

**NATIONAL SOVEREIGNTY & UNIVERSAL CHALLENGES:
CHOICES FOR THE WORLD AFTER IRAQ**

BREAKOUT SESSIONS

**A1 “Choices for the Environment & Development”
– led by Elizabeth Dowdeswell**

**A2 “Choosing Our Futures”
– led by Oliver Sparrow**

**A3 “Assessing Risks: Which Global Trends Should Worry Us”
– led by Alison Sander**

**A4 “Codes of Culture: The Dynamics that Spark Nation Building and Shape
World Orders”
– led by Don Beck**

**B1 “Globalisation & Governance”
– led by Dr Fraser Cameron**

**B2 “Global Governance – Theory & Practice”
– led by Yale Ferguson**

**B3 “Hamilton Monnet Federalism & Global Solutions”
– led by John Pinder**

**B4 “Nation Building Resilience & Sustainability”
– led by Steven A F Trevino**

BREAKOUT GROUP A1

CHOICES FOR THE ENVIRONMENT AND DEVELOPMENT

MODERATOR: LIZ DOWDESWELL

Discussion Premises	Core Questions
<ol style="list-style-type: none">1. Environment is in trouble – clear signs across multiple indicators2. Significant and growing interdependence leads to problems but also offers solutions	<ol style="list-style-type: none">1. What are the issues we need to address?2. Do we need to develop new tools?3. What kind of tools are necessary?

What are the issues we need to address?

- Need to go directly to the source of the problem. Currently, we have a propensity to focus on the symptoms.
- Reversible and irreversible changes. Danger of increase of irreversible damage.
- Extensive politicization of the environment while it should be regarded as a universal concern.
- Timeframe issue – politicians 4 years, CEOs 2 years; environment – a short-term sacrifice and thus not likely to be picked up in the political and business circles.
- Growing anti-environmental movement.
- Change in perception about global environmental threats toward more placid attitudes. Technology fixes are anticipated leading to apathy and reliance on external forces.

Do we need to develop new tools?

- Two views:
 - No need for new tools as a great number of legal instruments already exists. What is necessary instead is political will to implement current agreements and obligations;
 - Yes, need new tools, as the existing ones have not attained the results they were designed to achieve.
 - Important question is *why* the available tools have not been successful.

What tools are necessary?

- To raise awareness
 - Advocacy
 - Education
- To promote individual and business action
 - Advocacy
 - Education
 - Incentives such as regulation, taxes, trade measures
- To promote technological innovation and efficiency
 - Incentives: financial, regulatory, reputational
- To promote national political action
 - Greater media attention
 - Better enforcement mechanisms (not only for those who join but also for non-participants)
 - Alleviate global competitiveness concerns through international rules and standards

- Global governance setting a general regime (more information, knowledge, transparency)
- To promote international political action
 - Better global governance alleviating competitiveness concerns, elevating the status of the environment
- What can we do *now* on each issue?
 - Reach out individually and collectively and build a constituency for action

BREAKOUT GROUP A2

CHOOSING THE FUTURE

MODERATOR: OLIVER SPARROW

The discussion was introduced and facilitated by Oliver Sparrow, who posited the idea of a matrix with different levels of decision making along the horizontal and key issues of change on the vertical plane:

- Community National multi-lateral International agencies
- New terrain
- Catch up
- Capacity building
- Broken systems

The ideas discussed began with the premise that whereas technological, industrial and commercial developments were happening at an exponential rate of growth, social changes were far slower and institutional changes lagged still further behind, thereby hindering the possibility of a fundamental reassessment of global development. In the course of the discussion the following points were made:

- the need to involve all communities, not just political elites in new and constructive forms of dialogue about change
- the need for there to be an enhanced quality of conversation and dialogue about the future possibilities
- the importance of capacity building, especially for those whose voice is not heard
- the importance of involving youth in the debate about future choices, allied to the conscious need to 'hand over the baton' to the future generation
- the need to search for common humanitarian values, without limiting cultural diversity (this was linked to the general appreciation that most communities held many humanitarian values in common despite religious, racial and cultural differences); there was a sense that there was a broad agreement about values among people at a community level that became distorted at the world level
- the importance, therefore, of finding new ways to build direct links between communities world wide that are not dependent on existing institutions dominated by the political class
- the importance of regional approaches to discovering a sustainable common future

It was suggested that the existence of small freedoms could be illusory and did not necessarily guarantee the greater freedom of being able to choose what future the individual or the community wanted. There was a recognition that excessive consumption in some parts of the world resulted directly in deprivation for others through economic exploitation and environmental degradation.

