. The background here is the growing crisis of confidence between some leading countries and regions of the North and a number of societies of the South. Some of the major development initiatives launched in recent years have produced little or nothing in terms of results. The Doha Development Round, for example, is close to collapse, without having reached any appreciable progress for the developing countries. Millennium Development Goal 8 (Global partnership for development), too, which is predicated on the direct involvement of the developed countries, has yet to be implemented. But what best typifies the asymmetry of the North–South relationship is not only the economic powerlessness of many countries in the South, but also the security-based marginalization of many of its countries in the wake of the 9/11 attacks.

Many countries of the South "enjoy" the attention of the North only if they develop the potential to cause chaos ("*Chaosmacht*"); that is, if their social, economic, and ecological destabilization potential is great enough to impact the international system. The closer this insecurity gets to the North, the more confrontational, it seems, the methods used in the South to address its causes. This "securitization" of relations already threatens to occlude the global development dilemma, even though it points to severe socioeconomic disparities that know no borders, ethnic groups, and religions and is itself at the center of most global challenges.

In view of the profound changes brought about by the end of bloc confrontation, globalization and the security-policy boom, it is not surprising that development policy is also faced with new challenges. The basic problems are still there. Poverty, unemployment, environmental degradation, violence, war, expulsion, and lack of access to resources – these are among the factors that continue to determine the lives of a large part of mankind. Yet the altered global parameters for development policy, strained budgets, and a lack of visible successes again raise the basic question: Where, when, how, and by whom is development policy to be provided? The development agenda is the subject of constant criticism from the most diverse quarters – for its failures and its successes, its limitations and the huge number of tasks and expectations it is burdened with, its lack of efficiency, its wrongheaded definition of priorities, and for having too much and too little money. Should, as development "saints" such as Jeffrey Sachs propose, another 75 billion dollars be mobilized to usher in the end of poverty? Are these, as "development pessimists" such as William Easterly assume, more ideas from the realm of the nineteenth-century utopians that are hardly suited to illuminating the "heart of darkness"? Should, as Paul Collier suggests, development policy concentrate on the "bottom billion", along with a new trade policy and a robust approach in peacemaking and peacekeeping? In recent years development policy has without doubt undergone a marked process of heterogenization, affecting both its strategies and its actors. Should development policy be used to flank bilateral relations and support security engagement? Should it pursue a more

60] Dieter Senghaas, *Wohin driftet die Welt? Über die Zukunft friedlicher Koexistenz*, Frankfurt, 1994.

selective approach – what countries should it select, and using what criteria? Should development policy focus on worldwide programs concerted by the UN, or seek, for example, to ease social pressure on Europe’s periphery? What development priorities should be set?

Underdevelopment has always been a complex condition; it involves countless factors and cannot be reduced to a common denominator. The processes of change described above have, however, further broadened the object of development policy. While development cooperation with successful emerging countries will focus more on exchange (for example, issues bound up with education, technology, and the environment), the task with failing states will be to set fundamental social and political functions in motion again and to stabilize them. While governments will continue to be important addressees of development policy and recipients of development aid, today there are a number of different substate, non-state, and transnational institutions that function as recipients. The donor side has also become more differentiated. Alongside the traditional donor countries and multilateral development agencies, a growing number of private funds, foundations, and NGOs have become active in the field, more developing countries are able to obtain commercial loans, and new donors such as Venezuela and China aggressively flank their interests by providing material and political aid, preferential loans, and infrastructure projects. China’s new role as an alternative monetary fund is appreciated in Africa, and the development models subscribed to by several of the new donors often conflict with the principles pursued by the EU. The close links between development policy and the concrete, often short-term, foreign-policy interests that typify even the approaches of a number of traditional donors could lead to a decline in the willingness to engage in multilateral development cooperation, undercutting both the possibility of reaching agreement on joint development priorities and interest in evaluating development measures and objectives on a continuous basis.

In Germany development policy has in recent years become more political and more publicly visible. One new development that has boosted the relevance of German development policy is Germany’s declared intent to further develop classic development policy into a global structural policy that focuses on contributions to solving central world problems, intervenes at a great number of different political levels, sets itself the task of playing an important role in shaping global framework conditions, and gets involved in trade, security, technology, and environmental policy. But even the new security frame of reference means that more attention is now paid to development goals, as well as to the need to forge closer links between security policy and development policy. In fact, development policy has broken out of the confines imposed on it as a “playground for a handful of philanthropists” (Erhard Eppler), and some of its tasks, now viewed as “preventive security policy” (for example, focusing on the problems of failing states), have gained new relevance. But security policy is a difficult new fellow traveler. Security always also implies protection from and against others. In the years to come, development policy must endeavor to ensure that development-policy tasks remain autonomous and that development goals are keyed less to security considerations than to people’s universal social rights and needs. At the same time – and it is important not to overlook this – in this situation there remain a number of substantial goal conflicts, for example, in agricultural and trade policy, and many of these are resolved by way of factional policy decisions, usually at the expense of development policy.

In view of the ways in which development policy has been enlarged and the greatly increased expectations that have become attached to it in recent years, the time has come to refocus the field – both by setting sustainable priorities and on the basis of improved coordination. There is nothing particularly surprising about either of these two challenges, and they are as old as development policy itself. But if we look at the numerous new actors involved, the cross-cutting issues, the new conception of development policy as global structural policy, and the repoliticization of development policy, we will find that the need to meet these chal-



Challenges are more acute and important than ever, in particular with a view to developing a set of strategies that are at once more robust and more resistant to disillusionment. Poverty reduction must remain the main focus of development policy in the years to come. Widespread underdevelopment, as well as economic and social inequalities between and within countries, often serve as the breeding ground for other, for example, ecological or security, crises. The sine qua non for achieving sustainable development successes, or at least for not destroying successes that have already been achieved, is a peaceful and stable society. That is why it is essential to further expand the field of crisis prevention and conflict resolution. The paramount goal of development policy must be to make itself superfluous. A further priority is to provide help for people to help themselves, for example, through long-term support for and increased use of dialogue-oriented civil society organizations, from the municipal to the regional level. Furthermore, development policy must continue to be vigorously involved in shaping global framework conditions that have a real impact on the development chances of the countries concerned. Finally, in view of the great number and variety of actors and cross-cutting issues involved, coherence and harmonization will remain a key issue when it comes to boosting both the transformation potential and the efficiency of development policy. However, the only way that German and European development policy can forge a more coherent strategy – although there will of course always be contradictions – is on the basis of a political debate on the goals of development policy. No long-term development strategy is needed for ad hoc disaster relief or to flank narrower security interests; but one is needed for a development policy designed to solve important global problems.

