THE BUCERIUS SUMMER SCHOOL
ON GLOBAL GOVERNANCE 2013

Conference Report

Global Governance:
Rebalancing the International System

18 – 31 August 2013

Compiled and edited by Dr Cornelius Adebahr,
Political Consultant, Berlin / Washington, DC

Contents

1 Executive Summary

Rebalancing the international system of global governance may sound like wishful thinking these days. Looking at the Summer School's 2013 programme, which brought together nearly 60 young leaders from around the globe for two intensive weeks of discussions, one could not help but wonder which of the topics would become an item of breaking news the day it was discussed in Hamburg, Berlin or Paderborn. Would it be the Arab 'Fall', so renamed out of frustration with the protracted struggle for new forms of governance? Could an event surrounding Greece's bailout derail the frail calm in the world's financial markets and bring back the Euro zone debt crisis shortly before parliamentary elections in Germany? Or would another leak about the U.S. National Security Agency's (NSA) spying practices provide fodder for the group's discussions on cyber security? In the end, both Egypt and Syria topped the list of world events that provided a meaningful reminder of the seriousness of the issues discussed by this class of emerging leaders.

As for the **challenges**, the ongoing transformation throughout the Arab world was a major topic of discussion. This process, including the turmoil that comes with it and which is visible in countries like Egypt, Syria, or Tunisia, is a matter of years rather than just the passing of one or two seasons, i.e. from spring to fall. Not least because one of its key drivers is also based on long-term trends: demography. The young Arab generation is far better educated and connected, but it has far less chances than generations before or possibly after them. Moreover, the renewed ideological conflict in the Arab world is not so much a problem between secularists and Islamists but comes down to differences between various schools of political Islam. This is where the West has to learn that it cannot "pick winners", while countries like China and India have to learn how to engage constructively in a region where they lack the experience of past involvement but have a stake in if they would like to be seen as future agents of global governance.

This increased role of emerging powers presents another challenge, i.e. that of including new powers into the existing (and evolving) governance structures while letting the old ones "decline successfully", i.e. without causing larger tremors in the international system. Indeed, Europe often came to be seen rather as a problem – the financial crisis there with its potential ripple effects for the global economy comes to mind – than as an actor who could contribute to the solutions. This may be unfair in an historic perspective but is certainly an expression of the prevailing views among powerful nations that claim to be (still) ruling the world ten or twenty years from now. The European project simply is not "sexy" – which is why power within the EU seems to have moved back to (a handful of) national capitals, while global power has moved to Beijing, New Delhi, and Brasilia.

A third challenge discussed throughout the Summer School was the one stemming from the cyber world. The revolution in communication technology has not only fundamentally changed political processes around the globe – witness its role in the citizens' uprising in many Arab countries in 2011. It has also resulted in new security challenges, from cyber espionage to cyber war. In that sense, the recent NSA affair has only put the spotlight on systematic spying in terms of hoarding large quantities of confidential information of citizens, companies, and political entities. Given the fragility of the web's structures, some corporate actors have begun to think about establishing an independent net for sensitive data, a smart grid that is not connected to the World Wide Web. Such technical measures would however require political co-

ordination on a global level, as would proposals to establish an international legal framework enabling state and non-state actors to proceed against hackers and other cyber criminals.

Which **actors** should be the ones tackling such challenges? First, there are those 'old-new' players in East and South Asia, namely China and India. Being great powers from previous times, they have only just started to develop ideas of their own of what forms of global governance they would prefer and help sustain for the future. Now, all „power currencies" such as military and economic clout, financial stability, command of resources, technology and innovation as well as social cohesion point to a shift of power from West to East. And with power comes responsibility, so countries like India and China will have to get involved rather sooner than later.

However, despite a sense of triumphalism throughout East and South Asia, there will be formidable challenges for the countries of the region along this process, both internally and externally. To start with, a number of domestic issues could hamper their active role in world affairs, such as rising economic inequalities, non-traditional security concerns such as food, energy and water deficits, or demographic challenges to the existing welfare mechanisms. Then there are geopolitical rivalries across the region, not least fuelled by a voracious appetite for resources to power growth trajectories. In combination with a state behaviour typical of 19th century great power politics, those weigh heavily on the region's ability to productively influence world affairs. Indeed, unresolved conflicts and rising tensions in the absence of an effective regional system of cooperation make Asia the world's region with a high probability of interstate war. Similar challenges impact on the ability of the five BRICS countries – Brazil, Russia, India, China, and South Africa – to play an effective role in resolving global issues.

The 'newly old' players from the West, however, will be less and less able to influence the international system in a way they could in the past. The idea of a Western decline has become so prevalent that nearly by default some analysts count Europe completely out of the game, and – at least in relative terms – also increasingly the US. That said, Europe is still an attractive model of regional integration for many states around the world – if only it were to overcome its current crisis. European and Americans together would still wield strong influence throughout Eurasia and the Northern parts of Africa – if only they found a new mission for NATO and could develop a trustful relationship with Russia.

Then there is the 'oldest' of players, Africa, "the place we all came from" as one speaker put it. However, there exist of course many different Africas, with Rwanda and Congo (DRC) often used as examples of the best and the worst that Africa has to offer: One country seemingly progressing in economic terms, where a strong government implements reforms but leaves little space for political and media freedoms; the other a poor and war-torn country with great development potential where civil society has taken over from a practically non-existent state. While the reality is indeed much more complex, the larger question is whether such diverse countries can come together under the roof of the African Union (AU) in order to play their part within global governance. Publicly, the AU is reluctant to criticise its members, but rather uses private diplomacy to influence them. Whether this is enough will determine whether the AU can indeed become the generator of African solutions for African – and, ultimately, global – problems.

A stronger role for Africans could also help spur the debate on the usefulness of development aid in general and the ways to foster economic progress in particular.

Some argued that Africa today was about to experience its next revolution: After the fight for independence from colonial rule, it was now about taking over Africa's economy that had for long remained under the control of the former colonial powers.

Where does this inchoate picture leave the necessary **rebalancing of the international system**? Rather than envisaging a post-Westphalian G2 world marked so far by China's inability to normatively integrate and by the US's disregard for multilateralism write large, a new system with a number of powers is likely to emerge. The words alone used to describe its contours leave observers and shapers similarly perplexed: It is a "polycentric system", where multiple poles of power are each less stable than centres of power in earlier eras. Even cities, less ideological and more pragmatic than nation states, will play a role thanks to rapid urbanisation around the globe. Such a "post-ideological world", where old alliances give way to "multi-alignment" driven by an interests rather than ideology, necessitates new forms of "mega-diplomacy" among a range of diverse state and non-state actors. The tactics of such interaction would involve polycentric governance, orchestration, navigating regime complexes, and promoting norm cascades.

The following session reports, written by a volunteer group of participants, provide an overview of the manifold discussions of two insightful and exciting weeks. They also explain those concepts and ideas which can only be briefly touched upon in this introduction. In the end, it will be up to this new generation of global decision-makers, represented by the more than 250 young leaders from both the Asian Forum and the Bucerius Summer School on Global Governance that assembled in Hamburg for a three-day reunion at the end of this year's annual programme, to make sense of those terms, reach agreement on how to implement them, and ultimately put them into practice.

2 Session reports

2.1 Global Governance and "New Governance" Theory Lessons from Business and Human Rights

Speaker: *John G. Ruggie*, UN Special Representative for Business and Human Rights, Boston

Rapporteur: *Mark de la Iglesia*, United States

Session 1:   Monday, August 19

As the opening speaker of the 2013 Bucerius Summer School, John G. Ruggie used a case study in business and human rights to illustrate how the tenets of 'new governance' theory can be applied to tackle global public problems in our increasingly fragmented, multi-polar world. Ruggie explained how he employed four 'new governance' tactics – polycentric governance, orchestration, navigating regime complexes, and promoting norm cascades – to develop and build broad global consensus around a set of United Nations (UN) Guiding Principles on Business and Human Rights. In the ensuing discussion, seminar participants generally applauded Ruggie's efforts, but raised questions about the impact and enforceability of the UN guidelines that resulted from the process.

Ruggie began by defining the Summer School's main theme: global governance. The term "governance" is meant to refer to the functioning of any system of rules, norms, institutions, and practices by which a collective manages its affairs. The "global" aspect of the definition includes a range of transnational instruments – from international laws and institutions to the roles of non-state actors and prevailing norms and expectations. Many have noted that global governance has become more difficult in recent years, citing the stagnation of efforts to reach international agreement on issues like climate change and the rise of non-Western powers like China who tend to be less willing to sacrifice sovereignty via formal multilateral agreements.

