

JIM TRAUB: -

Let me first introduce our four speakers today. To my immediate left is Strobe Talbott, the President of the Brookings Institution, and a longtime both journalist and also foreign policy official. To Strobe's left is Bruce Jones, who is the Director of the Center on International Cooperation.

To my immediate right is Jean-Marie Guehenno, who was - had a very illustrious career as the Head of Peacekeeping Operations at the United Nations, and is now the Director of the Center for International Conflict Resolution at Columbia.

And finally, to the far right is Homi Kharas, who is a Senior Fellow at the Global Economy and Development Program at the Brookings Institution and was a longtime World Bank official.

So the event we're having today is part of a longer initiative called "Managing Global Insecurity," which is one that has been jointly-created by the Center on International Cooperation at NYU, the Brookings Institution, and Stanford University. Among other things, it's produced a book of exactly that name of which Bruce Jones is one of the three co-authors, which I strongly recommend to any of you.

The focus of this event, and of this entire series, is on the relationship - [Cellphone goes off] - somebody did not heed my command. That's why I made it so categorical. I knew you wouldn't listen to me. Okay. All right. I hope that doesn't happen again.

[LAUGHTER]

So the focus of this initiative is on the United States, United Nations, multilateralism, multilateral initiatives. How the United States can find its way in the world through these institutions and, of course, it is in no way at all a coincidence that we are meeting this week in the middle of the General Assembly meeting. [Cellphone goes off] Obviously I'm not going to succeed in that directive. [LAUGHTER]

But of course this is only one of many such events. The G8. The G20. The Human Rights Council, and so forth. And what I'm hoping we'll be able to talk about today is this whole range of institutions, and indeed the broader questions of multilateralism, which these raise, especially in terms of American policy.

So here's what we're going to do, rather than have each of our speakers actually deliver a speech, I think we thought that it would be more productive for everybody, and everybody would be more comfortable, if

rather it was all a form of question-and-answer. So I will pose a series of questions to our four speakers, and then we'll have a second round of questions, and then we will throw it open to all of you, and receive questions from the audience.

So let me start with Strobe. Strobe, from the time really he was a candidate, Barack Obama has spoken of restoring America's relationship to multilateral institutions, which he has argued were seriously corroded by the unilateralism of the Bush Administration, and he clearly has, in speeches and through acts, devoted himself to trying to do just that.

So maybe you could talk a little bit about the whether - what kind of changes that has produced in these institutions, to what extent this has succeeded in making these institutions more responsive to the United States, and what you expect in the near future.

STROBE TALBOTT: I will do that Jim, thank you very much, and wonderful, all of you, to have turned out for this discussion, and I'm proud to be part of this panel, and Jim, thanks for your own work on the subject we're going to be talking about.

By the way, in Washington the problem of cellphones has gotten so acute that we've installed

ejection seats in the auditorium at Brookings with a little panel and sets of buttons that can be pushed by the moderator. So, keep that in mind, those of you, who are in violation of the injunction.

I would start with acknowledging some tentative good news which is I think that the extraordinary sense of excitement, high hopes, and welcome that greeted Barack Obama's election as President has translated into some sense of generalized lift on the part of various aspects of multilateralism, and has actually been of instrumental utility to the United Nations and by the way, to some important aspects of American foreign policy, as a result of many around the world in positions of power being willing to cut some slack to this President, more than to some of his predecessors, and particularly his immediate predecessor.

But I would then have to move very quickly to what I see as a paradox about the simultaneity of Barack Obama's presidency and this particular moment both in international politics and in American politics.

I know that while there are a lot of non-Americans in the room, all of you are students of the politics of this country.

I would put the paradox this way. I don't think that there has been in the history of the institution a couple of blocks from here a President more committed to what it stands for in its mission. He may be tied with that distinction on the part of a couple, including FDR who almost saw its birth, Truman who did see its birth, Eisenhower who made very good use of it particularly in his partnership with Dag Hammarskjöld.

And so forth. But because of who Barack Obama is, his background, the instincts that, as Jim mentioned, he brought to the campaign, articulated in the campaign, and his initial policies, he is about as supportive of the United Nations as any President imaginable.

Second, it is very difficult to imagine a more appropriate time to have an American President who is committed to multilateralism, or to use the slogan that Barack Obama used during the campaign, investing in our common humanity, which covers a great deal, and the challenges facing the international community, the next - pick the number - but five or six years, which depending on whether President Obama has a second term, which is an issue I'll come to in a moment, could coincide with his presidency, this is going to be a real moment of truth

for the two existential threats facing the human enterprise which is to say climate change and proliferation - nuclear proliferation.

And I would say also the challenge of governing the international economy in some way as to help us recover from the recent crisis, which is still the current crisis, and prevent crises in the future.

And yet this very, what could be very propitious alignment between the imperatives of effective multilateralism and the strong inclinations of the current President of the United States, exists side by side with an extremely serious misalignment between the President's priorities and the mood of the American body politic at the moment. And also a misalignment between what he wants to do and what the political and governing dynamics of the United States of America will permit him to do.

It would be overstating it to say that he is crippled by his domestic political difficulties, but he is certainly severely hobbled in ways that are apparent in the papers all the time, and while he has had some success on some issues, on those initiatives that require legislation which relate to climate change and proliferation, he faces an almost a Sisyphean challenge,

and the steepness of the hill that he's going to have to push those two boulders up is about to increase; it's about to become a steeper hill, if all the prognostications we're hearing about midterm elections are correct.

And here I'm referring, of course, specifically to the difficulty that he has had so far in getting an effective energy climate bill through the United States Congress, which is absolutely essential, as I see it, not just for the United States to finally get its act together on the issue of carbon emissions, but is essential for whatever hope there is of getting multilateral process going again.

