Three months to shape Europe's international role

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Decisions made over the next three months will shape Europe's future international role. On the one hand, the script which drives global policy-making is being re-written, shaped by response to the financial crisis, climate change, and global security challenges. On the other hand, the institutions of the European Union are on the brink of radical overhaul – whether or not the Irish referendum on 2 October allows the Lisbon Treaty to be ratified. By January, we will have new institutions, new leaders and the outline of a new script. Will we also be optimistic about Europe as a progressive force?

The financial crisis exposed the extent of global interdependence. It affected the real economies and living standards of both rich and poor countries. In Europe, the economy has shrunk by 1% and unemployment is up two percentage points. But in Kenya, remittances are down a quarter. In Cambodia, 50,000 textile workers, or one in every seven, have lost their jobs. In Zambia, a quarter of all mining workers have been dismissed. Overall, more than 100 million people have been driven back below the poverty line as a result of the crisis. And faltering growth in developing countries also undermines export markets and therefore growth in developed countries.

The G-20, meeting in New York, London, and shortly in Pittsburgh, has been unambiguous that 'a global crisis requires a global solution'. The EU has major contributions to make in the areas of financial regulation, trade policy and aid. Collectively, the EU provides nearly 60 per cent of all aid to developing countries.

The climate change agenda is similarly far-reaching. The test of international commitment will come at Copenhagen in December. Agreement is still to be reached on overall targets for carbon reduction, finance, and technology transfer. Some observers have argued that a multilateral deal is too ambitious an objective, and that China and the US, the G-2, must solve the climate crisis. The EU, however, is at the forefront of innovation, through the European Emissions Trading Scheme and its own commitment to carbon cuts of 20 per cent by 2020. It can provide the ideas and resources to broker a deal.

Finally, the security challenge hangs over the other themes. If the financial crisis leads to long-term recession, then migration, crime and drug problems will affect all countries. If climate mitigation fails, people will take adaptation into their own hands, with potentially de-stabilising results. Coherent, whole-of-government approaches are the new mantra, linking development more explicitly to diplomacy and defence – or poverty reduction to peace and democracy. The EU has increasing experience and capacity in making these links, for example in former Yugoslavia, and through the Africa Peace Facility. Its role will surely grow in the fragile states where the 'Bottom Billion' are to be found.

Tackling these big challenges requires new frameworks and structures of international cooperation, providing what are often described as global public goods. The United Nations and the World Bank are essential pillars. But Europe has special advantages. It works, or tries to, on the basis of shared values. It offers economic, financial, diplomatic and emerging military options. It engages with other regions on the basis of mutual accountability, for example through the Cotonou Partnership Agreement with 79 states of Africa, the Caribbean and the Pacific. And it offers economies of scale and simplification of negotiations.

All these features are likely to be reinforced over the coming months. There is already a new parliament and there will by January be a new leadership team in Brussels. If Lisbon is ratified, there will also be: a new post of President of the European Council; a new and more powerful High Representative for Foreign Affairs and Security Policy, who will also be Vice-President of the European Commission; and a new, jointly-owned diplomatic service, the European External Action Service.

The new arrangements have progressive potential, but six conditions must be met.

- First, the links between development and other sectors must be made explicit. Some countries talk of this as 'joined-up thinking', tackling the silo mentality which has bedevilled coherent policy-making – in economic matters, but also in Iraq, Afghanistan and other places where diplomats, soldiers and aid workers must find ways of working together. In Europe, the phrase is 'policy coherence for development'. The Common Agricultural Policy has been a target of the failure to achieve policy coherence in Europe's own analysis, as has immigration policy. More actively, Europe has begun to develop joined up strategies, for Africa, for example, or for specific sub-regions like the Horn of Africa. Delivery against these should be monitored. Has the EU used all its collective resources constructively to bring peace to Somalia? How would we know? Who is accountable?

- Second, taking development seriously means having a strong development commissioner at the heart of policy-making. Too often in the past, development has been a side-show when it comes to sharing out jobs, a detail left to one side while the big beast scramble for the glamorous portfolios like competition or trade. When candidates for the new Commission are presented to the parliament for approval, MEPs should ask whether development has its rightful place in the hierarchy, alongside the new High Representative and Commission Vice-President, and whether the candidate Commissioner is of the right calibre. It is ironic that EU Member States have insisted on open recruitment procedures for the heads of the World Bank, the IMF and UN agencies, with job descriptions and formal interviews, yet allow the appointment of EU Commissioners to be carried out largely behind closed doors.

- Third, the Development Commissioner needs the staff and resources to do the job. The current arrangements are fractured and unsatisfactory. The current Commissioner, Karel de Gucht, has full control of a planning and policy team, but not of the implementing agency, EuropeAid, which ultimately reports to the External Affairs Commisioner, Benita Ferrero Waldner. Furthermore, the instruments of European development cooperation, adding up to nearly 10 billion euros a year, are split in geographic coverage and ownership as between the two Commissioners, and have different forms of parliamentary

accountability. A particularly intriguing question is whether the proposed new European External Action Service will be designed as a champion of development, and what its relationship will be to EuropeAid.

- Fourth, the European Parliament must also raise its profile on development issues. The Development Committee has a new Chair, the French Green MEP, Eva Joly. Her job will be to rally MEPs behind a more ambitious and comprehensive vision of development, with a strong focus on policy coherence for development.

- Fifth, European development cooperation has been characterised by a high degree of accountability to developing countries, and this needs to be preserved. The EU-Africa strategy is jointly-owned by the two sets of partners. The Cotonou Agreement has strong arbitration procedures and is governed by joint Councils of Ministers and Parliamentary Assemblies. Europe must strengthen its partnerships. Why, for example, should Asian countries like India or Pakistan not benefit from the same kind of accountability structures as apply under Cotonou to the Africa, the Caribbean and the Pacific?

- Finally, none of this will make a difference unless words and action come together. Development more tightly targeted on the poorest people in the poorest countries, to achieve the Millennium Development Goals. Trade policy reformed to enable countries to grow. Political dialogue strengthened, with democracy, human rights and gender disparities at its heart. Without making women equal partners, there will be no sustainable development, democracy or peace. The EU already has a consensus on development policy, signed in December 2005, by Heads of Government meeting in the European Council, but also by the Parliament and the Commission. The Consensus affirms the central objective of poverty reduction and of development 'as a central goal by itself'. Similar principles are also reflected in the Lisbon Treaty. The Consensus needs to be updated, however, to reflect the changing agenda.

It is easy to imagine a Europe enmeshed in our own problems, treating the developing world as a threat or as a suitable recipient of our charity, relegating development to a minor role as the handmaiden of foreign policy. But we have an opportunity in the coming three months to craft a different approach.

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