The strategies and methods of "new governance" have emerged within this challenging context as a means for stakeholders to achieve shared objectives despite the many obstacles to global collective action. Ruggie used a case study on business and human rights to illustrate the four main tenets of new governance theory.

1. Polycentric governance: Practicing polycentric governance involves acknowledging that working with states themselves is not sufficient to achieve most global governance goals. This was fairly obvious in the case of Ruggie's efforts to build consensus around a set of norms on multinational corporations' (MNC) human rights responsibilities. In today's globalized world, the actions of states – through legislation, regulation, and interstate treaties and agreements – comprise only one set of forces that constrain MNCs' behaviour. In addition to these elements of what Ruggie calls the 'public governance' system, corporate action is also shaped by 'civil governance' – such as public campaigns and lawsuits from citizens and civil society groups – as well as 'corporate governance', or the internal rules governing corporate behaviour, from shareholders' roles to the integration of strategy, operations, and risk management systems.

In order to understand the perspectives of, and have influence among, stakeholders in these three realms of governance, Ruggie and his team consulted with multiple centres and networks of influence – conducting 47 consultations with organisations ranging from British Petroleum to the Colombian Army to the International Committee of the Red Cross.

2. *Orchestration*: Ruggie's position at the UN gave him an excellent platform for orchestrating the actions of diverse stakeholders. Since the UN Human Rights Council – the UN entity with presumable jurisdiction over business and human rights issues – had very little leverage over corporations, Ruggie decided to use his office at the UN as a platform to engage with other networks and organisations that carried more weight with the private sector. For example, Ruggie convinced the International Standardisation Organisation (ISO), the world's largest standards body, to adopt human rights standards reflecting the UN Guiding Principles. This improved chances for successful implementation, as the ISO employs a large number of consultants to ensure companies' compliance with ISO rules. Another crucial organisation was the International Finance Corporation (IFC), the private sector arm of the World Bank, which co-invests in infrastructure and other projects in developing countries. Ruggie worked with the IFC to secure its support in requiring corporations' adherence with the UN Guiding Principles as a condition for IFC project investment. Ruggie cited several other organisations and networks through which he worked to orchestrate influence over corporations, including the Organisation for Economic Cooperation and Development and the European Union.

3. *Navigating among regime complexes:* Multiple regulatory regimes protect and constrain corporate behaviour, and these systems can be overlapping and even contradictory. The regimes with the most impact on companies tend to be corporate and environmental laws and international trade agreements and regulations. In exploring how to leverage these regime complexes, Ruggie determined that a direct or top-town approach, seeking reforms in domestic corporate law or international trade agreements, was not feasible. Instead, he looked for points of intersection with existing rules. Since corporations had developed existing risk-management systems related to environmental and other rules, Ruggie sought to persuade corporations that the possibility of contributing to human rights harms could generate similar risks – not only in terms of legal liability, but also through lost productivity and reputational harm. This consultation was an *ad hoc* process whose success varied widely depending on the corporation. Ruggie cited several relative successes in which players at the centre of corporate decision-making – for example, general counsels' offices – were persuaded to embed practical mechanisms related to human rights in their risk-management systems.

4. *Promoting norm cascades*: While it typically takes a long time to build broad support for a new norm, such efforts often reach a 'tipping point' at which the norm becomes widely accepted. Ruggie contended that his inclusion of lawyers in the process of developing the UN Guiding Principles – which saw two dozen law firms provide *pro bono* research on the relationship between human rights and corporate law in 39 jurisdictions – helped to diffuse the norms among a highly influential network. These lawyers, according to Ruggie, tended to hold far more sway within corporations than corporate social responsibility departments, for example. Ruggie argued that this strategy of building buy-in and ownership among influential networks was key in generating the norm cascade that eventually led to the UN General Assembly's unanimous endorsement of the Guiding Principles in 2011.

Participants generally applauded Ruggie's efforts, but raised questions about the impact and enforceability of the UN guidelines that resulted from the process. Ruggie admitted that the impact would take time to see. Yet he argued that the prospects for the principles' enforcement looked good – though varying widely based on the context – given the work he did to ensure buy-in from critical partners in enforcement like the ISO and IFC, as well as to ensure broader and deeper diffusion of the norms within corporations.

2.2 Global Governance in a Post-ideological World

Speaker: *Parag Khanna*, Director of the Hybrid Reality Institute and Senior Research Fellow, New America Foundation, New York

Rapporteur: *Ruzanna Harman*, Armenia

Session 2: Monday, August 19

The topics discussed during this session evolved around the concept of 'mega-diplomacy', which exceeds the volume of the traditional diplomacy and represents the new baseline of global governance discourse. It was argued that the geopolitical foundation, on which global governance takes place, is post-ideological, interest-based and involves both state and non-state actors.

Diplomacy is the "second oldest profession" and art of managing global affairs. With global governance becoming a more complex arena involving more players and more interaction, the need for more diplomacy is evident. This new "mega-diplomacy" takes place among a range of diverse state and non-state actors, and is broader than modern inter-state diplomacy. It is active in both the 'high politics' of peace, security, trade, and finance, and the 'low politics' of domestic welfare concerns. Non-state actors participate in all agenda items of the global governance.

The title of this session claims that we are in a post-ideological era, which implies the absence of an ideological confrontation that prevented global governance from evolving as it did during the Cold War. This new era has brought us to a domain, in which alliances have given way to what the speaker called "multi-alignment" driven by an interest-based mentality. Ideology should no longer be considered as a causal factor.

The introduction led to the main question: Can we have a more normative and progressive global governance? The answer to this question needs to be issue-based, because some areas demonstrate more progress than others. Even though globalisation reaches everywhere, the complexity of such issues like security, climate change, trade, etc. cannot be globally regulated. The progress can be better pursued on a regional level.

It was concluded that global governance is building from bottom up and sideways, and that the role of non-state actors and public-private partnerships (PPP) shouldn't be dismissed. Companies are expected to participate in public goods' issues in matters bound up in their core operations. "Supply chain governance" will supersede "corporate social responsibility". We are moving beyond PPPs towards something much more hybrid in nature, in which new entities emerge from the fusion of these actors in specific contexts.

Ultimately, urbanisation has become a key driver of global governance, not least because cities are thought to be less ideological and more pragmatic. If this is true, i.e. if we find ourselves in a world of cities as much as, if not more than of nations, then this will be a key driver of a post-ideological world, while reinforcing the plurality of actors in global governance beyond the state.

2.3   From Arab Spring to Arab Fall?

Speaker: *Volker Perthes*, Director, German Institute for International and Security Affairs (SWP)

Rapporteur: *Viktoria Solms*, Germany

Session 3:   Tuesday, August 20

Given the violent developments in Egypt and Syria, some might argue that the so-called Arab spring has not only turned into an Arab fall but rather into an Arab winter. But the title of the session itself "From Arab Spring to Arab Fall?" has raised considerable concerns amongst the speaker and the audience as well. To define the different stages of the transformation process in the Arab world by giving them seasonal titles like spring and fall, inevitably leads to disappointments. They falsely give the impression that this process could be over within a couple of months or – more realistically – in years. However, this will most certainly not come true. It will rather take decades until we will see stable democracies in the Arab world. And most likely, the borders and states will differ tremendously from what they look like today.

Currently, we are still in the first phase of the transformation process in the Arab world. It is very likely that countries like Syria and Egypt will remain in turmoil for years to come. No country in the Arab world will, however, stay unaffected by the events, no matter how rich, strong or stable they may seem at the moment. No one really questioned that foreboding statement of Volker Perthes. He explained why the expression Arab Spring has inevitably led to huge disappointments. The seasonal title gave the impression that the on-going transformation could be over within a couple of months. But that would mean to ignore the real processes that are going on at the moment.

The renewed ideological conflict in the Arab world is not so much a problem between secularists and Islamists but down to differences between different schools of political Islam. This has led to an interesting development. For the first time, local actors in the Arab world would be glad if international actors got involved in their political quarrels. These, however, are very reluctant to provide such help at the moment.

During the discussion, the group agreed on a few distinct driving forces behind the transformation. Demography is probably the most important one. The generation of young people between 18 and their mid-30s in Arab countries is far better educated and connected, but it has far less chances than generations before or after them. This is true for example for Saudi Arabia, where two thirds of the population are under 30 years of age. Many young women are obviously far better educated and trained than not only their own mothers, but their fathers as well. The rising individualism of this young generation will profoundly change the society they live in.