## VI. The state of the future – Scenarios of global development

The more general and comprehensive the object of scenarios, the more difficult it is to reduce the huge number of possibilities to a few lines of development and the coarser the pictures we come up with are likely to be. The following scenarios are predicated on the assumption that the factors “capital”, “crisis”, “cooperation”, and “culture” and their specific configurations will play a crucial role in determining how international relations develop in the years to come. Of course these quite general factors already contain, in clustered form, a great number of more specific influencing variables. For instance, the important parameters of the factor “capital” include global economic development, distributive justice, technological innovation, migration, and trade policy. In addition to security-policy development, those of the factor “crisis” include the impact of global challenges such as climate change and the environment or health. Among the parameters of the factor “cooperation” are the development of international organizations, bilateral relations, and regional integrations, as well as the character of global governance. Finally, the factor “culture” includes the development of democracy and human rights and the role played by religion.

### VI.1 Microsoft world

Once again, it was all to be left to the logic of the market and the forces of globalization. From 2010 on, it took the first commercial breakthroughs achieved in bio- and nanotechnology, as well as the integration of new markets, to stabilize economic upturns. The false prophets of the New Economy and their precipitous end were soon forgotten. Following years of gentle doubts about the market’s governance performance, governments, the boards of international organizations, and the media once again set their hopes in the market. Having made the necessary adjustments, it would, it seemed, be possible to continue with the development paradigm dominant over the past decade. And after years of fear of the Chinese dragon and uncertainty over a new trade geography – sparked by a number of prosperous emerging countries – the old Western centers of the global economy would now have their turn again. The US, thanks to its economic dynamic, its political influence, and its military capacities still the only real world power, is now the world’s technology lab, the undisputed beneficiary of the new cycle. Its good relations with China and its prospering economy have made it easier for the US to keep its deficit under control.

But the EU has also adopted a new growth path. Based on the favorable economic situation in Germany and France – due not least to the growing markets in China and India – but also in the booming Central European countries, whose “Danube model” has spilled over to the rest of the EU, the Union has finally been able to overcome years of economic stagnation. The successful (partial) implementation of the Lisbon Strategy (privatization, technology promotion, and education/training) and a new growth and stability pact were the crucial steps needed, and they were driven primarily by a new Euro Trio. Once the task of working through the EU’s political agenda had turned out to be extremely difficult, and a rump Constitution had barely been ratified in 2008, Germany, the UK, and France recollected that the most successful and pragmatic motor of integration was the economy. Now the motto was, once again: Less Madison and more Monnet; less state-building and more European Hansa. Targeted efforts were made to reawaken memories of the successful single market project in the mid-1980s. Europe’s socially exhausted societies, regularly turning down by referendum any efforts to deepen and enlarge the Union, remained skeptical. But the program really worked. The new dynamic eased the situation in the labor market, subdued the populist anti-European attitudes in several eastern European countries, and facilitated the integration of the growing number of job-seeking non-European immigrants. More and more countries joined the euro zone, and today Europe speaks with one voice in the World Bank and the IMF.

Europe's successful growth path also revived the conviction of many in the US that Europe could be a powerful partner in world politics. A clear sign of this new dynamic and at the same time the core of the global economy is the Transatlantic Free Trade Agreement (TAFTA) concluded in 2015 between the US and the EU. Outside the core zones of the global economy, the world continued to become increasingly differentiated, and today's global markets are at once more integrated and more hermetic. Countries such as China, India, and Brazil have achieved greater economic weight – not least at the expense of Japan, which, thanks to its inability to come to terms with demographic change, was forced out of the “triad” in the early phases of globalization. While it is true that a number of mutual blockade strategies sufficed to dismantle the WTO toward the end of the last decade, it nevertheless subsequently proved relatively easy to forge ahead with market liberalization on the basis of bilateral trade agreements. The EU and the US managed to integrate those emerging countries that were orientated more to the world market than to their own regions into a number of comprehensive investment regimes, winning them over, in bilateral agreements, for a joint dispute-settlement mechanism. The massive US and EU investments in Asian markets now also began to pay off. In many areas the emerging countries continued to produce for Western corporations, and spectacular takeovers of US or European corporations by Asian interests continued to be the exception. The most prominent Western victim of the new surge of globalizations is the European agricultural market. At first remaining sealed off, it was finally, and gradually, broken open by budget restrictions imposed by the member states, increasing demand for agrofuels, and the growing importance of access to the gene pool in the developing and emerging countries.

However, a twofold dualism stabilized in the shadow of the new economic dynamic. “Globalization 2020” is used today both for a new wave of market penetration and as a symbol of a world divided – into 20% rich countries and 20% rich people in these countries. Billions of poor people form a global underclass that does not benefit from the constantly invoked trickle-down effects of the global economy and has hardly any chance of escaping its misery. In many developing countries, but also in several emerging countries, social polarization is undercutting fragile democratic systems and the North's persistent attempts to modernize these countries on a free-market basis.

In this world dominated by the “old hegemons”, the transatlantic relationship has (again) become the most important economic and political axis of world politics. The 2007 obituaries describing the agony and demise of “the West” and its former leading power proved to be premature. The vital and institutionalized economic relations between the US and the EU and the US government's gradual process of opening up to selective bi- and multilateral approaches facilitated the (re)building of a stable transatlantic bridge. More than in the post-war era, concrete projects now formed the basis. The tandem launched new initiatives on trade policy, the Middle East, and energy and trade policy. However, security policy remained a point of contention between the partners, even though the dispute lost much of its edge once the US had withdrawn from a persistently unstable Iraq. While the fight against terror organizations – based mostly on police measures, but also including some limited military actions – weakened these organizations, terrorism has remained a central security issue, thanks to sporadic attacks, conducted for the most part in the Arab world and in Europe. With the tightening of the domestic security laws in many Western countries, the difficult balance between freedom and security was maintained on the outside. While it may not be possible to defeat it, terrorism does appear to be manageable, and the world has thus far been able to avoid the outbreak of a “cycle of fear” that might have spread rapidly to free trade and restricted the investment activities of the EU and the US. This is one of the reasons why the EU resisted sporadic US attempts to transform NATO into a NAATO (North Atlantic Anti-Terror Organization). But NATO assumed new relevance due to gradual convergence of the threat analyses carried out by the EU and the US, as well as the more pragmatic approach taken to transatlantic relations, to say nothing of France's abandonment of its aspiration to become the world's countervailing security power.