It was suggested that the intense concentration of consumerism could destroy a wider concern for global development and security; there could be a link between the stimulation of fear based on insecurity and the desire for greater consumption as a reaction. Is there a degree of conspiracy to turn citizens into simply consumers?

The importance of education, and capacity building, was stressed; a key area of education should be the understanding of the concept of global solidarity. Above all, the debate centred on the importance of discovering common values that would lead to the empowering of individuals and communities to enable them to have a real and achievable choice about their future.

BREAKOUT GROUP A3

ASSESSING RISKS: WHICH GLOBAL TRENDS SHOULD WORRY US?

MODERATOR: ALISON SANDER

There are a large number of potential risks (from **global warming, population increase, migratory flows** and **disparities of income between countries**, to **AIDS** and **WMD**). We, the discussion group, were allowed to choose a number of the potential risks and then to answer why we thought these were greater than others, or whether there were other risks which we had not yet looked at.

Further risks:

- Problem of young men (population increase in some countries – e.g. Saudi Arabia, Iran – has led to large numbers of unemployed, young men. In some countries – e.g. China – they have been favoured over women, hence a disparity in the proportion of women and men. A large number of men without jobs is a recipe for trouble);
- Problem of disparities of income within countries not just between them;
- Local problems are often just as much of a brake on development as global ones.

Comments:

- Need to depart from the case-by-case approach to the various risks suggested, as only a holistic approach is likely to work. Fixing one part of the puzzle is not enough given the interconnectedness of the risks raised.
- The world community has a tendency to approach those risks we can solve at the expense of those we think that we cannot.
- While good at identifying risks, we are bad at putting them into context and working out our policy priorities – without clear priorities based on good risk assessment all policies will be short-term and therefore ineffective.
- We have to recognise that we cannot deal with every risk.
- We have to recognise too that while some people are natural leaders, leadership does not imply accurate assessment of risk.
- Very false expectations of risk – in other words our notions of risk are more psychological than truly rational
 - the example was raised here that the chance of a child being shot in the United States was much, much lower than deaths from seemingly innocuous accidents (comment of David Keene) - a view that was challenged.
 - however, the general truth stands that, when asked to identify everyday risks, we tend to forget some the most present risks and present a list of – actuarially speaking – minimal ones (for example, irrational fear of flying in an aeroplane as opposed to driving a car).
 - general problem of a risk-obsessed culture – we need to recognise that risks need to be taken (for example in business) in order to allow society to function and flourish.

Conclusion:

We are very good at identifying risks, but very bad at prioritising or assessing rationally. In terms of rational decision-making this is vital – particularly in a world sensitised to risk by things such as WMD, where, though the risk of a WMD attack is very small, the consequences are unimaginably large. This is true of most of the global risks now facing the world – and this is why a reappraisal of our societal attitude to risk, its necessity and an accurate basis for risk-assessment in policy-making has become so vital.

BREAKOUT GROUP A4

CODES OF CULTURE: THE DYNAMICS THAT SPARK NATION BUILDING AND SHAPE WORLD ORDERS

MODERATOR: DON BECK

The Spiral Dynamics typology was devised by Clare W. Graves in 1951. Graves was an academic who sought a ‘theory of everything’ that could answer his students’ questions about which of the psychological theories he taught – Freudianism, behaviourism, humanism and so on – was “the correct one”.

Rather than the prevailing ‘flatland’ perspective, this worldview was evolutionary: human individuals and societies *develop* upwards through various distinct worldviews or ‘memes’ (a term first coined by Richard Dawkins in *The Selfish Gene*). It is the clashes between these alternative worldviews or memes – as opposed to between civilisations, races, nations or ideologies – that explain much human conflict.