Nevertheless, not all driving forces behind the transformation process are moving in the same direction. Issues of governance are also a very influential factor. The people in Arab countries do not have a lot of experience with democracy. The military is not yet a neutral actor. In most cases the new leaders do not know how to rule a country democratically and how to seek a compromise with the opposition. These central issues of democratic governance tend to slow down the transformation process, but will not stop it forever.

Political Islam today is more diverse than ever before. There are different groups like the Muslim Brotherhood, the Turkish party AKP and many more with distinct interpretations of political questions raised by the Islamic tradition. They all have their own agenda, which makes it difficult for the West to address certain topics like human rights in particular or to address democratic rules on a general level. Last but not least, one must not forget the regional implications of geopolitics. They function like a precondition for every development in the entire region. The civil war in Syria is probably the most important hot spot right now. But there is also the inherent threat of nuclear weapons in Iran.

One should not underestimate the long-term effects of what we are seeing right now in North Africa and the Middle East. The most difficult point, of course, being the prediction of the future shape of the entire region. If Syria, for example, should really disintegrate and split up into several different smaller states, this would most probably mean the end of multi-confessional states in the Arab world. The entire state system in North Africa, but even more so in the Middle East, would be called into question.

There are already signals that point in this direction. This is the case in the relationship between Lebanon and Syria. Along the border of these two countries, there are already certain areas where it is hard to tell who is in charge and whom they belong to. Another example is a possible Kurdish state. In theory, Kurds have the same legitimacy to "own" a state as the Palestinians do. The consequences of this claim would be felt not only by Turkey, but also by Iraq and many other Arab countries.

What role does the rest of the world play in this process? The influence of the United States of America in the Middle East has already reached its peak. India and China are not yet "developed" enough or, to be more precise, relevant players in the region, in order to provide any guidelines or exert developmental powers. Thus Europe is probably in the best position to help the Arab world to make the most of the transformation process it is going through.

If we look for lessons to be learnt from the development in the Arab world, Egypt proved to be a good example during the discussions. Most discussants agreed that in 2011 as well as in 2012, Europe should have been much more present and alert in supporting the radical transformation process in Egypt - which is not what happened. And in Syria, the West has "outsourced" all power to the local political actors.

To sum up the findings of the discussion, participants agreed, that international actors could in fact support the transformation process in the Arab world much better than they do already. But they should always be aware of one important fact: "They cannot pick winners", as Volker Perthes emphasised. This is, of course, one of the most important lessons learned from the past.

2.4   Debating Current Issues in the Arab World

Speakers: *Haifa Fahoum al Kaylani*, Founder and Chairwoman, Arab International Women's Forum, London

Lotte Leicht, EU Director, Human Rights Watch, Brussels

Ashraf Swelam, Senior Advisor to the Chairman of the Egyptian National Competitiveness Council, Cairo

Rapporteur: *Frédéric Schwandt*, Luxembourg

Session 4:   Tuesday, August 20

The panel discussed current social and economic issues in the Arab world, as well as the political and human rights situation in and around Syria, and the actual situation in Egypt. Solutions addressing social and economic problems would have to focus on fostering sustainable development and inclusiveness. On Syria, the panel discussed efforts to curb escalating levels of violence, such as a detailed documentation of human rights abuses. Egypt's situation remained bleak and questions central to the country's future remained open.

The Arab world of today was characterised by (1) the absence of inclusive economic opportunities for its citizens, including high unemployment rates and a widening of the gap between the rich and the poor; (2) a grim macroeconomic outlook with growth slowing down and debt and inflation rising; (3) receding religious freedom; (4) a weakening of the state and its constitutional structures.

As concerns the situation of women, they had played a key role at the beginning of the Arab revolutions, organising and leading rallies. Two years later however, one could identify a backlash against gender equality; female candidates in elections were marginalised. That said, overall oppressive attitudes seemed to be changing in some countries and progress could be identified, such as in Algeria.

Possible ways of dealing with the Arab world's current challenges included: (1) a focus on social and health issues; (2) a focus on sustainable development through job creation, promoting gender equality, and improving the business environment; (3) public-private partnerships could benefit women and youth and create a dynamic private sector in the region.

On Syria, the panel gave an account of the human rights abuses committed in the country's ongoing internal conflict. Human Rights Watch (HRW) had been documenting escalating levels of violence, including aerial bombing of civilian areas by regime forces. The sheer number of refugees outside Syria and of internally displaced persons made international humanitarian responses difficult, and access to populations affected by the conflict remained an important issue.

The panel suggested the following ways to tackle the escalating violence: (1) change the calculus among belligerents that „crime pays" through gathering facts; (2) more restrictive measures should be imposed, especially by countries of the region; (3) curb arms transfers to those who commit abuses, preferably at the level of the UN Security Council; (4) dedicate special attention to Russian arms exports to countries of the Group of the Friends of Syria; (5) maintain the threat of accountability and jus-

tice through the International Criminal Court; (6) reflect on the possibility of a „no-take-off zone" over Syria (i.e. the destruction of runways and missile launch pads) – possibly upon request of a part of the Syrian regime („Bosnia scenario").

On Egypt, an account of the current polarisation of society led to two central questions, which were left unanswered: (1) what future for the relations between the military and the civilian world; (2) what role was there for religion in public life?

It was stressed that recent events in Egypt amounted to the single most violent events in modern Egyptian history. Egypt's current struggle was less about democracy as such than about the very existence of the Egyptian state. Above that, non-inclusive economic structures and a highly unequal distribution of resources left very little room for policy-makers to address the country's problems.

These developments allowed other international actors to service their interests in the region more easily. However, the events in the Arab world since 2011 have also shown that, at least for a while, growing attention paid to the Pacific region could not be detrimental to a continued focus on the Middle East.

While Egypt would probably not become a democracy in the mid to long term, the „wall of fear" inhibiting Egyptians to speak up had been brought down irreversibly. But Egypt still had to manage what no Arab country had accomplished so far, namely the successful combination of democracy, Islam, and pluralism.

2.5 International Politics of East Asia

Speaker: *Eberhard Sandschneider*, Otto-Wolff-Director of the Research Institute, German Council on Foreign Relations, Berlin

Rapporteur: *Conrad Häßler*, Germany

Session 5: Wednesday, August 21

Geopolitics has made a remarkable comeback in international relations, notably in the East Asian region, where new actors and challenges are rapidly altering the equation of global power distribution.

After a period of bipolarity during the Cold War and a short interlude of unipolarity in the early 1990s, Eberhard Sandschneider argued, the international arena is now increasingly taking the shape of a polycentric system with multiple poles of power, each being less stable than centres of power in earlier eras. The shift of power from the West to the East can be tracked along different „power currencies" such as military and economic clout, financial stability, command of resources, technology and innovation as well as social cohesion. Throughout all of these „currencies", the scales are currently being tipped in favour of East Asia, notably the People's Republic of China (PRC). According to Sandschneider, the unprecedented rise of China is based on the ability of the Chinese leadership to approach international politics with a unique sense of pragmatism.

Yet, it would be shortsighted to merely focus on the achievements of the PRC in the past 35 years. A combination of risks such as the uneven distribution of wealth, economic stagnation or natural disasters could easily threaten the Chinese success story. As the case of the Jasmine Revolution in Tunisia has illustrated quite clearly, a

singular event such as the suicide of a young man protesting social injustices can have the potential to unleash political upheaval at any given moment. Such a triggering effect cannot be excluded for China, adding to the uncertainty of the country's future development.

Beyond the agents of internal instability within the PRC, there are further factors of uncertainty that lie within the region. The East Asian state system is still driven by state behaviour typical of 19th century great power politics. Although the PRC has been successful in settling most of its border disputes except for India, its relations to important neighbouring countries remain strained.

Despite the first visit of the PRC's new President Xi Jinping to Moscow, relations with Russia are marked by a significant measure of discomfort. The discrepancy between approximately five million Russians and 110 million Chinese living in Siberia and the Northeast of the PRC, respectively, constitutes one of the obstacles in building trust between Moscow and Beijing. Furthermore, Chinese-Japanese relations have not evolved since World War II due to the failure of reaching a level of understanding in dealing with their common history. Nationalism on both sides has increased in the public debate in recent years, putting governments in Beijing and Tokyo under pressure to take a more self-assertive stance vis-à-vis each other. The unresolved conflict on the Korean Peninsula, rising tensions in the South China Sea as well as the absence of an effective regional system of cooperation all add to the picture of East Asia becoming the world's region where the probability of interstate war continues to grow.