And on proliferation, while he is likely to get the new Strategic Arms Treaty with the Russian Federation ratified, it's likely to be in the lameduck session or next year, but the really important piece of legislation is his determination to get the Comprehensive Test Ban Treaty ratified next year, and I think the prospects of that are rather bleak now, and depending on the composition of the new Congress, and particularly the new Senate, could be even bleaker next year.

So that's a rather downbeat note on which to open the discussion, but I do think it's an important thing for all of us to bear in mind.

TRAUB: All right, thanks Strobe. Bruce, Strobe said that some states have cut United States some slack, as a result of this new tone from Obama, but obviously a lot haven't, and that's maybe especially true with some of the emerging states, many of them democracies, whom I think this Administration had hoped would be responsive to this change in tone. And I have here your colleague Richard Gowan just wrote a paper for the European Council on Foreign Relations, which documents the kind of growing drift between the West and a number of those emerging states on issues for example like human rights.

So is it right that it's turned out that the world has been more intransigent than this Administration expected on these issues, and if so, why is that the case, and what can it do?

BRUCE JONES: A couple of points here. One is I think that if you look at the way in which relationships have been forged between the United States and the emerging powers, for me what's striking is quite how different it is issue to issue.

Homi, I presume, will talk more when you turn to him about the international financial architecture and the relationships there, but we've seen pretty deep cooperation, certainly at the peak of the global financial crisis, between United States and China, India, Brazil, the others. Even in the run-up to the Canadian G8 G20 meeting, you actually saw pretty close alignment between the United States and the emerging powers on the one hand with the Europeans on the different side of the issue.

So you saw really, I think, strong alignment between the United States and the emerging powers in international finance.

Human rights is at the opposite end of the spectrum. I think it's on human rights issues and especially in sort of formal settings on human rights issues, that you see deep tensions in the way in which the United States and the emerging powers think about issues like sovereignty and noninterference, et cetera, still being played out.

And what for me is interesting is to watch the gradual evolution of U.S. emerging power relations in the security arena, both on the kinds of security issues that the United Nations deals with, and the broader set

of international security issues where I think you see both patterns in evidence. There are some transnational threats out there in which you're seeing deepening cooperation. I don't think five years ago, we would have expected to have seen the U.S. Navy cooperating with the Chinese Navy, the Iranian Navy, the Indian Navy, the Brazilian Navy, and the Europeans off the coast of Somalia, but we are, and on the other hand, on a number of regional security issues, we're seeing real tensions in the relationship, and I think both of those storylines will continue to be true.

So I think there are different features of it. I think there are a number of ironies in this. For all of the fact of how widely disliked the Bush Administration's policy on multilateralism was, I think we have to remember that some of the capitals who disliked it least were Delhi, Beijing, Brasilia - the emerging powers were not unhappy with Bush's anti-international order strand. It freed them up from the constraints of international order just as much as it freed the United States up. And if you remember kind of post-9/11, the nature of great power relationships, it seems to me, was essentially defined by a `you're free to kill your terrorists and we won't ask many questions as

long as we're free to kill our terrorists, and you don't ask many questions.'

And the Russians were going after Chechnyans and the Chinese were going after Uyghurs and we were going after Muslims, and nobody's asking any questions. And that was perfectly comfortable for all concerned, including for Delhi.

It wasn't very nice. But it was perfectly comfortable for those actors.

So the kind of strand of thinking that Bush's unilateralism was rejected internationally, was mostly true of the middle powers and of Europe. It wasn't really true of the emerging powers.

So I think the emerging powers watching Obama during the election talk a lot about multilateralism, talk about U.S. leadership, talk about global order, were actually kind of nervous, and in the sense of being pleasantly surprised by the constraints that Strobe talked about and how limited the U.S. ability has been to pull them into something that looks different than what they would like.

So, you know, you can cut this negatively or positively. The positive in that is we are seeing, I think, quite good relationships between this

Administration and the emerging powers on a whole range of issues, but human rights is not one of them.

TRAUB: So, Homi, we're in the middle of the MDG discussion this week, and again, this Administration has wholly taken on board the legitimacy of the Millennium Development Goals. Obama said during the campaign that he would double American development assistance to \$50 billion a year. And again this was meant to be in sharp contrast to the Bush Administration.

So maybe you could tell us objectively how has this Administration been on those issues, and what's your sense, even beyond this Administration, of whether or not the MDGs have proved to be meaningful benchmarks that have somehow shaped policy in a significant way?

HOMI KHARAS: Well, perhaps, not with the latter because I think that it is fairly clear that the MDGs have been quite meaningful in shaping policy. When you look at the main directions of U.S. policy tools aid, things like agriculture, health, education - many of the things that are the focal points of U.S. foreign assistance - are things which are consonant with the MDGs, but that was true in the last Administration as well as before this Administration.

I think that the big difference is really about whether it's more effective for the U.S. to go it alone with new bilateral programs or whether to do it multilaterally. And that's where I think that there's been a real shift in tone between the two administrations.

I think it's fair to say that foreign assistance was a real achievement of the Bush Administration. U.S. foreign assistance did actually start to rise, and the two signature programs of PEPFAR and MCC have actually been quite effective and well-received in the development world.

What people were more - took more issue with was the sense that the U.S. was doing everything on its own in its own way. And I think it's hard to overestimate the decline in U.S. participation in multilateral activities. So just as an example, you know, on average, most rich countries channel 30 percent of their foreign assistance through multilateral institutions. In the case of the U.S., it's about 10 percent. So one-third as much. The U.S. is obviously far and away the largest economy in the world and the largest aid donor.