Europe has been unable to close the military-technology gap with the US, and it now also sees NATO as the only organization able to conduct a wide range of missions reliably. The European battle groups are presently being integrated into an “Americanized” NATO.

No other strong alliances have emerged. The most important emerging countries are orientated to the leading Western power: India is closely tied to the US by economic, military, and technology agreements; China does not dare to cross its most important investor and export market; and Brazil, unloved in its region, has been offered attractive trade agreements – also in view of the growing unrest in Latin America and a number of social crises that have now reached Cuba and the Andes region. While there still is some cooperation between the emerging countries, these projects have lost much of their visibility and relevance since the relative demise of the WTO, the only forum in which the Southern coalition managed to develop any countervailing power. Relations with Russia remain difficult, and it is now more relations with the “stranded world power” than the “war on terror” that are responsible for permanent discord within the transatlantic tandem – but also within the EU. Interested in close energy ties with Russia, the EU would like to expand political cooperation with Russia’s authoritarian government, but this project has been blocked again and again by the US and individual Central European countries, particularly in relation to technology cooperation or the Euro-Atlantic security dialogue.

Greater market penetration – paradoxically – have gone hand in hand with a renaissance of classic governance in international relations. National sovereignty, intergovernmentalism, concerts of states, and ad hoc country groups have assumed new relevance in world politics. On this basis diplomatic solutions have been found for some classic problems, such as the nuclear arms programs in North Korea (here thanks above all to a relaxation of tensions between North and South Korea) and Iran, although little headway has been made in developing instruments and solutions for complex global problems. The idea of a more closely networked and more flexible world governance became less and less attractive as national governments in Europe, the laboratory of these innovations, sought to raise their own profiles at the expense of the EU Commission and Parliament, the US resisted any further integration, and the emerging countries saw no alternative to a nationalist foreign policy. Europe is “stricken with utopian blindness” and dried up institutionally. Apart from the institutions of the single market and the common European currency, no recognizable progress has been made. At the global level negotiations have continued on framework agreements and conventions, but the results have been meager. Little has been done to address the lack of representativeness of the most important international institutions. While spontaneous country coalitions, which include the emerging countries, have launched initiatives on trade and energy policy, the UN is still neglected. In 2007 the “short summer of climate protection” led above all to the realization that environmental costs need to be integrated into the market paradigm – from which Germany, the “global environmental engineer”, has been able to profit – as well as into some individual trade agreements, but not in a global environmental policy. Climate change has had a severe impact on the world’s poorest regions, and the collapse of the world’s fish stocks has deprived millions of people of their livelihoods. The mixed results of the review of the Millennium Development Goals and a lack of confidence in the Western countries in the effectiveness of government programs have brought development policy under mounting pressure. While private initiatives have become more and more important, they tend for the most part to fizzle out, together with their short-lived CNN effects. The “moral warming” of the aid concerts held early in the century have now given way to calls for a new George Soros for Africa. While the latter has not yet been found, the brain drain to a prosperous Europe has continued to undercut the intellectual independence and the self-help capacities of Africa and the Middle East. The UN has again begun to assemble high-level panels in response to social tensions – which have erupted with particular violence in the major cities of the Arab world – the return of hunger, which was thought to have been eradicated, water conflicts, the continuing destabilization of a number of developing countries, and increasing migration pressure.

Microsoft world has revitalized the market principle, cementing the economic and political superiority of the old Western bloc and their traditional hierarchies. A set of centralized power instruments are used (successfully) to address conflicts left over from former times, but they have little relevance to today's global problems. The crucial flaws in the system include a neglect of global governance and a lack of regard for social issues and global equity. The old "New Economy" is today's "Now Economy". As long as the sales figures are right and the security gaps are not too big or too costly, the West sees no problem in prolonging its model for prosperity and development, although it does so less euphorically than just a few decades ago. The dominance of the West has led to nothing, and nobody believes in the "triumph of trade over war" any more. The problems are known, but no one is listening to the calls for action, and political initiatives continue to be delayed and obstructed. In this scenario power is the "ability not to have to learn" (Karl W. Deutsch). The growing pressure from outside is making Microsoft world more hermetic, and its inability to develop inclusive systems ultimately threatens its very existence.

## VI.2 Firewalls

The opportunity in world politics to give globalization an inclusive, more democratic, and social shape was missed. In a polarized world the idea of the global village collapsed like a house of cards. Today the European Union, which has now improved its security profile, is on the front-line of numerous conflicts, in a world that, once more divided into spheres of influence, has become more distrustful and less cooperative.

While the last surge of globalization opened some additional markets, it also left behind a set of growing social, political, and cultural tensions. Along the external boundaries of the European Union, we find zones of stability verging abruptly on crisis-shaken, unstable regions. Beyond the booming Central European countries, eastern Europe has increasingly become Europe's shadow region. Extreme social disparities, criminal networks, and the exodus of the region's modernized elites have weakened these semidemocratic societies, paving the way in some of them for a transition to authoritarian and ultranationalist regimes. The Balkans, too, are split and have retained most of their conflict potential. Ethnically troubled and economically exhausted countries such as Bosnia and Serbia are still waiting for EU accession. From Morocco to Iran, in Europe's immediate vicinity, we now find a persistently unsettled, "seismic" region in which a large number of different conflicts are played out at the same time: classic territorial and hegemonic conflicts, religious conflicts, disputes over religion versus secularism and democracy versus autocracy, the conflict between poor and rich, the contradiction between aged societies and general overpopulation. "McWorld" has left deep traces here, with globalization benefiting the educated middle classes, while the majority of the growing population has fallen deeper and deeper into poverty. This made it clear, once again, that the clash of civilizations is above all a conflict within the world's Islamic societies. While some countries have managed to develop a – fragile – form of Islamic democracy, others have failed to adapt their politics, and the corrupt and autocratic elites have been swept away by socioreligious movements. The uprisings began among the numerous unemployed young men in urban centers, and the subsequent conflicts between various factions continue, threatening to break apart countries such as Saudi Arabia. Israel has responded with military force to the continuing destabilization of its neighboring countries. Segments of both the educated and the excluded population have joined these movements, and more than ever Europe is now a beacon to the secularized middle classes, which are fleeing their increasingly radicalized societies.