The Obama-Administration has reacted to these factors of insecurity by a geostrategic rebalancing undertaken since the fall of 2011. Although the so-called „pivot to Asia" might represent a novel quality in the U.S.' claim of being a Pacific nation, it is not an entirely new phenomenon. The U.S. has been engaged in three major wars in the region since 1941 (Japan, Korea, Vietnam). At the same time, according to Asian scholars and decision-makers, the „rise of China" does not constitute a new phenomenon but rather signifies a return to the old world order which had existed for centuries until the rise of the West set in as a result of the Industrial Revolution in the late 18th and early 19th century. The primacy of the West for the past 200 years could therefore rather be seen as an „aberration of history" as the Singaporean political scientist and diplomat Kishore Mahbubani phrased it.

Facing the challenges of an increasingly self-assertive China and an economic and financial malaise at home, Eberhard Sandschneider argued that Europe should focus on its „successful decline", taking Great Britain as an example. The United Kingdom managed its demise as the dominant empire of the 19th century without causing larger tremors in the international system.

Within Europe, China is placing a premium on its relations with Germany. Notwithstanding ever increasing trade between the two foremost export nations, the perception of China by German media remains negative. This is mainly a result of the Chinese government not yet fully grasping the internal workings of Western media. Likewise, it can be argued that Europeans and Westerners in general still do not understand China in the same scope and clarity as many Chinese scholars and decision-makers understand the West.

A „power currency" which should be added to the ones mentioned above is the issue of soft power. Despite the economic downturn of the U.S. since the financial crisis of 2008, the global reach of American culture continues to work in the favour of the U.S.

with Hollywood being an important factor in American soft power. China has only recently begun to set up Confucius Institutes, which serve as culture and language centres, around the world. So far, however, the Chinese government has not yet been successful in promoting an image of China, which would be on par with the American Dream of consumerism and individualism promoted by the American movie industry or famous U.S. brands.

Summing up the debate, the main lesson that can be drawn from the current situation in East Asia is to acknowledge that the era of grand strategies is over. The new virtue is the promotion of resilience of East Asian societies, governments and intraregional cooperation so that they will react less forcefully to internal or external shocks.

2.6 Geopolitics: Asia in the 21st Century

Speakers: *HHS Viswanathan*, Ambassador, Distinguished Fellow, Observer Research Foundation, New Delhi
Wei-Wei Zhang, Professor of International Relations at the Geneva School of Diplomacy and Senior Research Fellow at the Centre for Asian Studies, Geneva
Maximilian Terhalle, Senior Research Fellow, Department of Political Science, Transnational Studies and Foreign/Security Policy Studies Unit, Free University Berlin, Berlin

Rapporteur: *Karthik Nachiappan*, Canada

Session 6: Wednesday, August 21

All three speakers on the panel addressed the importance and role of Asia in the 21st century in the context of rapidly shifting geopolitical trends. Despite these shifts accompanied by the perceptible and palpable ascent of many Asian powers, namely China and India, Asia's rise is neither ingrained nor preordained or new. Few remember that Asian powers dominated the world in the 18th and 19th century. Now, newer fault lines exist. Security and economic challenges pervade. Conceptions of what Asia is and what it represents are being contested and reconstructed. And these problems are poised to threaten and disrupt a purported 'Asian century'.

What is Asia? – Differing conceptions of the region were initially presented. People often conceive of the region through their respective prisms – economic, geographic, strategic and cultural. Of all these, the geographic aspect attains precedence. Demographics and the growing size of these markets emanates from their close proximity, which then translates into economic and military power. As Asian powers modernize their militaries, strategic misperceptions rise between them on areas related to nuclear disarmament and maritime security.

The so-called American pivot has deepened these misperceptions, especially from China's vantage point. And this emerging trust deficit has unsettled the region's balance of power resulting in hedging and counter-balancing by various powers in the region. Critically, a new paradigm is required for stability and sustainability in the region. As American primacy is being tested, there are questions surrounding the

norms that govern inter-state behaviour in the region, determining when they are breached and enforcing collective action to mitigate or deter those actions.

Despite a sense of triumphalism throughout the region, several challenges exist. Most of these problems are domestic. Robust economic growth has ushered a series of challenges with respect to economic security. Rising inequalities stemming from economic dislocation is engendering social tensions and instabilities in several countries. Non-traditional security concerns are creating new governance challenges. Food, energy and water deficits are rampant. Demographic concerns are troubling for nations that are poised to get old before they get rich. In the absence of stable welfare mechanisms, the aging of populations and growing infertility is bound to place considerable fiscal pressures on Asian governments. And finally, a voracious appetite for resources to power growth trajectories intensifies geopolitical rivalries across the region. Going ahead, these challenges will determine the contours of Asia's rise in the 21st century.

China's contemporary rise and emergence is the decisive determinant of Asia's future trajectory. Although considerable consternations exist for most of China's neighbours and the United States, there is evidence to suggest that more dialogues than ever before are taking place not only within the ASEAN but also between major powers, most importantly – Russia and United States. However, there are still doubts on China's strategic intentions in the region. Does China possess strategic clarity or does strategic ambiguity still exist? Being ambivalent can often be of use in major power relations since it allows more room to manoeuvre when faced with major strategic challenges.

Where China's core national interests are under consideration (Taiwan, Tibet, Xinjiang, etc.), we can expect Beijing to be more resistant to change and cooperation. Despite the incoming leadership's confidence to address major domestic and foreign challenges, it is unclear if China has the capacity to successfully navigate and overcome a litany of thorny domestic and foreign challenges. But the incoming leadership, having been appointed to their posts by virtue of their deep and extensive executive experiences has the capability to address internal and external challenges. Indeed, this is the most important regional question in the near future.

Also, for regional and global stability, courageous and innovative statesmanship will be required from both China and United States to agree on a robust institutional design at the global level. Shifts in global politics have produced a new overarching landscape shorn of sufficient order and governance to address major global challenges. This scenario has spawned a series of deadlocks at the global level with heavy and recurring contestations of and on global order. However, this emergent landscape is not held together by a unifying political and normative foundation that forms the basis of international collective action. As of now, the post-Westphalian governance system is being tested by China's inability to normatively integrate into it and by the US's disregard for multilateralism write large. A grand bargain needs to be struck for effective global governance.

2.7 BRICS – Spearhead of the Rest against the West?

Panellists: *HHS Viswanathan*, Ambassador, New Delhi
Fyodor Lukyanov, Editor in Chief, Russia in Global Affairs
Carlos Ivan Simonsen Leal, President, Fundacao Getulio Vargas, Rio de Janeiro

Rapporteur: *Deniz Alkan*, Germany

Session 7:   Wednesday, August 21

The panel discussion touched upon the state, the goals and the challenges of the cooperation of the so-called BRICS countries, i.e. Brazil, Russia, India, China, and South Africa. Today, the five BRICS account for roughly 25% of global GDP, with a share of 40% of the world's population and 30% of its land-mass. In order to answer the question posed in the session's title, panellists focussed on the role played by the different member states of the cooperation as well as on the visions these countries have for the project.

In the course of the discussion it became clear that whereas the BRICS countries have started to look for common solutions to challenges caused by the process of globalisation in some areas, this project should not be seen as something that is intended to primarily confront the West. In that respect, as one panellist pointed out, the title's question does not fully reflect today's global world order, in which everything is deeply intertwined. In other words: neither would a confrontational approach cater to the needs of the BRICS, nor has such an overarching strategy yet been identified.

As another panellist put it, the cooperation could better be understood as an attempt to cooperate on a limited number of issues in order to help BRICS countries making their voices heard and their interests respected while new rules for the globalized world emerge. In that respect a set of economic and geostrategic goals of the BRICS can be identified. Yet, as the discussion showed, it seems open whether this list of goals, namely the fostering of intra-BRICS trade, a new distribution of voting rights in international organisations, the foundation of a BRICS development bank or the recycling of the savings of emerging economies in the BRICS economies, would be matched by common (long-term) interests of its member states. As one of the participants argued, it rather seems that as of today "the BRICS are an interesting club in which each of the members seems to have its very own interests".

The discussion showed, that the BRIC cooperation indeed faces a myriad of challenges: the size of the economies involved differ tremendously and a huge number of BRICS vs. BRICS anti-dumping cases keep the World Trade Organisation busy. Territorial conflicts linger between some of the countries involved, which is why regional issues have so far been kept of the agenda. A further widening of the group has been hindered by the unclear approach to its deepening.