But to the multilaterals, to the World Bank concessional window IDA to the Asian Development Fund to the African Development Fund, the U.S. was not number one. It had always historically been. It essentially gave up that position to others. It didn't see these multilateral institutions as being so effective.

When a bunch of donor countries try to get together in the field and countries like Ghana or Tanzania to say let's get together and do joint country assistance strategies, they would do it. You would have six, seven, eight donors working together. And conspicuously absent would be the United States.

So that's really the sense in which the - on the ground, that multilateral cooperation wasn't happening, and I think that a lot of that has been reversed by this Administration. There's now much more willingness to work with others on the ground. There's a new global agriculture and food security program to try to put money again through a new multilateral institution with others. But what hasn't really changed is the money.

And, you know, the amounts have not increased. It's extremely difficult, apparently, in Congress to get more money to flow through multilateral

channels. Multilateral institutions do not appear to be terribly popular with Congress. And so while a lot of the tone and the willingness seems to be there, I think that there's still a fair degree of work in translating that into real dollars and cents going through a new multilateral-led aid architecture.

TRAUB: Jean-Marie, I want to ask more from the point of view of the U.N. as an institution than so much from the point of view of the Obama Administration.

Though Obama and his team as well as others have been pushing hard the idea that the U.N. must become more effective at its core tasks, and especially in the case of peacekeeping, but it seems that the volume of demands - peacekeeping demands - that the Security Council is imposing on the institution are so out-of-whack with the willingness of those same folks to do whatever needs to be done to make it possible for the institution to do that, to fortify it, whether through money or troops or whatever, I wonder, is there a danger that this whole peacekeeping mechanism could break down, given the disparity between the demand and the supply?

JEAN-MARIE GUEHENNO: Well, I would say that the first contribution of the Obama Administration is not to have pushed for another mission. [LAUGHTER] I'm not

joking; it's important because he could have just rushed into Somalia, frankly. That was the view of the previous Administration. That being said, peacekeeping today I think is way ahead of what the international community can afford, and it's not just a question of resources because often the focus is on the ...

Yes, it's \$8 billion, it's a lot of money. Yes, it requires a range of capacities, which is much broader than what we were used to, that is, you don't need soldiers and police. You need competent civilian experts. You need to orchestrate those people, to as to prioritize. So you need a machinery that is presently completely overstretched and overwhelmed. Not just the U.N. machinery. The national machineries. They don't know how to prioritize.

That's the resource and the mechanic side, but there is - I think there's a deeper issue, in a way, which is that the goals that we are pursuing, we're not clear about. It's a bit as if in the corporate world a board embarks on a very difficult venture, but the board is bickering. There is - it's unlikely to succeed under those conditions.

What do we call stability in a country today? Is it providing the government with a capacity to

crush dissent? Is it helping the government build up its institutions so that dissent will be managed without bringing down the fragile edifice?

If you go around the Security Council, you will get different answers to those questions.

And then the U.N. is asked not just as is often been noted to get involved in that rare area, where there is still a sort of semi-war going on, and hence the whole focus on protection of civilians, but not much clarity operationally on what that means.

I mean I know that in counterinsurgency - also everybody says in the heart of counterinsurgency is to protect civilians. Now the counterinsurgents are more serious the Security Council when it talks about protection of civilians, so they say you need 20 soldiers per 1,000 civilians if you want to protect them in a counterinsurgency context. In a peacekeeping context, of course, we are nowhere near such figures.

So there is confusion on the military side. There is confusion on the political side. And that confusion is amplified there when the U.N. has to continue being deployed in a place where, yes, a government has been elected but its legitimacy is still uncertain. Its inclusiveness is still uncertain. And

then it ... the case in Congo when at the request of the Security Council to prop up that government.

There's a tradeoff there. It loses its capacity to mediate. It loses a big element, and in a way there's a parallel there between the Congo and Afghanistan, where you have an international community when supporting the government of Afghanistan, at the same time wanting some kind of negotiation. When the U.N. finds itself in that position, it runs a high risk of failure.

So I would say today there is lack of resources, confusion on the goals, and actually deep divisions on the strategy.

TRAUB: All right, well, thanks all of you.

I have to say that's kind of a generally dismaying - [LAUGHTER] - set of responses. And we wouldn't have much to talk about if it weren't, but I mean actually, the striking thing is when you think about the hopes that attended Obama's becoming President, the hopes that he himself obviously had, and his team, as well as those people who put their own hopes in him, it's clear that the international environment and, as Strobe said, the domestic environment has proved to be much more

intractable than seemed to be the case in January of 2009.

So I want to pursue that a little bit more and think a little bit more specifically about the next year, and I hope as I ask questions of the four of you now the others of you will feel free to jump in, and I may even feel free to do so, if nobody stops me. So Bruce, it seems like there is just a really profound tension between on the one hand the belief that emerging powers have to be given a bigger stake in the system and that tends to take the form of the idea of greater inclusion in the Security Council, though clearly, that is not the only institution we're talking about. And the recognition that many of those powers have a deep different view of how the international system should function than the United States has, and that other Western powers have.

So over the course of the next year, how should this Administration try to navigate what seems like a really profound dilemma?

JONES: Thanks for the easy question there, Jim. [LAUGHTER] I think it's largely right what you said, but I think there are a set of issues on which the emerging powers interests and U.S. interests and the

interests of a lot of other states actually converge more than that suggests.

The problem you have in the Security Council is Iran. Iran is among the issues where the United States and emerging powers's interests diverge pretty substantially. Some more than others, but pretty substantially across the board.