These conflicts are now threatening to strangle the European Union, and sporadic terror attacks are making it clear to Europeans that their continent has become the most important area of operations for terrorists. Problems with the EU's institutional consolidation, the population's enlargement fatigue, and, at a later juncture, the focus on the European security project have in

recent years led Europe to neglect its integration efforts and to discontinue its most successful external project, the prospect of EU accession. “Surprised” by the great number and ferocity of the conflicts occurring outside its gates, the EU’s only practicable option for the short term appeared to be military card, which has entailed repressive consequences at home, while the core project of a “civilian power Europe” faded further and further into the background. The mounting pressure finally provided the impulse to develop a comprehensive security project, which has become the flagship of EU integration policy in recent years, largely meeting with the approval of a population that has been continuously alarmed by repeated new risk warnings. The sounding siren and the blinking light are now part of Europe’s day-to-day experience. Cooperation between police and intelligence services has been intensified, troops are regularly used throughout Europe, and a European border police force – “Euroborder” – has been created, mainly to seal off Europe’s eastern boundaries to organized crime. On the heels of the attacks on the Öresund Bridge and at the Champions League final in Paris-Saint Denis, the most weighty European countries – without US participation, though with its tacit assent – opted for air strikes against terrorist positions in the uncontrolled parts of Saudi Arabia. This was done on the basis of a systematic expansion of ESDP, including above all efforts to pool European troops and to continue restructuring military capacities. However, the political task of implementing the security strategy was long a contentious issue, and it was finally effected by a core group of EU member countries, including France and Germany as well as the UK, once the US had begun to withdraw more and more from the task of protecting Europe’s periphery. In the past five years the *flic européen*, as Europe is now referred to in some Arab newspapers, has carried out a number of missions, for example, in support of efforts to protect pipelines in Central Asia and the Caucasus, and in the capacity of a stabilization force in one of the water conflicts besetting the Arab region. The strain on capacities is growing visibly, particularly in view of the fact that the EU has little support to rely on. Both the project, designed to autonomously deepen the EU in security terms, and a lack of US interest have now cast NATO as a relic of the Cold War, whose forums are still used for discussion purposes, even though the organization lacks any prospect of taking action. The European security project has consolidated in institutional terms and the concerns expressed by the small member states have lost so much of their cogency in view of the range of threats they face that the project of creating a European Security Council is now taking concrete shape; the Council is to comprise four permanent members (Germany, France, the UK, and Poland) and two rotating members.

When it comes to security policy, the contrasts between the rival European nations have tended to blur, although the deepening process cannot conceal the fact that nationalism is again raising its head in Europe, the integration process has virtually come to a standstill in many areas, and the large European nations continue to call the shots. Today Europe is little more than a transnational security state with a free trade area. But some individual voices have criticized “Fortress Europe”. Europe’s societies have become more authoritarian, conservative, intolerant, and closed. Many Europeans are willing to abandon some of their civil rights and liberties in favor of heightened security arrangements designed to protect their – still high – living standards. With a view to easing the strain on Europe’s social insurance systems and ensuring that industry is supplied with skilled workers, the age of retirement has been raised even further. Only a few European countries still recruit in global markets, while the siege mentality rampant in others has led to substantial restrictions on immigration. Populist sentiments against immigrants and minorities are widespread, and calls for sanctions against Israel are, for the first time, falling on fertile ground.

Political uncertainties, nationalism, and growing mistrust have led to protectionist tendencies in the world’s markets, and these in turn have consolidated to form a new regional mercantilism. While there is still trade between the blocs, its organization and practice are bound up with substantial frictions. At first, security measures were stepped up in communications and transportation, high-tech research was subjected to more control, and transnational coopera-

tion was restricted. Contrary to expectations, energy has already become the Achilles heel of the global economy, which is forced to contend with substantial price volatility and temporary shortages. These are due less to political blackmail or terrorist attacks than to lack of investment and the slow diffusion of sensitive production technology. The US Congress has shown itself increasingly skeptical about new liberalization initiatives, and with the signs of a looming recession becoming increasingly clear, it approved a set of restrictive laws designed to prevent takeovers. The US has relied on its strong domestic market, intensified its efforts to develop self-reliant technologies in the energy sector, rediscovered its Latin American backyard, and sought – at times in the face of resistance – to integrate the Western Hemisphere into a free trade area. But signs of recession have made it increasingly difficult for the US to cope with its huge budget deficit in political and economic terms, particularly because the financial influence of China and South Korea has grown in recent years. The EU, dragging its feet in implementing the Lisbon Agenda, has erected high trade barriers focusing on social and environmental standards to stave off imports from (South)East Asia and has now, in response to protectionist tendencies in the US, decided to protect its undercapitalized banking sector. National champions are enjoying a renaissance. However, the European economy's high degree of internationalization has rendered it more vulnerable, the volatile euro-dollar relationship has become an uncertainty factor for exports, and the crisis belt surrounding the Union constitutes an obstacle to further stable expansion of the European Economic Area.

Now that the Doha Round has failed once and for all, the WTO, now headquartered in Singapore, has made a new start as a regionalized institution, focusing on regional free trade areas as well as on promoting interregional political exchange. In view of US and EU protectionism, the emerging Asian countries, among others, have turned more to their own region. Russia continues to derive self-assurance from persistently high prices for raw materials, although it is too weak to go it alone and remains welded to Europe by energy policy. Together with China it provides sporadic support for the "Caracas Bloc", however, a loose alliance of resource-rich countries that were originally cemented together by their anti-Americanism and are today linked mainly by technology and arms transfers. Most of these countries have drifted from the "twenty-first century socialism" they proclaimed at that time into what is now little more than "charitable kleptocracy".

But not all regions belong directly to a sphere of influence. The world's least stable regions, including the Middle East, Central Africa, Central Asia, and the Caucasus, have become arenas of global rivalry for the "nonaligned countries", although so far this has not led to any conflicts between the major powers. However, looking at the looming resource crisis and the easier access to the natural resources around the North Pole afforded by global warming, we see a conflict looming between Russia, the US, and Europe; after all, Russia was the first country to plant its flag on the ocean floor beneath the Pole.