Also, the group's most concrete project, the foundation of a development bank, is not yet spelled out in detail. The questions of the location of the headquarters of the bank, its capitalisation and the related voting rights have yet to be agreed upon. Therefore, the project might become the litmus test for the group. China might be tempted to dominate the new bank capital-wise and politically. The extent to which

other members will accept such a leadership is unclear but the panel indicated that the BRICS cooperation is not a structure in which clear leadership is necessarily needed and that such a leadership would not suit the self-perception of the other members.

Overall the session came to the conclusion that the BRICS project has to be seen as what is – work in progress.

2.8 NATO and Russia: A Security Architecture for Europe?

Panellists: *Wolfgang Ischinger*, Chairman, Munich Security Conference, Munich
Roland Kather, Lieutenant General (ret.), Berlin
Fyodor Lukyanov, Editor in Chief, Russia in Global Affairs, Chairman of Presidium of the Council on Foreign and Defence Policy, Moscow

Rapporteur: *Frances Sagala*, Australia

Session 8: Thursday, August 22

The Summer School discussed the Euro-Atlantic security architecture, including the future of the North Atlantic Treaty Organisation (NATO). The discussion focused on the relationship between NATO and the Russian Federation.

The first key point of the discussion was that the relationship between NATO and the Russian Federation had improved over the last twenty years. The amount of military cooperation had increased and had been strengthened by practical interventions such as NATO and Russian forces working together in the Balkans. Transparency and communication had been important drivers in building the military relationship between Russia and NATO armed forces.

The second key point was that NATO enlargement after the collapse of the Soviet Union was viewed highly negatively by Russia and had led to significant political problems in the Euro-Atlantic relationship. Russia resented NATO enlargement in the 1990s of former Warsaw Pact countries such as Poland, the Czech Republic, Hungary and Slovakia and of its Baltic neighbours, Latvia, Lithuania and Estonia. Panellists underlined the fact that Russia would not accept enlargement of NATO to the Ukraine and/or to Georgia and Armenia. Participants considered the Russian perception of enlargement as a threat as continuation of Cold War thinking. In order to build mutual security in the Euro-Atlantic region, Cold War thinking had to stop on both sides.

The third key point of the discussion was that the current security architecture of the Euro-Atlantic region was inadequate. The NATO-Russia Council had shown its uselessness in not being able to deal with the Russian/Georgian conflict in 2008. It will be necessary for NATO to better define its mission, particularly after the withdrawal from Afghanistan next year. Dialogue at a high level will be crucial to redesign the security architecture of the region. It will also be critical to ensure political leaders at the highest levels mandate this dialogue.

An overarching theme of the discussion was that more could be done to build mutual trust. The best method of building trust between Russia and NATO would be practical joint exercises by the armed services. On a political level, mutual trust could be built by working together to resolve the Transnistria issue. Small and medium wins could lead to a much deeper and stable relationship. As over the last 20 years, more transparency and dialogue is needed in order to ensure a safer and more stable form of security in the Euro-Atlantic region.

2.9   Germany's Role in Europe

Speaker: *Nikolaus Meyer-Landrut*, Director General for European Affairs, Federal Chancellery, Berlin

Rapporteur: *Almut Möller*, Germany

Session 9:   Friday, August 23

This session touched upon the state of the reforms needed to fix the dysfunctional euro currency union, the challenge of competitiveness in the Euro zone and the EU-28, and Germany's role in both areas. First of all, the question how to overcome the lack of competitiveness within the Euro zone was the subject of controversial discussion. Secondly, German leadership was put under scrutiny, and, thirdly, the strong role of individual member states and the marginalisation of the community method were challenged. The EU has to deal with different speeds of the Euro zone of 17 and the needs of the wider union of 28 members in its future architecture.

It became clear in the session that both on substance and process there are diverging views in Europe on the reform of the Euro zone and on how to strengthen competitiveness. The necessity of sound national budgets has been put forward tirelessly by the German government, yet this is being met with increasing resistance in member states that have been through recession over the past years. There was a strong view that competitiveness needed investment and that not enough has been done collectively in this area. Yet it was pointed out that this was primarily a matter of the nation states and that the EU level could only play a supporting role. Overall, it was argued that the root causes of the crisis identified in early 2010 were primarily to be tackled at national level: high deficits, a lack of competitiveness and severe problems in the banking sector. There was a discussion about the ranking of these three challenges and about the resulting priorities for policy-makers in Europe.

The German coalition government of Chancellor Merkel has and continues to put a great deal of energy into saving the currency union – not merely because of a belief in European ideals, but because of a strong German interest in the benefits of the euro for the country's economy. "Damned if you do, damned if you don't": Germany experienced a vivid debate about its leadership, or lack thereof, and the "German question" has become a side debate of the crisis. Yet it was pointed out that fixing the Euro zone was a collective exercise, and that nothing could be imposed on the member states. Arguably, as some participants felt, the German government hasn't always found the right balance between collective solidarity and responsibility of each individual member state, and of rules versus flexibility needed to get Euro zone economies going again.

It was argued that the heavy focus on decision-making in the European Council consisting of the heads of state and government in the course of the crisis undermined a more inclusive and collective decision-making that could be guaranteed by the European Commission and the European Parliament. However it became clear that member states would not go away and continue to play a primary role in e.g. fiscal or labour market policies. How to strike the right balance between intergovernmental decision-making and the so called "community method" with a strong role for the Brussels institutions remained controversial.

The future EU will have to deal with a so far unprecedented level of different speeds between the Euro zone (of currently 17 members) and the wider EU of 28. It was argued that acknowledging this has been a learning process for Germany. How to reconcile the interests of Euro zone members with those of the wider union will be a strategic task of the future union.

2.10   The Future of the Euro zone

Panellists: *Jörg Asmussen*, Member of the Executive Board, European Central Bank, Frankfurt / Main

David Held, Master, University College Durham, Durham

Susanne Schmidt, Business Journalist and Author, London

Rapporteur: *Stephanie Krebs*, Germany

Session 10:   Friday, August 23

The discussion touched upon different necessary or possible steps and measures to ensure the survival of (and eventually a bright future for) the European Union and the euro zone and the increase of acceptance for both by their citizens. In fact, whereas reforms are necessary in order to adjust the structure of European institutions to the new challenges, posed in particular by the financial crisis, Europe also needs a stronger support by its citizens, giving them a vision and a purpose to continue the efforts required by European integration.

In his introductory speech, *Jörg Asmussen* laid out an optimistic future for the euro zone. He pointed out that the term "euro crisis" was not exactly appropriate, since the euro as currency is not the cause of the crisis, nor is the euro itself in crisis. To the contrary, the European currency has remained stable during the last years.

The current financial crisis rather has its cause in different combinations of four different crises – a crisis of public debt, a crisis of private debt, a lack of competitiveness, and a banking crisis. However, it was the financial crisis of 2008 that led to a severe crisis of confidence in the decision-making processes of the European institutions. Indeed, the euro zone and the European Union both suffer from some design flaws in their institutional framework, which need to be mended in the near future. For example, the euro convergence criteria, which have remained unchanged since the beginning of the monetary union, only focus on monetary and financial aspects such as the budget deficit of a country or its government debt. Other important aspects in relation to the economic situation of a country, especially regarding its competitive-

ness or its GDP, are disregarded. The same applies to the stability and growth pact even in its revamped version.

Regarding the institutional reforms necessary to mend these design flaws, *Jörg Asmussen* referred to the joint report of the heads of the relevant EU institutions (i.e. the European Council, the European Commission, the European Central Bank, and the Euro group) from June 2012. Herein, they list four elements to complete the economic and monetary union: A banking union, an integrated budgetary framework, an integrated economic policy framework, and a strengthening of democratic legitimacy and accountability.

According to *David Held*, one of the key problems of Europe – but also worldwide – is that globalisation and evolving international cooperation have led to always-greater interdependences and challenges. However, the tools for global policymaking, in particular the international institutions (whose structures have remained unchanged since their creation after World War II) are unable to properly address these challenges and thus face a gridlock.

Regarding Europe, an additional problem is the citizens' loss of trust in the European Union. In fact, the question of the legitimacy of the European Union has constantly been postponed so far, but needs to be addressed in the near future. Therefore, in order to preserve Europe, in addition to institutional reforms, it is necessary to foster sentiments of solidarity, of "belonging to each other" and of sharing common values among the European citizens and to make the benefits of the European Union more visible.

Susanne Schmidt drew two possible scenarios for the future of Europe: an optimistic one, implying that member states succeed in finding good compromises, that they establish a genuine banking union, and that they manage to foster employment while alleviating austerity. She underlined that this scenario also requires strong political will and a certain amount of luck. The opposite scenario, including a (partial) disintegration of the euro zone, could be triggered by a severe crisis in a member state that could not be tackled anymore with the tools used so far. This would lead to a political and economic disaster.