I give the Administration quite a lot of credit, actually, for the way it's managed the negotiations with Russia and China on Iran in terms of a kind of slow, gradual process, for which it's taken substantial domestic heat - as you know - but that has allowed the Russians and the Chinese to believe that their interests are being looked after, that the diplomatic route is being explored, even though, I don't think anybody really thinks it's going to get anywhere, et cetera.

On the other hand, I think the Administration pretty badly bungled the diplomacy with Brazil and Turkey in the lead-up to the last vote.

TRAUB: What should they have done?

JONES: Well, this is a tough call, but on Brazil and Turkey, specifically, I think there were opportunities for them to engage the Brazilians and the

Turks much, much earlier than they did on these issues, and sort of turn off some of what later came forward.

But my point is a slightly different one, that Iran is in a way - it's quite rare in the Security Council dynamics, most of the Security Council is taken up by transnational threats, not the kind of geostrategic threat that Iran poses, and on the transnational threats, the interests of the United States and the emerging powers are much more closely-aligned. So we have this kind of odd moment where Iran is the kind of event or the issue or the topic which is shaping people's perceptions of these issues, and I think puts too negative a cast on most of the work that the Security Council would do, that the Chinese, Indians, and Brazilians, and others could be involved in.

The second point to make on that is that if you were starting from scratch and looking at this issue, you would say that the country, that it would be most difficult to incorporate into the international security system given American interests, et cetera, would be China. But China is in the Security Council. So we have this kind of historical accident that China has a permanent seat in the Security Council, which should in theory make this transition easier.

My guess is that the Administration will begin - you can see in the tea leaves, the Administration is beginning to kind of open up to India, on the Security Council, and I think the kind of convergence of philosophy and mindset between the Indians and Americans on a range of issues goes in that direction.

I think the Brazilians shot themselves not just in the foot but more like the head on their campaign for a Secretary General seat around Iran.

TRAUB: Are you saying that you see the Administration possibly kind of actively campaigning for the inclusion of India on the Security Council?

JONES: I wouldn't say they're going to campaign for a damn thing about it, but I think they'll be open to India in a way that they weren't before. If you read Undersecretary Burns's speech when he was in Delhi a couple of months ago, talking about global order, there were significant changes in their position that struck me as kind of hinting at openness to an Indian permanent seat. It's only been there in the past for Japan.

But as I say, I think Brazil - let's see after the election, whether they open up there.

If I were them, I would be in a mode of talking seriously to the various actors about this without being in a campaigning mode, but I think it's an agenda item that's not going away. Sarkozy will try hard to get it on the G20 agenda. I think he'll succeed. It's not going to go away. So you're either eventually reacting to a proposal that somebody else puts forward, or you're gradually shaping this.

And I think the United States will find its ability to shape this less four years from now than it is now, and a lot less eight years from now than now, and so it might as well get onto the business of shaping it.

TRAUB: Strobe ...

TALBOTT: Yeah, I know Jim you're quite properly trying to push us towards specifics, and you've succeeded in doing so with Bruce, but I'd like to come back to a generality, that maybe should be exploited. I think it's one that in so far as it's true, we perhaps take for granted a little bit, and it's really even good news of our time. There are a number of people in the room who are historians and I'm not other than an amateur one, but I cannot think of anytime in the history when the following could be said as it can now be said. All

the major powers on the planet are essentially at peace with one another. All of them.

TRAUB: This is the end of history.

TALBOTT: Well - [LAUGHTER]. Quite the contrary, obviously, as Frank Fukuyama would be the first to acknowledge, and has acknowledged. But it's not a - it's not a sentimental or trivial point. I mean you just at random pick any year in the last 10,000, and of course, there were goliaths clashing in so far as technology of the time permitted them to clash.

That is not the case now, and has really not been the case since the end of the Cold War. In fact, it's even more of a positive than just saying they're at peace, which means the absence of war. They are - and I think Bruce was getting at this - they are all subscribed to the proposition that their own interests require that they live in something like a rule-based international order.

And here I can get specific with regard to Iran because Iran does aspire to be a major power. But the comeback to that I think is that it's not going to succeed in being a major power until it evolves from a position that it's in now.

And as for China, I mean looking at the number of gray hairs and bald heads around the room, mine being in both categories - [LAUGHTER] - we have lived to see ... And of course the end of the Evil Empire was certainly one. But the evolution of China to what it is today, whether it's you use Bob Zoellick's term of a responsible stakeholder, or a status quo power in the positive sense, it's an extraordinary thing, and there is much good use to be made of that.

Now, and this goes back to Jean-Marie's good comments. If the good news is that the strong states of the world are essentially in a consensus about the need for a peaceful world order, the threats facing our world and our children's are going to come from weak states.

And failed, and failing states. And that gets us back of course to the economy. The global economy, which has increased the danger that states that were moving in the direction of becoming successful states are now slipping backwards, and those that were acquiring strength are now weak again, and therefore sources of danger.

TRAUB: So, but ... let me go to Strobe's point about weak states. If the number of weak states is increasing and therefore presumably the demand for the

United Nations to be the one to act in the case of those weak states, but it seems like at least the military capacity of the major Western states is so deeply-absorbed by Afghanistan, Iraq, a certain number of conflicts, are we going to have this greater and greater drift between the U.N. being asked to be this interventionist force and the Western states with the most professional armies - and also they're the ones who are making the demands on the Security Council - refuse to take up their responsibilities to do something about it?

GUEHENNO: Well, I think the fact that the armies of the developed world are not in peacekeeping except in Lebanon, is a big issue. But it's an issue not just a question of capacities, it's a political issue, because that enterprise of peacekeeping, it's a lot about the political signals you send.