The first eight of these colour-coded memes (with highest memes at top) are as follows:

	Colour	Name	Thinking	Cultural manifestations
8	Turquoise	WholeView	Holistic	Collective individuality, cosmic spirituality, earth changes
7	Yellow	FlexFlow	Ecological	Natural systems, self-principle, multiple realities, knowledge
6	Green	HumanBond	Consensus	Egalitarian, feelings, authentic, sharing, caring, community
5	Orange	StriveDrive	Strategic	Materialistic, consumerism, success, image, status, growth
4	Blue	TruthForce	Authority	Meaning, discipline, traditions, morality, rules, live for later
3	Red	PowerGods	Egocentric	Gratification, glitz, conquest, action, impulsive, lives for now
2	Purple	KinSpirits	Animistic	Rites, rituals, taboos, superstitions, tribes, folk ways and lore
1	Beige	SurvivalSense	Instinctive	Food, water, procreation, warmth, protection, stays alive

In the subsequent discussion, the following points were made:

- Societies can only evolve at a given time to the level immediately above their current level; this fact needs to be incorporated into politics and governance
- Following the demise of Marxist-Leninism in the USSR, for example, Russia – hitherto a totalitarian ‘red’ society – should have evolved to a healthy ‘blue’ level. Instead, well meaning institutions imposed an inappropriate ‘orange’ system based on free trade etc. Since the society was not ready for it, it went wrong
- The failure to learn this lesson can be seen now in Iraq, which also needs a blue-oriented reconstruction effort focussed on security, not a jump to orange representative democracy
- Beck uses a ‘quintuple bottom line’ for companies, which should track performance on:
 - Noble purpose (blue)
 - Proper systems, techniques and skills (orange)
 - Profit (orange)
 - The needs of people within and without the company (green)
 - Respect for the natural ecology of the planet, beyond just environment (yellow)
- One cannot be achieved without the others: the objectives are interdependent.

BREAKOUT GROUP B1

GLOBALISATION & GOVERNANCE

MODERATOR: FRASER CAMERON

Discussion Premises	Core Questions
<ol style="list-style-type: none">1. The G-8 began as an arrangement between five powers and has expanded to include ten.2. Public perception of the G-8 as an important governmental forum differs from reality. The G-8 has no mandate to take any formal decisions.3. Today, the G-8 has become primarily a media circus and its role in contemporary global governance is questionable.	<ol style="list-style-type: none">4. Should the G-8 be abolished?5. Should the G-8 be reformed and expanded?

Arguments for maintaining the G-8

- Socialization benefit
 - Provides a forum for exchange of views and sustained dialogue
 - Additional forum for key leaders where they can take more public and formal positions
- Effectiveness benefit
 - Negotiations in formal institutions could be made more effective if agreement is reached in advance in forums like the G-8
- Limiting effect on super power – the US tempered at least somewhat in this forum
- Place to filter inputs on events
- Reluctance to go into revolutionary stage. The international system is in disarray already.
- The disbanding doesn't matter – the leaders will meet informally anyway.
- Need guidance for better solutions.

Arguments for abolishing the G-8

- Negative institution:
 - The G-8 detracts from the inclusive institutions we have and divides the world into rich North and poor South
- Outdated institutional arrangement:
 - Created as an exclusive space for the privileged few. Becoming a circus, increasingly less productive, and even absurd.
- Unnecessary institutional arrangement:
 - A structured transatlantic relationship already exists and no need for duplication of functions.
 - The G-8 is not a melting pot – mostly set speeches; media opt. Very prearranged and stylized. World leaders not paid to shake hands with each other.
- Exacerbating the democratic deficit:
 - Governments currently devote an excessive part of their time to attending meetings. Talking to themselves and not talking to the people they represent.
- Need more direct influence of citizens into such exclusive groups.
- Information technology provides alternative means for similar meetings and interaction.