In times marked by a renaissance of national sovereignty, the international institutions have little to say when it comes to resolving such conflicts. Europe has lost the normative influence it once had as an integration model and developer-in-chief of new forms of governance. Since what the US population saw as a forced withdrawal from Iraq, the US has, in political terms, been on the way towards splendid isolation. Under a Democratic administration a missionary America revived, for a brief time, in the idea of a "concert of democracies" that would have prolonged the Republican "Pax Pentagon" on a multilateral basis. But this was followed by a large measure of skepticism in the US administration concerning whether it would make sense for the US to engage internationally once again, beyond securing its own narrow interests. While economically prosperous middle classes have developed in a number of emerging countries, their members tend to think in nationalist terms and show little interest in further democratic development and international cooperation. Now and then decisions of major scope are taken in ad hoc groups, including, for example, decisions bearing on the protection of important sea

lanes from terrorist acts. The debate on the provision of global public goods has fizzled out; ecosystems are protected locally and in the richer regions, if at all; and urban migration has risen sharply on account of desertification and environmental degradation. The United Nations, chronically underfunded, is today largely restricted to a policy based on appeals. Only Sub-Saharan Africa has remained the “UN continent” – with poor prospects for the future. Both the European countries and Europe itself regard agriculture as one of their sovereign activities, and they are therefore sealing off their markets. With the failure of the Millennium Development Goals, fewer donor countries were willing to go on providing global funding, and the major donors – most of them European – are now focusing their funding more on their immediate periphery.

Politics in the Firewall world is ruled by fear and friend–foe thinking. The motto is “government without governance”, and here the strong state has dethroned the market state. Security, guaranteed by the sovereign state, is the guiding principle of political action. Security is equated more and more with defense and less and less with trust. However, society, state, and politics cannot function under the conditions of institutionalized mistrust. It is a time in which the response to crime is war, a time of ever more closely meshed fences, of the well-contrived security instrument, of the thousand-gate gated community, of the “sleeper”, and of high-flying illusions concerning the airtightness of the system. “Hell is – other people”, and today everyone is looking for his or her own separate peace, using political, economic, technological, and cultural firewalls to shut out their neighbors, their district, other countries and regions. “Batten down the hatches!” is the motto, even though this can ultimately lead only to more furious attacks and further insecurity.

### VI.3 The Linux option

The Linux option is no ideal world. It continues to be beset by conflicts and flagrant social disparities, and the power of the nation-state is, if not unbroken, at least one of the key factors of international politics. But the world is more socially integrated, more innovative in democratic and political terms, than it was only two decades ago. It was broad access to information, education, and technology that made this development possible. In today’s world of short distances and broad communications no one is waiting for the big breakthrough, the world formula that would eliminate all problems at once. Instead, work is under way at countless small construction sites to come up with different solutions for different problems, although work on transforming the world’s regional and global institutions has just begun and will remain a task for the future.

Hardly anyone was fooled by the ecological Potemkin villages set up by the Chinese Central Committee around the competition sites: the 2008 Olympic Games in Beijing presented the world with a dark ecological scenario that concisely illustrated the problem of overexploitation and the finiteness of the world’s natural resources. The West has become more and more sensitive to the fact that ecological collapse is inevitable if the modus operandi of the industrialized and the emerging countries continues to be the “business as usual” of those dedicated to the Western growth model and lifestyles. The 2007 Stern Report on the economic costs of climate change and the inevitable increase in extreme weather events in the US and Europe dismantled piece by piece the repression mechanisms and the illusions cherished by Western societies when it comes to the state of the world’s ecosystems. In the Mediterranean Sea – the Germans’ “favorite bathtub” – the jellyfish now rules. These creatures thrive in today’s increasing water temperatures, and the few fish still surviving are nowhere near enough to keep them in check – pizza with tuna has become a bit of a luxury!

When, just a few years later, millions of people in China were affected by an acute water shortage, and after ecology had been made out as the worst possible drag on the economy, Beijing



announced a “Clean China” project designed to give a sustainable shape to the Chinese development model over the course of the next two decades. This paved the way for a variety of international cooperation projects. The EU used the ASEM talks as a forum to intensify its environmental and energy dialogue with the Asian countries; the objective was to export European efficiency technologies that had been developed over years of intensive research. The new US administration now also committed itself to an environmental policy that had been in place for years in the large US states, such as California. In coupling climate protection with technology transfers, the G-7 countries managed to work out an agreement with the rising powers on effective and binding reduction targets, and it was hoped that this agreement would lead to a Kyoto II. The developing countries were skeptical at first – they, after all, were the main victims of a faltering and delayed climate policy. Some first incentives were created by the “PAC Fund” (Protect and Adapt Climate), which is used to fund measures designed to adapt to the reality of climate change. China’s successful learning strategy spilled over to the Asian region, the production of and trade in agrofuels induced a number of countries to become involved, and the World Bank supported more structural climate projects, although these focused on municipal development more than in the past. In addition, the region-wide supply of Africa, Southeast Asia, and the former Soviet republics with HIV drugs decided on in 2010 has led to an appreciable improvement in North–South relations, which had been marked in recent years by a good measure of distrust. Furthermore, the conclusion of the “EU–Mediterranean Free Trade Agreement”, covering an area extending from Morocco to Syria, has contributed in important ways to breaking down friend–foe modes of thought, inducing a number of Arab countries to embark on a course of further democratization. The signing of Kyoto II coincided with the attempt to drastically reduce catch quotas once it had become evident that overfishing has depleted the stocks of the most important fish species and the first riots by fishermen were reported from India. The moratorium designed to allow stocks to recover at the same time inspired hope that fish-farming methods that are both industrially and ecologically compatible might gain broad acceptance.

There is no doubt that the environmental and health agreements signed at the beginning of the century have served as pacemakers for a new start for global governance. But more important today than the “great historical affairs of state” are the numerous bottom-up initiatives that have come about in conjunction with an increasing diffusion of technologies in the world’s societies. Today, mankind’s – in part submerged – intellectual resources have proven to be just as important as biodiversity. The relevant projects are keyed to different levels of politics and society and serve to underpin the efforts undertaken by “official” politics in the field of (global) governance, although they often also pave the way for such efforts. The processes of renewal and exchange observed today in many regions of the world have had a quite a number of different causes and results.