We have learned the hard way from Iraq to Afghanistan to Congo, the great ... of force. So it's not as if we had a very strong force, those situations would be resolved. The question is the political signals you send, and the signal that is sent is the signal of indifference. That's my first concern. And indifference

... troublemakers, they have a good nose for smelling that. And they exploit it.

But beyond that, I think the most difficult issue, and we see it in the debate on what is not a peacekeeping situation, but which has some elements, the debate on what you do in a country that is in great trouble like Afghanistan. There is no agreement today on what would really be an effective stabilization strategy.

There is - we - I mean conceptually we are behind the curve. It's not as if there was a big, a nice good plan, there ready to be implemented and lack of resources to implement it. There is a lack of ideas on how you balance the need to empower the people you want to help, and at the same time, you push a little bit because if you just let things develop, it won't work, and that balance, the world is very amateur in the way it tries to strike it.

TRAUB: Let me stop you there because has the United States and NATO as well inadvertently proved the limits of the capacity to effectively intervene in a place like Afghanistan. That is, you make it sound like the problem is we're not figuring out the answer, but the answer is there. Is it rather that we've demonstrated

that these are the kinds of problems to which we're not going to come up with effective answers?

GUEHENNO: Well, I mean I have a new answer to that, that is I think it's dangerous to throw the baby [out] with the bathwater. I think it's very good to recognize that it's infinitely more difficult than people believe, and the danger is, is there going to be a backlash, and people - ... the famous Luttwak view, "give war a chance," just let them fight it out and that will bring a kind of peace.

And there are situations where that has been the case. Angola is an illustration in a way, of that.

I think that would be a very dangerous conclusion in that ... From a human standpoint, it's a rather harsh conclusion, but even from a strategic standpoint, it is harsh.

And it is irresponsible. I think the question there is to lower a bit our ambitions and expectations, and to have a less radical sense of what it means to help stabilize a country, and that is the agenda, actually, where you need to bring countries like China and the United States together. You see a situation like the Democratic Republic of the Congo. China has invested \$6 billion there. These \$6 billion

are not going to be recovered in a matter of a couple of years. It requires a long-term stability. China has a stake in the stability of Congo.

As I said earlier, I'm not sure they have the same definition of stability in Congo as the U.S. might have. But that is worth a discussion, and I think it's not impossible to come to terms on that, and I think these are the real issues that now need to be discussed at the World Bank, in the U.N., at the OECD - well, China isn't there, but there's a group, they participate - I think these are where -

TALBOTT: Jean-Marie, would you apply what you just said to Afghanistan?

GUEHENNO: Yes.

MALE: How, what would that -

TALBOTT: But in - but elaborate a little bit on it.

GUEHENNO: Well, I think in Afghanistan, there are a few steps before that. I think the whole idea that now you're going to resolve Afghanistan through a better thought-through development strategy, I think we are too far down to think that - that is not the timeframe. I think in Afghanistan, you first need to put together a political process. But down the road, you

will need to have the discussion on what it means to - what balance between, let's say, the rights of the people and the compromise between various political forces. I think that discussion will need to take place, but we're not there.

TRAUB: And so is the point that it's for the next Afghanistan - Yemen, whatever it is - that we're going to have to do a better job of thinking this through because for Afghanistan our mistakes have already profoundly shaped in that environment?

GUEHENNO: Absolutely, because I think - that's an issue also for the politicians in this country but for I think even more in Europe, which is closer to the conflict zone, to understand that this notion that you are just going to erect barriers and you will have whole areas with very little control of the state.

I mean the Sahara and what just happened to the French hostages taken in the North of Niger and they're moved around. We complain of Pakistan and the border areas not being under the control of the government of - full control of the government of Pakistan. You look at this sliver of land going all the way from Chad to Mauritania, I mean there is not full control in some parts of those areas.

This is close to Europe. The notion that you are just going to be more and more effective at controlling the influx of people - I mean there is a maritime operation in the Mediterranean to do that. This is an illusion.

Our world is much too connected for that. But that political sell isn't made, so there is still that belief that you can just keep it at a distance.

TRAUB: Homi, I wanted to ask you about institutional architecture, something we haven't talked about. Bruce said that, for example, in the case of working on international financial institutions and international financial issues, there has been greater comity between the United States and other Western powers and emerging powers.

And that brings up the question of the G20, and so there's this constant debate, not only how many countries should there be in the G20 but how are responsibilities going to get sorted out between the G8 and the G20, and for that matter, the Security Council?

So do you see the performance, the role the G20 has taken on these economic issues as kind of giving - sort of proving its legitimacy and value, and do you

see that as a forum, which is going to grow in power and importance over time?

KHARAS: I mean I think that the fact that the G20 has constituted itself as really a steering group for the global economy, and has kept that focus on the global economy, is what allows it to be quite effective with this very diverse membership.

One of the things that binds all of the countries in the G20 together is that they all have a huge vested interest in the global economy being successful, and successfully growing. These are all large economies. They're all open economies. They're all dependent on the functioning of the global economy for their own success.

So they all have a stake in it, and from that point of view it's different from saying, well, let's get together and decide on what we should do as an intervention in Country A or Country B.

This is really, "let's all get together and decide what we should do in our own country, and then we'll add it all up and say, well, what does this add up to for the global economy because, after all, sitting around the G20 table, you have 80 percent of the world economy." And then make a decision, "Is this something

we can all live with? Could we do better if there were different approaches?"

So I think the G20 has actually been very successful because it's focused on a topic which is in the interests of all its membership.

What the G20, I think, is also showing is that the big divergence is not actually between the U.S. or some of the other large powers in the big emerging economies. The big divergence now is in some of the smaller Western European states.