Arguments for reform and expansion of the G-8

- The G-8 leaders are *not* the *key* leaders in the world. Countries like China and India are not included while their influence in international affairs is substantial.
- Dilemma between small group size and effectiveness but current world complexities demand a more balanced institutional structure.
- Concept of pivotal states may provide a basis for expansion to a G-15 or G-20.

- Need to revitalize democracy and repair confidence in it. Cannot do so with such exclusive institutional arrangements.

Additional remarks

- The G-8 is not an organization and can therefore not be disbanded; it is an annual invitation. However, it has become institutionalized.
- Should disband the IMF – has not reformed itself. Its roles can be replaced by WB and Bank for International Settlements.
- Importance of location of meeting place. The cell phone has a profound effect on political decision making by inducing greater interaction. Informal meetings are very important.
- The G-8 is a gentlemen's club – meet and do not make decisions. But there is no doorman and media has descended upon its meetings. The public perception of its importance has therefore become skewed and needs to be reformed.

BREAKOUT GROUP B2

GLOBAL GOVERNANCE: THEORY AND PRACTICE

MODERATOR: YALE FERGUSON

The actors that influence the global system are multiple: from the obvious (states, international organizations, multinational corporations, etc.) to the not always recognized as such (provinces, cities, NGOs, etc.)

The most consensual definition of global governance is related to norms, rules and decisions beyond the level of the national state.

Much of the world pattern of change is predictable; some of the non predictable dynamic is related with global governance problems.

Global governance expanded dramatically during the 1990s when cooperation seemed to be more powerful than confrontation but has been dramatically affected by 9/11 and the new confrontational global environment.

Debate over the power of media in global governance. Some people emphasized the capture of media by a few concentrated economic interest and its cartelization and other people said that media continuous being highly pluralistic and one of the distinctive features of Western democracies. The first group views the Internet as being captured by powerful interest and the second one consider the Internet as the most clear example of the vitality of democracy.

Some people emphasized the importance of well defined property rights (vested responsibility), in all the levels of the world society, for the establishing of solid foundations for global governance. Other people contested that property rights would have such an importance.

BREAKOUT GROUP B3

“HAMILTON, MONNET, FEDERALISM AND GLOBAL SOLUTIONS”

MODERATOR: JOHN PINDER

Hamilton and the other American Founding Fathers invented the idea of government at two levels: one for the common affairs of a group of states, the other for the particular affairs of each of the states. This could work only if the governments at each level were democracies based on the rule of law. Monnet showed how this federal principle could be applied by a group of modern nation-states, starting with the European Coal and Steel community in 1952 as a first step in the federation of Europe. The EU has indeed come a long way towards a federal system by steps and stages: establishing a federal judiciary and quasi-federal legislature and executive; acquiring major powers in the fields of the economy and environment together with a substantial external role relating to soft security; and expanding from six member states to fifteen, soon twenty-five, and then doubtless thirty and more. This has taken over half a century. But much has been achieved and relations among the member states have changed radically for the better.

It is natural that Europeans who have experienced this process should favour the strengthening of multilateral institutions in the wider world and will continue to work towards this end. But I would go further and suggest that the EU seek to apply federal principles among a vanguard group which could, as the EU has done in Europe, increasingly apply federal principles and expand toward universal membership. This would doubtless take longer, perhaps much longer, than the half-century the EU has taken to date. But it should meanwhile likewise both achieve much and radically improve relations among a growing number of member states.

Climate change, with related sustainable development, appears to be the most suitable field in which to start, rather than the global economy where there are already entrenched and powerful institutions, or defence which is the citadel of national sovereignty. Action to cut carbon emissions by over half in the next few decades is evidently required, with much more radical measures than the Kyoto Protocol, implying a need for embryonic federal institutions including the rule of law with respect to the use of fossil fuels, together with support for carbon sinks and for sustainable development of third-world countries through eco-friendly means of production. The members must be pluralist democracies and must, in order to have a sufficiently substantial impact on climate change, include at least one major power with an advanced economy as well as one with a less-developed economy, as a basis for expansion towards universal membership. Since the US is evidently not available for such a commitment and China lacks the democratic characteristics for such a system, the EU and India are both essential founder members of a global community for sustainable development; and it would be desirable to include as many other democracies as possible, while offering association to states that do not join.