Early in the past decade, the continuing loss of confidence in the world’s central political institutions led in the West to the reemergence of more dissident circles. However, the aim of the new civic movements and initiatives devoted to day-to-day solidarity was less to seize political power at the national level than to take over – initially for the most part local – substructures in order to try out more representative forms of politics, to put cities and communities on a sustainable and social development path, and to organize exchange with and links to other projects. For example, a significant change in energy consumption patterns in Europe made it possible to push through decentralized energy systems against the resistance of national champions. Today, BP’s “Beyond Petrol” prize, awarded to promote both efficiency technologies and the development of new sustainable resources, is as widely known as the Nobel Prize. Growing resistance in Western societies to the (non-transparent) introduction of new technologies led to public debates in countless blogs and Internet forums, and these in turn forced the companies and institutes concerned to make the results of their research and applications activities available to the public. Countless scouts, armed with video cameras, camera cellphones, and

laptops, now provide information on government and corporate activities in the remotest of regions. Recent years have also seen the emergence of a kind of “economy of attention” that, based on electronic networking and increasing consumer organization via the Internet, has made it possible to use any number of different criteria to find numerous alternative and efficient watchdogs and ratings for corporations and products, but also for governments. “Corporate social responsibility”, no longer simply a public relations exercise, now began to work, with environmental costs being incorporated in portfolio strategies and insurance companies contributing in key ways to the environmental reconnaissance work required for large-scale projects.

Powerful PCs and broadband networks are the twenty-first century’s two main coordination techniques, education and information its key resources. Even today the world is no global village, and access to information and communication continues to be unequally distributed. But electronic communication between and within the regions of the world has grown at a rapid pace. While radio and telephone took years to become widely disseminated, the Internet conquered the world in a few short years. The emerging countries and large parts of Asia and Latin America have continued to close the gap on the Western industrialized countries. Africa and the Middle East still have some way to go. The massive UN literacy campaign and the infrastructural support (for example, making use of MIT’s 100-dollar laptop) provided by the EU, the World Bank, and the UN “Digital Fund”, however, have helped to narrow the digital gap. The UN and the regional organizations have initiated a number of comprehensive e-learning programs, and today Hamburg’s Open University is one of the world’s largest educational institutions. A tax on capital transfers is now, 25 years after the first debates on the matter, set to fund future development-related investments in education, infrastructure, and health. Thanks to better access to education, increasing secularization in a number of countries, and some initial successes in the struggle for social rights, women are today the decisive actors behind change in the world’s developing regions. The “Women’s World Bank” provides massive support for microentrepreneurship, most of which goes to training, health, ecology, and social welfare; women now play the key role in local administrations and political institutions.

In many countries civil society relies on better-organized local physical neighborhoods and virtual “digital nations” constituted via the Net. In recent years many corporations have also recognized that they stand to benefit from societies’ collective intelligence if they open up and more and more research tasks and development problems are taken care of by self-governing external networks. Today, over 80% of corporate product innovations stem from these extended virtual workbenches. But while horizontal exchange took form in a variety of transnational projects, it long remained difficult to create effective interlinkages with other national, but also supranational, levels. “Glocalization”, a combination of global development and local action, has rarely worked out as well as it has in environmental policy. Often the sense of a new beginning has remained restricted to the capillaries of society, without generating pressure for change at the other levels of political action. The political “garage mentality” of the world’s countless social laboratories was simply not sufficient to renovate the whole house. The danger in Europe in particular was that “mobilized societies” tend to unravel into countless subpublics, with local policy innovations taking on the characteristics of a conservative communitarianism rather than spilling over at other levels. But in Europe civic discontent was directed less at the political faits accomplis of national governments than at the European Union itself. The EU in turn saw that the European project was threatened by the inflexibility of the member states and the growing disproportion between local responsibility and a European voice in international decision-making. As a result, the EU became the first institution to open its doors to numerous political experts and movements and to use electronic forums to acquire huge amounts of political and technical expertise – for example, from numerous still spry retirees in Europe’s aging societies – for its projects. The idea has been to make more use of the numerous grassroots organizations as sensitive seismographs of social development. The first step must be seen in a

number of often-criticized and often-flawed development projects on which donors, recipients, and potential implementing agencies were now working together – as early as the preparatory phase and on the basis of systematic organizational inputs provided by the EU.

The UN long ago abandoned the era of the world conference. While these conferences served to create attention, they failed to contribute much to improving capacities for collective action. Such conferences are now devoted to further expanding the network of early-warning systems (above all for epidemics, environmental crises, and violent conflicts), as well as to organizing individual global hubs and coalitions of the willing consisting of governments, NGOs, and corporate representatives, which benefit from the world organization's legitimacy. The UN also provides support for various regional bottom-up initiatives – which foster cooperation processes in some subregions – hoping that they will develop into important building blocks of global governance.

In the Linux Option the world remains a world of states, with hierarchies and power differentials. It has also remained problematic to organize political involvement and democratic participation outside the framework of the nation-state. NGOs are no replacement for democratic decision-making processes, bloggers may well assemble their facts with an eye to manipulation, and the political hype dispensed in the course of campaigns is seldom translated into real policy. But today's world is more decentralized and transparent, and there is good reason not to underestimate the political impact that may stem from the creativity of and control exercised by the many in the world's different transnational political spaces. Like fine threads, the communication lines now span the world of states, tempering it, creating more and more channels for ideas and active participation. National governments have remained the centers of power, but, like Gulliver, they have been restrained somewhat and have come more and more to recognize that centralized and hermetic structures cannot offer viable solutions for complex problems. Today more people are aware that the world is networked, that people are reliant on one another; many people develop more than one loyalty – to their neighborhood, for instance, or to transnational communities. Two developments will prove crucial for the next steps on the agenda, namely fundamental transformation of global governance and reform of the international institutions. In the present scenario, creation of power – including micropower – or the capacity to reach decisions in the face of complexity is predicated on access to information and possession of the skills needed to initiate cooperation. To avoid further fragmentation, the only practicable approach to further modularizing global governance is to ensure that everyone has unhindered access to information and knowledge, even where technical, social, or cultural barriers remain. The building plan for the world must be made accessible to those who are interested in further developing it. At the same time – and without succumbing to nostalgia for the grand narrative – it will be essential for the various progressive political modules to better concentrate their forces in realistic utopias for global development.