These are the countries that are essentially losing influence and they're losing influence in terms of their representation in the G20. They're the bottlenecks in terms of the change in the governance and the representation of the international financial institutions.

The big squeeze is not because of disagreements between the U.S. versus China. The big squeeze is because of the disagreements of some of the traditional small but influential Western European countries, now discovering that they're no longer in the Top 10 of the world economy. They're maybe not even in the top 20 of the world economy. But they used to be in,

right there, at the seat of international affairs, and they're fighting tooth and nail to keep that.

TRAUB: Okay. Let me just ask one last round of questions, and then I want to throw it open to everybody.

Bruce, I want to ask you about U.N. leadership. [LAUGHTER]

JONES: Of course you do. [LAUGHTER]

TRAUB: But maybe I'll ask the others as well. So, -

JONES: I'm going to answer the question you asked ...

TRAUB: Some - some have called for the Obama Administration to deny a second term to the Secretary General. Leaving aside the question of whether such a thought is even plausible, do you think that's right? Are the problems with the institution so structural that the issue that one overemphasizes the importance of one individual, or is that really important, and ought there be a change?

JONES: See, you want me to get a divorce, is that right? [LAUGHTER]

TRAUB: No, you can punt. ... just want you to say, "Sorry, Jim, I punt."

JONES: I don't really think I need to elaborate on what my obvious view on the leadership is. I want to point to two issues. [LAUGHTER] I think that the biggest problem - which I have to say, I look around the room and I see the faces in the room contradict what I'm about to say in a positive way - the biggest risk that the organization faces is that the generation of talent built up under Kofi Annan's tenure leaves the organization.

Now I say it contradicts in this room because there are several of them in this room and several of you haven't left the U.N., and that's an awfully good thing for the U.N..

But some have, and I think there is a real risk in a second term that a further outpouring of talent will occur, and that's not going to be rebuilt easily.

The generation of talent that's in the U.N. now was forged through 20 years of post-Cold War crisis management and field operations with talented SRSG's and the Sergio Vieira de Mellos and the - you know the cast of characters. That was a generation of talent that was forged and built, and if it leaves it won't be easily replaced.

When Ban Ki-moon ran for his post, one of the things he said - I didn't put this well - but he would say, "Oh, we have to return the U.N. to the advanced nations," ... particularly inept phrase. But I think he actually meant something serious and real, which is in addition to this generation of talent, we have to see the U.N. attract a next generation of talent, not from Denmark and Sweden and Norway and Canada and the United States. But from India and Brazil and China and Korea, and et cetera.

I have not seen that. I have not seen a flow of talent from those countries into the U.N. yet, and if we don't see those things, and I think the U.N.'s ability to contribute to managing the kinds of problems that we're going to face is going to erode pretty substantially.

All that being said, I'm - you know - for obvious reasons attempting to diplomatically comment on the individual, but your point about the structural is also right. It's what - you know - . I very rarely disagree with Strobe, and since in one of my institutional hats, he's my boss, it's very unwise to disagree with Strobe - [LAUGHTER] - but I disagree with

one thing that you said about the kind of major powers not at war, right?

And it's true. But I think there are more risks of tensions and conflicts and clashes between the major powers than we tend to assume when we look at the economic situation and the point that Homi made, that all of them are dependent on the global economy.

Look at the speed with which an incredibly minor fishing incident between Japan and China has escalated into a major, major domestic political problem for both. Diplomatic, but much more importantly domestic political problem.

I think we're going to see more of this. I think we're going to see the emerging powers coming up against the established powers on their territorial borders, and the kind of intrinsic nature of the power shift generating these kinds of things.

That's why I'm quite as preoccupied as I am with trying to see the other side of the ledger as well.

Seeing the major powers cooperate on some of the issues where they can. And so on Homi's point that they're all embedded in the global economy, I think that this - for precisely the same reason, they have intrinsic interests

in protecting the global economy also from asymmetric security attacks.

It's not just from financial crisis, but it's from the erosion of the basic infrastructure of the global economy. It's from attacks on transport, and all those kinds of things.

And if we can foster deeper cooperation between the major powers on those issues, they'll get over the China/Japan territorial stuff. If we don't, I fear that the China/Japan territorial or U.S./Russia on Georgia, that those kinds of things will escalate to a point where things become tricky. And that's the essential structural fact for the U.N. Right? The U.N. functions effectively when the major powers can find a baseline of agreement.

It's Jean-Marie's point about stability. If we can agree on what the nature of stability is, we can find ways to cooperate. If we can't, we can't.

And when the major powers can find at least a baseline - they don't have to agree on all the details - but find a baseline of agreement, then the U.N. can do a lot, and that's not where we are quite.

The last point, and most critical point in a way is, I don't think that this U.N. leadership, and I

don't just name the top guy, I don't think that this U.N. leadership has done much to point the direction of what that looks like. And they could have. I think that this was a moment when the United Nations could have been pointing the direction for what collaboration looked like, what stability looked like outside the narrow financial -

TRAUB: Jean-Marie, do you want to comment on that? I mean after all, you're a U.N. or former U.N. insider. So - what's your sense?

GUEHENNO: As a former U.N. official, I have this choice between being obsequious or disloyal.

[LAUGHTER] So I would say, a comment on personalities. What I do think is - you look at Dag Hammarskjöld, the situation was in a way infinitely more difficult than it is now. I mean it was in the midst of the Cold War. He managed to build a coalition where you had countries as diverse as Canada, a NATO member; Yugoslavia, a nonaligned movement; India, nonaligned - a range of countries - north, south, some in military alliance, some not.

Sweden, of course, neutral. This was quite a political feat. That's why he's remembered as a great Secretary General.