The discussion briefly touched upon the atmosphere created in the last years by the media, who broadly kept predicting the near end of the euro. One of the reasons for this may be that many commentators – mostly from outside the euro zone – underestimated the will to maintain the euro zone because they tended to see the euro as a purely economic project, failing to understand its political dimension.

Regarding youth unemployment in southern Europe, the discussion on the one hand referred to the possibility of alleviating the problem by increasing the mobility of labour. In fact, young people currently faced with high unemployment rates in southern European have better chances to find work in central or northern Europe. Furthermore, the demographic developments in northern countries will lead to an increased demand of manpower in the next years. Such mobility should be facilitated by simplified European framework regulations, where for example social security entitlements can be kept and diploma are fully recognised across boarders. On the other hand, the negative aspects of the dislocation of a whole generation, in particular the risk of "brain drain", were also pointed out.

A large part of the debate focused on the acceptance of the European Union by its citizens and, correspondingly, on the need to enhance democratic accountability in

the EU. In this context, there was broad agreement that the role of the European Parliament needs to be strengthened, in particular by granting it a right of initiative and more responsibility for the EU budget (in particular also regarding the revenue side). Furthermore, the democratic accountability of the European Commission vis-à-vis the European Parliament should be enhanced. But the European Parliament will only be able to be considered a real "representation of the people" if there is a shift of identity from a purely national identity to a European identity. In order to make this happen, a debate about Europe, its identity and its values is necessary. It is remarkable that these issues are currently not discussed – for example in the context of the German election campaign –, but this debate must be addressed in the short to medium term.

On the last question – are the Germans to stingy and should they help more and more readily? –, the views diverged. *David Held* argued that Germany was the main beneficiary of the euro; against this background, it should be more generous and help ensure that investments can be made where needed. *Susanne Schmidt* put an accent on the need to avoid moral hazard; however, she saw room for a greater pragmatism of Germany (and less rules- and regulation-bound reasoning). *Jörg Asmussen* recalled that Germany's positions are also shared by other member states. Furthermore, approaches like haircuts would not solve the problem but would create serious loss of trust for other crises.

2.11   The Future of Europe

Speakers: *Daniela Kolbe*, Member of the German Bundestag, Berlin
                Stefan Kornelius, Foreign Editor, Süddeutsche Zeitung, Munich
                Ivan Krastev, Chairman of the Centre for Liberal Strategies, Sofia and Permanent Fellow at the IWM Institute of Human Sciences, Vienna
                Pawel Swieboda, President of the Board, demosEUROPA – Centre for European Strategy, Warsaw

Rapporteur: *Marta Wieczorek*, Poland

Session 11:   Friday, August 23

"At the moment, the European project is not sexy" – a statement that captures well the disenchantment felt by many European politicians and citizens today as a result of the financial and debt crisis. The crisis has shifted the balance of powers within the EU by reinforcing Berlin to the disadvantage of Brussels and other capitals. Paradoxically, the discussion about the future of Europe was absent from the current election campaign in Germany. This demonstrates the dangerous trend visible throughout Europe of retrenchment behind national borders, which makes progress in further European integration difficult. Still, panellists felt that Europe would overcome the current crisis by pursuing small integration steps. Also, a more positive narrative around Europe's project could help gaining support from citizens. Because of the crisis, the future of Europe was now intrinsically linked to the future of the single currency.

Using her own constituency as an example, *Daniela Kolbe* explained that German citizens are currently mostly preoccupied by the economic situation and the crisis. Germans as well as other Europeans have become increasingly pessimistic about

the European project. *Ivan Krastev* provided three reasons behind the fading support for the EU: 1) the vanishing memory of the second world war; 2) the lack of a common enemy previously embodied in the Soviet Union; 3) the loss of belief that the next generation will be better off. *Pawel Swieboda* explained that Europeans have a tendency for self-flagellation even though the EU has been a success. Rather, the European project was under transformation as a result of new challenges such as aging society and new emerging powers on the world stage. Thus, EU's main role in the future would be to ensure "social peace in age of scarcity" and manage its populations' expectations. Finally, *Stefan Kornelius* shed some light on the new "money and power" relations in Europe that emerged from the crisis with Berlin now playing a central role in European politics. He was worried by the retrenchment behind national borders and by the growing divergence of wealth and productivity in Europe. Although badly needed, there was no appetite among European politicians for a public debate about the future of Europe.

The discussion focused on three main themes. First, the role of Germany in Europe and the impact of the upcoming federal elections were discussed. Germany has become a reluctant leader as a result of the crisis. There was a paradox: while the whole of Europe was waiting for the outcome of the German federal elections as a determinant point for the future fate of Europe, in reality European issues were absent from the German election campaign. For *Daniela Kolbe* this was because "the European project is not sexy at the moment". Others mentioned the wish to avoid the development of anti-euro sentiment; so far, Germany did not have any Eurosceptic political party represented in Parliament, unlike other countries. *Pawel Swieboda* considered that Germany could inspire other countries with its reforms but that one should not expect to turn "Greeks or Spaniards into genetically modified Germans".

Second, participants discussed the narrative around Europe's project as a tool to gain support from citizens. Participants, especially non-Europeans, stressed that others perceive the European project as a success story. They suggested that not enough stress is put on the EU's achievements and that the EU's communication policy should be stepped up. Panellists agreed that the EU has achieved a lot and could accomplish even more in areas such as trade, social policies, climate change or defence policies. At the same time, the protection of national interest was still very much present in EU politics, especially in the discussions on financial assistance programs to crisis countries. The EU did not manage to build a positive and hopeful narrative around the rescue of its members. *Stefan Kornelius* concluded that the "survival of the euro" would certainly be a big success for the EU to celebrate.

Third, the definition of a vision of Europe was debated. One of the main challenges was to address the EU's democratic deficit. So far, elections to the European Parliament were considered as second league elections. Also, European citizens felt that they had no influence on EU policies. A lot of proposals have recently been put on the table about the future institutional shape of the EU, mainly as a result of the crisis. However, those discussions did not always take into account the situation of the non-euro area countries. Also, an open debate about deeper integration with citizens was needed. The further integration process would most likely continue with small incremental steps. The alternative option, negotiating a comprehensive treaty change would risk being rejected in a referendum. More generally, the euro crisis showed that the future of Europe was now intrinsically linked to the future of the single currency and that Europe was still in a process of building trust and identity.

2.12 Development between hope and despair: Rwanda and the DRC today

Speaker: *Gerd Hankel*, Research Fellow, Hamburger Institut für Sozialforschung, Hamburg

Rapporteur: *Daniel Erik Schaer*, Estonia & Canada

Session 12: Saturday, August 24

Rwanda and the Democratic Republic of Congo are often used as the examples of the best and the worst that Africa has to offer. However, the reality is not that clear, as the two countries also represent a dilemma that the West finds itself in. The questions are perplexing: Is a strong, controlling government acceptable if it develops the country and reduces poverty? Can a country without real government control, but with significant natural resources be developed by civil society?

The picture that was initially painted was one of a developing and accountable Rwanda, and a weak, corrupt and unaccountable Democratic Republic of Congo (DRC). Describing a recent trip from a Rwandan border town to the nation's capital, Kigali. Gerd Hankel presented a Rwandan civil servant who was proud of the progress of his country as well as of his own role in the development. He said that the country had taken big steps since the 1994 genocide, with roads being in good condition, new houses being built around the country, and a national health care system implemented. He compared this to a fellow traveller from the DRC, who joined their conversation saying that he was disappointed with his country. Corruption was everywhere, and the state did not do anything. This was frustrating and there was a lot of mistrust, the Congolese lamented.

In reality, however, the picture is much more nuanced, as also the discussion showed. Hope in Rwanda is based on fragile developments and the DRC has the potential to mitigate the despair that exists.

Rwanda is a small, landlocked country of 26 000 km2 with 12 million people. In 1994, the genocide against the minority Tutsi resulted in at least 800,000 casualties in three months. In addition to the Tutsi, many moderate Hutus were also murdered.

Following the genocide, it was the government's task to come to terms with history. A truth and reconciliation council was rejected both by Rwanda and the international community. The large number of cases - two million charges filed against one million people - required special solutions. The main tool used was Gacaca, a grassroots traditional justice system.

Gacaca's goal was to speed up the justice aspects of reconciliation to avoid a judicial backlog as well as to restore peace at the community level. The courts could impose prison and life terms as well as compensation. Those who apologised and expressed remorse had their penalties reduced. Approximately, 15-20% of the accused were acquitted. However, several Rwandans feel a deep sense of injustice. One of the reasons for these feelings was that war crimes against Hutus were ignored.