To be prepared to proceed at first without the participation of the US, as a great democracy and great power which is also a great consumer of fossil fuels, may seem questionable. But perhaps a British participant is better placed than most to explain a need to do so, since Britain stood aside from the foundation of the first European community and consequently did not join until two decades later; and the EC/EU with all its benefits would hardly have got off the ground had the founder members failed to start without the British. It may also be observed that it is in the interests of the US to have a strong partner such as the EU with the capacity to act as a pillar of soft security in the world and thus do much to provide global solutions to global problems; and that a global community for sustainable development could provide a notable example of such a solution, to the benefit of the US as well as all other states.

The EU would have to undertake a major and sustained effort of both external and internal policy to prepare the launching of a project of this scope. It should be an enormously rewarding endeavour.

BREAKOUT GROUP B4

NATION BUILDING, RESILIENCE AND SUSTAINABILITY

MODERATOR: STEVE TREVINO

We are faced with a New Operating Reality. This time in history is new – and its defining characteristics and emerging properties were appearing before the 11th September 2001.

- **Accelerating change** - overwhelming post-war institutions with a rate of change that we are no longer able to apprehend
- **Intensifying complexity** – will this complexity overwhelm us? “Complexity” has long been an operative concept in mathematics and biological sciences – as our human systems seem to mimic biological organisations, we shall have to look for a new understanding of the applications of “complexity” in the human environment.
- **Network properties** – an extended involvement in networks
- **New threats** – asymmetric threats

Do we need a New Operating Model in order to understand these properties and to manage them?

We have progressed from the mere question of *effectiveness*, to a large number of subsidiary/complementary concepts in our policy building: *safety, stability, survivability, adaptive, resilience, endurable, empowerment, prosperity, vitality*. Efficiency is therefore no longer defined uniquely by a set of pre-defined goals, but also but also by the adaptability of the process involved and our awareness of the key concepts listed above. This is seen here as a way of going beyond ideology to key drivers of change.

Understanding the real-problems:

- The real problems are not EU/US relations but poverty and injustice. The 22 poorest nations have 1/1000th of GDP of the richest nations. They are mired by HIV killing social support and creating millions of orphans. Even the things we thought we understood, such as trade, operate differently.

Raising awareness/acceptance:

- In any psychological test, faced with a crisis leaders will tend to respond “we can manage this, let’s keep it quiet” – but this initial response is no longer suitable in the face of new problems such as SARS. Vietnam immediately realised the problem and was able to limit it, China denied it and Canada attempted to ignore it – and suffered the consequences.

In development policy we have to ask ourselves what the benefits have been after 50 years of trying. Development is a shared responsibility between donor and receiver – have we lost sight of that? We have become good at fixing individual pieces of the development puzzle (restoring water systems, securing the banking system etc.), but in a world of complexity dealing with the pieces is not enough. As soon as we leave, even the parts which we have “fixed” fall back into disrepair.

Floor discussion:

- Example of **Afghanistan**: A good education system in the 60s and a progressive society. What went wrong? The legitimate goal of taking on the Soviets in the 70s-80s meant the destruction of safeguards in society. How can we achieve defined goals while respecting the societal fabric which has been the basis for past progress?
- The west is hung up on the idea of the **inviolability of contracts**. But many (even free-trade) agreements are asymmetric – what is the value of the sanctity of contracts then? A need for monitoring (possibly extra-governmental)
- Concept of **eco-insurance**: there is an inherent risk in solving problems that take a long time, and the price rises with time. Eco-insurance is a way of raising funds in the short-term to deal with problems before they become unmanageable.
- Our challenge is systemic – to do with **elites** in the developing world that skim off any benefits from globalisation. The Global Innovation Fund seeks to find capital that can disintermediate – i.e. micro finance that deals on a person-to-person basis rather than on a distorted macro level.

The key issue is to ask what people want in the developing world. Elites may want “westernisation” but this may not apply to the rest of the population