## VII. “The future is unwritten”

“In the long run”, John Maynard Keynes correctly noted in view of the bewildering diversity of economic forecasts, “we are all dead”. Before that, it might still prove worthwhile to lend a hand in shaping world events, however. Imagining the future is a first step toward averting or realizing it. If we cannot predict the future, we can at least shape it. Looking at our three scenarios, the main task facing international relations in the years ahead will be to create and consolidate political trust and prevent the erosion of trust. Trust is the basis of political and social action, it is the real mutual “security pact”. Certainly, it must not be blind, and trust invariably remains risky and prone to disappointment. But in view of the growing complexity often noted in international relations, the multifarious susceptibilities and threat potentials it may involve, the only way to create the institutions and structures needed to solve global problems is to tackle the troublesome business of building trust and confidence at all levels of politics. Trust is thus best created through integration, not exclusion; by building bridges, not by opening up divides; by fostering the common good, not by servicing special interests, be they religious, ethnic, or economic; through social democracy; by giving precedence to civil preventative action over reactive approaches; and by engaging in open political discourse rather than seeking to elude debate.

### VII.1 Integration

Integration presupposes trust, but also serves more to deepen it than just about any other political instrument. Without further EU integration, Germany will be virtually unable to realize any of its foreign-policy goals in the years ahead. It is within the Union that Germany has achieved its most important foreign policy successes since reunification. Political innovations from the laboratory of the “postmodern zone” (Robert Cooper) and the determination to make of Europe something more than a European Hansa are required if Europe is to obtain greater influence in world politics. But the will to forge ahead with integration also implies not being forced into a barren debate on Europe’s finality and the seeming contradiction between enlargement and deepening. The integration process must remain open as a matter of principle, and the political projects of the future should always be mindful of both: “Europe must work”, in a twofold sense – on the basis of democratic and effective structures and through European political initiatives keyed visibly to the social problems besetting European societies. Europe’s concrete borders are not “natural” boundaries, and they have often been redefined in the past in keeping with political exigencies. The prospect of accession is the EU’s most successful foreign-policy instrument, and it should not be rashly relinquished. This applies in particular to Turkey, and Turkish accession in the medium term will prove crucial for the further economic, sociopolitical, and security-related development of the EU. A stable zone of peace and a dynamic and politically innovative Europe cannot fail to have spillover effects on other regional projects in other parts of the world. Influential regional structures are both the sine qua non for a “sound internationalism” (Boutros Boutros Ghali) and important building blocks for a future global governance.

### VII.2 Building bridges

In a world that has become more obscure, in which the boundaries between domestic and foreign policy are becoming increasingly blurred, and world-political problems and action are closely interdependent and intertwined, it is essential to build trust-based networks at as many political levels as possible to reduce complexity and facilitate common action. This can be achieved most sustainably by means of stabilization and the construction of effective international organizations that reduce mistrust and alienation, and in which partnerships are based on rules. Strong political partners and – above all – a set of effective multilateral institutions are the two pillars on which the post-war successes of German foreign policy have rested. Germany’s strategy, based on “intertwined” or “institutionalized” interests – which have, however, to a considerable extent always taken account of the interests of other actors and institutions – its

stable relations with the core countries of global development, and the trust it enjoys among the international institutions constitute good preconditions, in view of the sad state of the international institutions today, for developing new initiatives and building coalitions with a view to implementing them. At the top of the agenda are the return of the US to the world's multilateral structures, integration of the large emerging countries, strengthening of the UN, and the construction of comprehensive institutions in conflict-prone areas – for example, the energy sector – that presently lack them. In such a mediatory role Germany will need to be predictable, reliable, but also flexible and willing to learn, if it is to perform the occasional balancing act in its European, transatlantic, or Eurasian relations (for example, in its relations with Turkey, China, and the US). But the ability to meet global challenges, in all their different manifestations, would presuppose that as many relevant actors as possible are involved in the relevant policy networks. Bridges must therefore be built above all between governments, labor unions, and NGOs, between businesses, parliaments, and international institutions, between churches and societies. The special tasks of the future will include approaches to dealing with the new elites in the Middle East and Latin America, building intellectual and cultural bridges with the rising middle classes in the emerging countries – which, while they already enjoy economic freedoms, still often tend to embrace nationalist attitudes – and a dialogue of civilizations that regards cultures not passively, in the sense of heritage, but as a potential for human creativity.

### VII.3 On deck: The needs of a trading nation

Germany's economic stability has always been closely linked with its political influence abroad. And in the future as well, Germany's economic weight will continue to be a key defining factor in its influence in global politics. More than most countries, Germany is thus wholly reliant on open markets and a functioning global economy. One of its key tasks will be to engage in a creative external trade policy geared to cooperation and integration. Further European integration will form the basis of this, in order to shape a strong and dynamic economic bloc and to gain greater influence in international forums with a view to making progress with reforms of the international financial and trade institutions. There is good reason to believe that the markets of the future will be green. Efforts to position Germany as the "global environmental engineer" will open up new market opportunities, and this will mean setting an appropriate course in economic and innovation policy, developing ecologically sustainable systems of production and consumption, and assuming a committed role in international environmental and climate policy. Migration will prove to be another crucial economic factor. Only if Germany accepts the need for continuous immigration based on transparent immigration regimes will it (like most European economies) have a sufficient labor supply in the years ahead. However, economic pragmatism must not be understood to mean abandonment of principles, and foreign trade policy must not be allowed to undercut credibility in other areas such as human rights policy, conflict resolution, or development policy. Finally, the time has come to start to discuss and then implement a "new model of prosperity" (Ernst Ulrich von Weizsäcker), one that is globalizable, but without leading to ecological disaster.