And I think that's what's needed now. I know it's the final point of Bruce. And the question is to calibrate. To calibrate the goals so that you cannot do anything in the U.N. if you do not have the support of the United States. That's why I think that the effort that reform of the U.N. was doomed because this was - I mean the Bush Administration was at best indifferent. But it would not spend political capital in the reform of the United Nations.

And for any reform for any move forward of the U.N., you need the full engagement of the U.S. But of course, you need more.

And that's the job of the Secretary General, to find a kind of common ground between the bigger powers and those emerging powers, and also some powers - you're mentioning those who are squeezed. They matter, too.

I mean in Europe, the mistake has often been done to think that once the big Europeans agree, then everything will fall into place. That's a sure recipe for failure. Then all the smaller powers of Europe remind the rest of Europe that they may be smaller, but they might have just as good ideas as the big ones. Sometimes better ones. The same at the U.N..

TRAUB: So Homi, what should U.N. reform mean? What is it that's fundamental that needs to be done, and to what extent does the United States have the capacity to do anything about those things?

KHARAS: I mean in the economics sphere, the great thing that the U.N. can do is build awareness, be inclusive - it's the only seat where you've got the good ideas of all of the smaller countries, economies, communities, individuals can take voice.

The setting of the Millennium Development Goals, sort of coming back full circle to where we started this discussion, is an extraordinary U.N. achievement, and you know, here we are debating whether they're going to be achieved. It's kept a focus and a structure to the debate. It's been an agenda-setting process, which has really shaped the way in which all foreign assistance - which is running at about \$120 billion a year - is being done.

So even though the U.N. isn't central to that process of the actual work, it was certainly central to the process of the shaping of that debate.

That's really what I think the sort of the central function of the U.N. can be, and at the moment, it's a mixture of an agenda-setting, agenda-shaping

organization, and an implementing organization. And it's really hard to manage those two at the same time, and the U.N., in some sense, has to decide where does it want to go with this.

Does it want to put more of its money and efforts into the implementation side? There's a tremendous amount of good work that U.N. agencies do, especially in fragile states, let me add. Or does it want to put more of its eggs into the agenda-shaping basket?

TRAUB: So Strobe, the last word before we go onto questions in the audience.

TALBOTT: Well, without feeling that there needs to be anymore elaboration on the merits of the merits of the current Secretary General -

TRAUB: But don't let that stop you.

[LAUGHTER]

TALBOTT: - I will recall what it was like to be part of an administration that actually did grasp the nettle of denying a second term to a sitting Secretary General. It was not fun, and it was not pretty, and it was successful. And the reason it was successful was that there was a very powerful alternative available, and there was a very doable process whereby to

bring it about, and as I observe the current issue as it plays out, and listen to people I have a lot of respect for, I don't see either of those being the case here.

And since I actually worked for Bruce, as everybody in the room who knows him, and perhaps, who knows me, would guess, I will be a little sycophantic towards him and say that sort of hidden in the syntax of the last thing you said is I think a key point, and that is when we talk about the leadership of the U.N., we should not treat that as a singular noun. It's a plural noun. It's a collective noun. And my guess is that unless the current Secretary General decides he wants to be the next President of the Republic of Korea, he's going to be a second-term Secretary General. And a lot of thought should be given, including by him, to strengthening the team and the system around him.

TRAUB: Excellent. Well, thank you all so much. Now I'd love to have any of you please ask questions. Make your question brief. Make it clear who you're directing it to, and maybe we'll take several. And then go to the speakers. So, sir, yes? Tell us who you are, please?

DIRK SALOMONS: I'm Dirk Salomons. My question to Homi. You described a number of European

countries which are ... compared to where they were when the nations were formed. But ... 27 countries, 60 percent ... are slowly -

TRAUB: Sir, there's a microphone coming.

SALOMONS: Ah, microphone. Yes, two major players in the U.N., ... have declined. But European Union, 27 countries, 60 percent of ODA oddly-enough have no voice as such in the United Nations except together with I think the Vatican at the end of the debates.

But aren't we looking at an invisible, but fairly important player, who may not be on the U.N. theater, but who in the real world plays an increasing role, is getting its act together, even in terms of foreign policy, aid policy, and the push in terms of where the Europeans want the global society to move?

TRAUB: Anyone else? Yes, Steve.

STEVE: This is to Strobe -

TRAUB: Wait for the microphone for a moment, and just tell everyone - those who don't know - who you are.

STEPHEN SCHLESINGER: Stephen Schlesinger from the Century Foundation. This is to Strobe but also to everybody on the panel. I was very struck by your

point that historically you have all the major powerful countries at peace.

How much is that due to the unique political maturity of these states at this particular moment in history, and how much of it is due to the establishment of international institutions, including the United Nations, in bringing these countries together that might not otherwise have been united in any way in terms of their policies and actions?

TRAUB: Any other questions out there? Yes?

RAHUL CHANDRAN: Rahul Chandran. I guess this is to Bruce, but also perhaps to the panel. I'm curious, in sort of the light of your comments, if you're the Secretary General, other than a request for support for reelection, what do you ask of the United States, perhaps the European Union, the Chinese and the Indians, in your meetings over the next week? What is it that you say they need to do to enable you to restore the U.N.'s position in international cooperation?

TRAUB: One more - Richard?

RICHARD GOWAN: I'm Richard Gowan from NYU. There's a tradition by which American Presidents bomb places without Secretary General's permission. Or at least, that a post-Cold War tradition, starting with

Kosovo and then in Iraq. If circumstances mean that the U.S. wants to bomb Iran in the next two years, can it get the Security Council's permission, and if it doesn't, is the third time the charm, and finally, the Secretary General is left incredible?