Rwanda creates conflicting opinions as its development policies have resulted in a significant reduction of those living in poverty, but at the same time the political and

media space remain closed and criticism of policy can result in arrest. Is it possible to have a strong-handed government that concentrates only on development? Will there be an end to repression after reaching development goals?

In 2012, the DRC in contrast ranked last out of 187 countries in the UN's Human Development Index. This year they shared last place with Niger. 30 million out of 60 million Congolese are living under the World Bank's poverty level of $1.25 per day. The description of Congo in Joseph Conrad's "Heart of Darkness" published at the end of the 19th century still applies today. At the same time, the DRC has some of the largest natural resources reserves in the world.

At 2.3 million km2, roughly the size of Western Europe, many believe that the Congo is too large to manage. Its weak and predatory institutions do not provide anything for the people, but rather take from them. On the positive side, civil society is vibrant. It contributes to solving problems and in many cases replaces the state. Collective action strengthens human dignity without which humans would bear no responsibility for their action. This is not a magic solution for all the problems or a substitute for the state.

The debate thus considered two completely different paths of development; one implemented by a strong government and the other by civil society and the people. The most striking aspect of the debate was that no one, including the speaker took sides. Can we question a system that seems to work and is based on homegrown solutions? Most people agreed that Rwanda is a development success, but the political and media space needs to be opened. On the other side, the DRC has incredible potential to develop, but the state is practically non-existent. Civil society is vibrant, but does it have sufficient capacity to implement a development strategy and replace the state? At the end of the day, the future of the two countries is intertwined in a common history, common region and common economic interests.

The debate moved on to the questions of justice and reconciliation in Rwanda. Several questions were asked regarding the effectiveness of the International Criminal Tribunal for Rwanda. Significant amounts of money have been spent and only a handful of trials have taken place. Some argued that for reconciliation to be successful the crimes against Hutus must also be dealt with. However, reconciliation will be difficult to achieve if those who committed the Genocide, many of which are now European citizens or residents, are not brought to justice. It will be the role of future generations to finish the reconciliation process.

Finally, global governance entered the debate through questions regarding the role of the African Union (AU). What is the role of regional organisations in propagating governance in its member states? Publicly, the AU is reluctant to criticise its members, but rather uses private diplomacy to influence its members. Is this enough? It is clear that the AU needs to continue developing its role in Africa and should become the generator of African solutions for African problems.

2.13 Development Aid and Economic Progress in Sub-Saharan Africa

Speakers: *Wolfgang Jamann*, Secretary General and CEO, Welthunger-
hilfe, Bonn
Sarojini Seeneevassen-Frers, Ambassador of the Republic of
Mauritius to Germany, Berlin
James Shikwati, Founder and Director, Inter Region Economic
Network, Nairobi

Rapporteur: *Mignone Ngum*, The Gambia

Session 13:   Saturday, August 24

The Summer School's discussions on Development Aid and Economic Progress in Sub-Saharan Africa focused on three points: The problems with effectively delivering aid to those in need; the potentially diverging interests of donors in providing support; and ultimately the dependence long-lasting aid relations have created on both sides.

The session set out with debating the implications of development aid given to Mauritius. Examples given of existing problems were that some of the aid did not reach the intended recipients – like milk distributed to school children ended up taken home by their teachers –, that its distribution was highly ineffective – such as when basic commodities like sugar were smuggled into the country by those in charge of the distribution – and that some of the material provided would not be used in the donor countries themselves – like the pesticide DDT which is used to kill mosquitoes in order to fight malaria but is banned in donor countries such as the US and the EU.

In effect, as one speaker argued, aid under the above circumstances has only brought bitter memories, with donors and the receiving countries sharing the responsibility for aid failures. Mauritius went from very poor to middle income, and as the island never had a set culture it enjoyed an easier journey compared to other African countries with bordering neighbours. However, aid trickles only slowly to the people and communities who really need it. In general, good governance and taking into account every African country's individual problems are very important.

The discussion then expanded into why development cooperation and growth have not yet saved the world. Official development aid given to Africa continues to be far less than global military expenses. Heavy educational investment by African governments in the early post-independence years created a growing middle class in Africa and this has had a trickle down effect to the new generation. Economic growth in Africa is at 6% but the shift both between countries and within them is widening. Global poverty levels have dropped from 35% to 13%. In Africa, 80 to 85% of children attend school, and 45% attained higher education. Development aid has evolved; it is no longer about giving food. Today, it is about Public Private Partnerships (PPPs) and starting to tackle complex issues on the ground. Due to recent global issues, parts of development aid have been redirected from the South to the North, e.g. after the Arab Spring or due to climate change and the global economic agenda.

Africa has had major improvements on the ground; it is experiencing fast growth and fast development. A good example given is Kenya, as one speaker opined: Here, the

cheetah generation of Nairobi makes a difference in their communities using magazines, social media and mobilizing youth groups. Congo, in contrast, suffers from many political, economic and environmental difficulties that block the country's progress. Especially the failure of governments to provide services for their citizens renders Africa a very difficult place to live.

One way to look at how development aid in Africa and its perceptions keep mutating every other day is the so-called Game Concept. The idea is to analyse aid flows through game strategies such as chess. Seen through this prism, a new set of questions arises: What role do Africans play in the 'aid game' and which is their role in the world? For example, the United States spend close to two billion dollars each year on food aid, but some say that this money is mainly spent on jobs for US donor companies' employees instead of the receiving country.

More generally, the amount of money flowing into Africa is less than the amount flowing out. Tax evasion is a critical issue here, with improper transfer pricing resulting in capital flight from the developing world, which by far exceeds the amount of aid it receives, according to independent studies. To regain control Africa needs to focus and improve intra-African trade, which has increased in recent years and especially through regional integration. Increased links with Asia, Latin America and the BRICS have helped Africans rethink and query the influence of the World Bank and International Monetary Fund. They are becoming more conscious and ready to challenge the status quo, according to one of the speakers.

In conclusion the very interactive and heated discussions centred on the questions whether the aid given actually benefits the African people or Western contractors; what the problems within Africa are in terms of using the money (corruption, inefficiencies); or what would happen if aid became obsolete. Aid has often not been effective or accounted for in a strategic manner. Not surprisingly, aid in Africa has recorded minimal progress and the trend is ongoing.

We should not forget to emphasise the diversity of Africa as a continent rather than as a country. Aid was seen as fairly good but needs to be structured taking into consideration the effective realities and context of Africa. Some say that aid has had little positive impact on the African economies, but see the Millennium Development Goals as the silver lining behind a dark aid cloud. Progress has been recorded in the poverty reduction schemes of most countries, the fight against HIV/AIDS, and improvements in the enrolment of young children in primary educational institutions.

From a very critical perspective, aid could even be seen as a completely negative cooperation tool for Africa. It has brought about African dependence on the West, with some Africans seeing aid as a new form of colonialism. Aid tends to respect the national interests of the West instead of reflecting the realities of the recipients, one speaker argued, thus contributing to a lack of accountability, an increase in corruption, a lack of democracy, and an exploitation of African resources. That's why Africans should be left to define their real needs and identify their potentials and work from there.

2.14 Africa Rising

Speaker: *Henning Mankell*, Writer, Sweden

Rapporteur: *Anat Kaufmann*, Israel

Session 14:   Saturday, August 24

The session focused on the rise of Africa and what should be done to further support this rise. In line with the overall theme of African development and prospects for good governance in the region, the persistent challenges such as poverty and women disenfranchisement were also discussed. The speaker highlighted the centrality of Africa as the place we all originated from – "we all came out of Africa" – and the fact that when discussing Africa we must acknowledge there exist "many different Africas".

Notwithstanding the many differences between African states, and the pessimism towards African development prevalent in the West, the discussion focused on the rise of Africa, evident in three main indicators: First, stock markets in the region are the most successful in recent years. Second, we see fewer dictatorships in Africa today than at any other time since the Second World War. Third, although poverty and illiteracy is still most profound, there are many positive examples such as in Mozambique where more and more young people are attending school. Nevertheless, one key question about Africa that has not changed, relates to the situation of women who bear so many responsibilities and roles and yet hold little if any political power. It was argued that in order to change this predicament of women's exclusion, one has to start with the men.