### VII.4 Pax Pentagon: How best to promote and foster democracy?

Democracies are, among themselves, more peaceful, trustful, and open. More than most other countries, Germany is politically and economically reliant on cooperation, and for that reason democratization is one of the central goals of German foreign policy. But despite the successes in democratization achieved in the past decades, there is still a danger that the twenty-first century may be the beginning of a new epoch of authoritarianism (Ralf Dahrendorff). The expansion of liberal capitalism is forcing societies to engage in market reforms, but not to commit to democratic forms of rule, and formal democracies threaten to founder in the face of growing social polarization. In the future, an unmistakable rejection of military-backed regime change should, more than it has in the past, go hand in hand with efforts to formulate viable alternatives. In its

own neighborhood Europe has already proven that it is able to develop and apply the pressure needed for transformation. This model can certainly not be transferred directly to other regions. One of the central tasks of the European Union in the years ahead will therefore be to put together a comprehensive democracy-promotion package designed to provide support for countries not on the list of candidates for accession, but also, if need be, to exert pressure on them. Here the EU must combine its present strengths – for example, in institution-building – with a focus on improving the social situation in the countries concerned (for instance, as regards fair market access) as well as with efforts to develop civil society structures. It will certainly make sense not to overburden the strategy ideologically and also to develop approaches for dealing with authoritarian states, but a policy of this kind must at the same time generate the strong pressure needed to bring about transformation. Accordingly, relations should, more than at present, be made subject to conditionalities, and this also includes the construction of a regime of precise sanctions within the framework of the EU.

### VII.5 Mind the gaps: Strengthening global equity

The security debates of recent years have increasingly masked the global development dilemma, and this has meant paying more attention to the causes of war than to the conditions of peace. But the global lines of conflict continue to be defined by development and underdevelopment, economic integration and social exclusion, participation and political powerlessness. This development dilemma is at the heart of many of the challenges outlined here, be it climate and the environment, migration, security, or democracy. The debates on the social question, bearing on both distributive justice between the world's rich and poor countries and the alarming social disparities within societies, will play a key role in shaping the future constitution of the world – particularly because there is reason to believe that these debates will intensify in the years ahead. The late development of the emerging countries – a process that is at the same time also producing newcomers – will make life more difficult for the winners of globalization, the old industrialized countries. Their own development model is now rebounding on them in the form of growing competition for good and raw materials, but also in the form of climate crises and other threats. Development problems are, in this sense, no longer only the problems of the South. This could lead to the gradual realization that global development is no longer to be had without a new development model. Viewed in a historical perspective, it will make little difference whether globalization continues to boost the prosperity of rich societies (or of the rich in poor societies). What will be crucial for the future development of the world is it can be shaped in such a way as to help close the global gaps, the increasingly visible social, economic, and technological disparities. Apart from poverty reduction, development policy must work above all to temper and civilize conflicts, to promote the rule of law, to bring about distributive justice, and to pave the way for political participation. But what is needed – in the sense of a global structural policy – is the will to intervene robustly in the dominant conditions of the global economy, as well as new orientations in the relevant key institutions.

### VII.6 In the crisis belt: Preventive conflict management

The security issue, in all its facets, today defines social discourses. At the same time, in no other policy field have the premises and instruments of German policy changed so much as in security policy. Having for years been a “front consumer” of security, Germany has developed into a subordinate producer of security. But while participation in missions abroad has now become a fixed element of German foreign policy, development of a systematic crisis-prevention strategy has not moved beyond its first phase. The threshold for military intervention has been lowered appreciably in recent years, and there is a growing tendency on the part of many countries to exempt themselves from international rules. However, the most effective, sustainable, and cost-effective security policy continues to be preventive conflict management broadly rooted in multilateralism.

None of the today's central security challenges can be resolved exclusively by military means, and the military component must play the smallest role in any security-related problem: the most promising approaches for the medium term include diplomacy and global regimes when it comes to disarmament, police and intelligence services, education and social policy when it comes to terrorism, and sustainable state-building in cases involving regional conflicts. In the years ahead, further development of a culture of prevention must include efforts to strengthen arms control regimes, to revitalize the UN as the world's key conflict mediator, to bring non-military transformation pressure to bear on autocratic and crisis-shaken countries, and to further develop the German and European crisis-prevention infrastructure. "When war begins, that we can know, but when does the prewar begin? If there were rules they should be passed on. Transmitted in stone, engraved in clay" (Christa Wolf, Cassandra).

### VII.7 All together now: The interior furnishings of foreign policy

Hardly anyone would dispute that in recent years German foreign policy has found itself with more policy space, but it is also expected to play a more active role on the international stage, and the foreign-policy culture and institutions in Germany are going to have to adjust to this new state of affairs. In political circles debate over foreign policy has been a marginal phenomenon, and in practically no other policy field has the permissive consensus between population and political elite been so solid. While in the past foreign policy decisions often moved ahead of public opinion, in the future the public will have to be viewed more as a partner in the making of foreign policy. As the tasks, the visibility, but also the (unavoidable) contradictions of German policy in international relations continue to grow, the political actors involved will need the orientation that only social discourses can provide. A greater need to justify foreign-policy decisions should be seen less as a reason for nervousness than as a chance to better network political analysis, political debate, and political action with a view to gaining more sustainable support for foreign policy. Recognition of the public demand for such debates, the need to build a "strategic community" with foreign-policy think tanks and NGOs, to bring about more transparency in foreign-policy decisions, and the need for political actors who formulate their goals and strategies and then put them up for discussion – this is the *sine qua non*.

The legislature's – de facto limited – influence on foreign policy has in the past tended to obstruct the debate. The claim, expressed again and again, that parliamentary procedures are overly cumbersome has never been substantiated. On the contrary, there will be a need in the future for national and European parliaments to become more involved, to participate more when it comes to addressing foreign-policy issues.

Information and the skills needed to initiate cooperation are the resources of modern power. This goes for Germany's foreign-policy actors as well. Current challenges, including, for example, crisis prevention, climate policy, and promotion of democracy, indicate clearly that in the future what will be needed most of all in place of thinking in narrow departmental terms and turf battles is networked cooperation on concrete tasks. While in complex societies it is as good as impossible to eliminate the coherence problems and inconsistent policies borne of the different foreign-policy models, interests, and strategies of individual actors, they can be reduced. Sometimes we find an exaggerated measure of detailed coordination, sometimes a lack of clear-cut priorities and joint, targeted problem-solving strategies. This is one reason why it seems important to ensure that instead of getting bogged down in the technical details of implementation, institutional reorganization is accompanied by efforts to further develop Germany's role, strategies, and goals in international politics. This would of course also presuppose a willingness to make available the funds needed to implement a new course of this kind.

## Compass 2020

### Germany in international relations

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