The relationship between Africa and Europe was discussed from a historical perspective, noting that the close relations as good neighbours were subsequently destroyed by slavery and colonialism, which ravaged the continent. The discussion focused on possible ways to restore the good ties that were once in place. In order to do so, Europeans should go to Africa not with suitcases full of answers but with bags filled with questions. In other words, we must listen to those we wish to help – as in the Tanzanian proverb, "Humans are born with two ears and one mouth because you should listen two times more than you talk"

In order to further support Africa's rising, emphasis should be placed on opening markets on an equal level. Using the example of agricultural development, whereby one day of supporting European agriculture equals the annual support provided to the whole of Africa, it becomes evident how this equal standing is far from being realized today.

From his perspective as a storyteller, *Henning Mankell* shared his dismay of the West's distorted view of the region: "We can always read about how Africans die, we could never read about how they live", he said. For example, the notion that there is no written history was absolutely not true, as evident in Al-Qaeda's destruction of ancient manuscripts in Timbuktu. Moreover, we may in fact have much to learn from the way Africans view themselves and their history, in contract to Europeans' 'self-loathing' of their own history.

Finally, he argued that Africa today is standing before its next generation of revolutions: the first being the fight for independence from colonial rule, but given that eco-

nomical control has remained with the colonial powers, the next revolution will aim to take control over Africa's economy. Africa's future will be determined by Africans, and we can only assist them in the way they choose to be assisted. If we come to Africa with questions, instead of answers, we could one day become good friends again.

2.15 Cyber Security

Speakers: *Reinhard Clemens*, Member of the Board of Management, Deutsche Telekom AG, CEO, T-Systems, Bonn;
Thomas Rid, Reader, Department of War Studies, King's College, London

Rapporteur: *Simon Hage*, Germany

Session 15: Monday, August 26

In the era of global digitalisation and interconnectedness, cyber security has become one of the most critical issues international leaders in politics and economics are faced with. Mobile phones, computers and worldwide networks have fundamentally changed global communication and leadership. However, the vulnerability from cyber attacks has increased accordingly. Politicians and business leaders will have to assess the potential impact of such cyber crimes. Furthermore, there is a need to evaluate and co-ordinate counter measures on an international level, taking into account fundamental questions regarding personal privacy and informational self-determination of a digitalized society.

The revolution in communication technology has provided both citizens and decision makers around the world with powerful tools to interact and co-ordinate in real time. This has led to a fundamental change of political processes – see the citizens' uprising in many Arab countries in 2011 – and global leadership. However, this has also resulted in new security challenges that can be structured into three groups: cyber eavesdropping by state and non-state actors, cyber espionage, and cyber war.

The overall number of cyber attacks has multiplied to 450,000 per day, threatening especially small and medium sized enterprises and their intellectual property. Moreover, the recent NSA affair has put the spotlight on systematic espionage in terms of extracting large quantities of confidential information out of companies and political entities. Victims of such espionage are obviously in danger of losing their intellectual crown jewels to competitors, foreign states or other interest groups.

An even greater damage could be created by physical cyber war attacks on control systems such as the recent "Shamoon" attack against Aramco, a Saudi oil supplier. 30,000 infected corporate computers had to be replaced, one participant reported. Although Aramco was able to solve the problem within a couple of days, it can be concluded that hacking and cyber espionage have the potential to seriously damage enterprises and their reputation, if not even whole nation states.

According to *Reinhard Clemens*, companies and political entities need to increase the threshold for cyber attacks, making it more difficult to hack computers and control systems. For example, utility companies in Europe are already thinking about establishing an independent European Internet for sensitive data, a smart grid that is not connected to the World Wide Web. Such technical measures would however require political co-ordination on an international level.

Thus, general problems of global governance need to be taken into account. As recent studies suggest, hackers take advantage of borders and the Internet's ability to cross them with ease, without fear of punishment. There are no global rules or regulations on cyber espionage, crime, and warfare. *Reinhard Clemens* recommended establishing a legal framework across the world enabling state and non-state actors to proceed against hackers and other cyber criminals. However, international agreements on such frameworks have not been achieved so far. He argued that the involvement of too many different stakeholders – be it nation states, NGOs or corporations – has resulted in an insufficient minimal consensus on the EU level. In his opinion, political actors should receive technical education in order to get a better understanding of cyber security issues. "The politicians have no idea what is going on in the Internet space", *Reinhard Clemens* said.

Furthermore, the required global regulation of the digital world would lead to a risk of restricting individual liberties. *Thomas Rid* suggested that authoritarian states could use a legal framework as a tool for heavy control of the web. He held the view that not all kinds of digital subversions should be stopped, especially if they are directed against unethically behaving companies or governments.

Thus, there is a trade-off between security, individual freedom and data privacy, leading to the question how the role of regulators should be concretely defined. According to a recent Allensbach study, 75 % of the German population agree with the collection of private telephone and Internet data in order to fight crime. However, due to a lack of transparency nobody to date can effectively control the entities dealing with those large amounts of data. *Reinhard Clemens* pointed out that one million subcontractors would use the data collected by NSA, creating a huge human risk factor: "The problem is not the system but the people operating the system."

Therefore it can be concluded that both cyber crime and counter measures could create a threat to data privacy and informational self-determination. A balancing of legally protected interests on a global level will thus be the key issue in the international debate on cyber security. The freedom of civil societies on the one hand and the power to control state and non-state entities on the other – they need to be fairly and equally rebalanced. Only if rights and duties in the fast changing digital world are clearly defined, can cyber crime be combated.

2.16 Progress on Climate Requires Coalitions of the Willing, not Waiting for the Slowest Ones

Speaker: *Ernst Ulrich von Weizsacker*, former Dean of the Donald Bren School of Environmental Science and Management at the University of California, Santa Barbara

Rapporteur: *Heather Page*, United States & Chile

Session 16: Tuesday, August 27

This session focused on climate change; a problem without passport. Throughout the world we are experiencing an increase in climate disaster, irregular weather patterns, unpredictable and unexpected droughts, floods, fires, etc. This not only has an impact on the environment, populations, and the economy, but is also posing serious threats to future development, for which

the global community is at a loss to collectively address. Since 2009 in Copenhagen and including the discussions on a post-Kyoto protocol, the global community has yet to formulate a binding global climate change agreement. Instead, the direction in climate change negotiations is shifting to informal groupings amongst countries that are potentially willing to take action.

The primary argument of Ernst Ulrich von Weizsacker's presentation was that countries should increase their energy efficiency, which could be triggered by higher fuel prices. In addition, he argued that since the global climate negotiations are stalled, countries that are willing to take action to reduce greenhouse gases should go forward and not wait for a global consensus. In this scenario, there would be winners and losers and there was the possibility to create a so-called "Kuznet's curve of decarbonisation". The inverted U-curve shows that as a country becomes wealthier, it emits more; but the opportunity to innovate and become more energy efficient also increase, which is why emissions start to fall again after a certain point.

After five "brown" cycles of technological development as first developed by the Russian economist Nikolai Kondratiev (e.g. mechanisation, industrialisation, etc.), we have now entered a "green" cycle, where innovation is targeted toward environmentally friendly production and green investment, among others. A shift toward cleaner technologies would enable countries to achieve a five-fold increase in energy efficiency and therefore reduce emissions, Ernst Ulrich von Weizsacker argued. Examples ranged from low-energy consumption light bulbs and carbon neutral buildings to sustainably designed cities (like Copenhagen that aims to be carbon neutral in the near future) and recycling building materials like steel and concrete. This comes with winners, identified primarily as Europe and developing countries that are not natural resource exporters, and the losers as the U.S., Australia and developing countries that are natural resource exporters.

A lively debate ensued among the participants focusing on the possible solutions and challenges of nuclear energy, conventional and renewable energy sources, as well as examples in other regions of the world. Participants showed interest in the role of nuclear energy and discussed it as a viable clean (carbon free) energy solution, although problems were recognized, such as the increasing price of uranium, making it economically difficult and the probability of high impact disasters as seen recently in Japan. Participants also raised the issue of developing countries and who would pay for the investments needed for the leap in technology. In addition, some participants questioned the idea of artificially raising energy prices as proposed by the speaker, since it had low political acceptability and potentially very high social impacts.

Shale oil and gas was deemed a straw fire, although there was general agreement that the U.S. should invest in this technology as it gives them geo-political strengthening not to have to depend so heavily on the Middle East. In addition, it provides an opportunity to re-industrialize the country.

In order for climate change to resurface and become prominent on the political agenda of countries, there were two catalysts identified: 1) natural disasters, which could attract attention to the issue, and 2) a demonstration of the economic benefits from less carbon burning. As countries are able to prove that they can be rich and carbon free, it was proposed that this would become a majority conviction, economic opportunity for a win-win solution and therefore a moral obligation.