TRAUB: All right. So let's start. Homi, why don't you begin? And you may answer not only the ones directed at you, but the ones not directed at you.

KHARAS: Thank you. I think if the European Union could actually speak for Europe as a single entity, at least in terms of the governance of the major international financial institutions, we would be a great deal further than we currently are.

So we're all hoping for the day that the European Union can actually play that role and function, but as of now, my understanding is that European individual European countries are reluctant to let it do it. So we, perhaps, have an interim period of - I don't know - 10 years, 15 years, until that actually happens. And until then, the governance at these institutions is going to be in some maybe disarray I would say.

I'd also like to just quickly be an economic fundamentalist on the point about the great powers being at peace. You know, when I heard about the story of the

Chinese fishing captain detained by Japan, I sort of thought, if it wasn't for the fact that China is now Japan's largest export market and certain biggest trading partner, I would have been much more worried about that development than I am today.

Today, it just doesn't seem feasible that a fishing vessel incident could escalate into something that would disrupt a relationship which is so enormous in terms of dollars and cents.

And I would posit that. You know, increasingly the great powers have recognized that you don't actually get that much economic advantage by fighting somebody and taking over their country.

I mean, you know, what do you get? You get - you know - you get to spend all that money on then trying to reconstruct the devastation that you've wrought.

So, I do think that we might be entering into a world where the sheer economic incentive says, you know, enough of this war-war business, and let's get down to making money.

TRAUB: That's an encouraging thought.

[LAUGHTER] Jean-Marie?

GUEHENNO: Well, I mean, a word on the European Union. I think there is an enormous gap between the EU on the development side, on all it can do through its machinery, where it acts as one actor, and in crisis management, where it cannot. It doesn't have institutions that allow it to do so.

And I don't see it coming unless there is a major, major crisis. But I think there's a broader - there's a broader point, which when it comes to your point on institutions, is, today, you look at the major institutions of the post-WWII, when you have the U.N., you have NATO, you have the EU, and they're all, in one way or another, in crisis because they are not adapted to the changing realities.

And so, on the one hand if I want to buy the optimistic story, I would say that, indeed, all these institutions, they help channel differences. They help slow down problems - I mean the explosion of problems. But if they don't adapt, eventually they will wither away. And so, there were years where countries were at peace, like in 19 - . I remember the Briand-Kellogg Pact, something like that, where the major powers -

TRAUB: You're not saying that was the cause of peace, are you? The Kellogg Pact?

GUEHENNO: Well, it was a moment of optimism. And so, if you let institutions wither away, gradually all these mechanisms that help oil the system, I mean, at one point, they're not available. And then the little crises like a fishing trawler - then they are not channeled anymore, and then it gradually deteriorates.

And if you want, I mean the negative story, it's quite striking actually, how there has been an erosion of international law in recent years.

I mean one could say maybe Kosovo was one. Or some would argue it was. Some would argue the opposite. But on a number of issues, there has been an erosion of international. It's not only been an erosion of the authority of the U.N., which is being kicked out of African countries, one after the other, there has been an erosion of new institutions like the International Criminal Court, which is not in very good shape in Africa.

So, I mean, the picture is mixed I would say. I'll stop there.

TRAUB: All right. Strobe?

TALBOTT: Stephen, in answer to your question, at the risk of grossly-oversimplifying, I think

that the reason that such degree of peace exists, and it's unprecedented in the world today, is a result of the long story made short, of the 20th-century. The 20th-century was about war. It was about World War One, World War Two, World War Three.

And in the case of World War Three, it was about averting it ... half a century, and that was largely because of technology. Technology had made - war had sort of flipped Clausewitz's famous maxim on its head, and mechanisms, including the United Nations's act of creation, came about in order to make sure that that worked.

And that created a global space in which to go back to Homi's point, which I think actually does serve as a kind of counterpoint to yours, Bruce: There is still geopolitics, but there's also geoeconomics, of a kind that gives - as Homi says - not only the responsible leaders in Tokyo and Beijing a huge incentive not to let a maritime incident lead to war, but gives responsible leaders in Washington and Beijing, huge incentive not to let a crisis over the Taiwan Straits lead to war.

But we can't be relaxed about this, to put it mildly. I think climate change is the mega-issue that looms all over - if we don't get that one right, it

doesn't matter what else we do get right because we'll get the whole thing wrong.

But also we came pretty damn close to a global depression in 2008, and we saw where the last Great Depression got us in terms of world peace, which puts - which takes us back to geoeconomics and the need for economic over governance.

TRAUB: Bruce?

JONES: A couple of thoughts on a couple of the questions. On this line of argument about sort of why are the major powers at peace? I absolutely agree on the economic integration point. I mean it's sort of central to the argument of managing global insecurity and to a lot of what we're doing. I just - I do worry about the counterbalancing point of the geopolitics and the irrationality of domestic politics sometimes to exacerbate. It's not because [CROSSTALK].

Well, exactly. Exactly. It's not hard to construct a scenario where McCain and Palin won the election and Russia went into South Ossetia and Kraziai shortly thereafterwards. And you have a McCain-Palin response to Russia rather than the response we had. And that doesn't look pretty.

It's not - it's not impossible to construct scenarios where these things trip into more dangerous events than the logic of financial integration and economic integration would have them do.

So I am preoccupied by that, and as I said, I think it's - the economic integration is a strong counterbalance. I would also like to see greater cooperation on security issues, that are shared interests for the same reason, to get further away down the side of the ledger that says there's interest in cooperation, so that these episodes - because it'll be geostrategic events, it'll climate, it'll energy - we will compete for oil, we'll compete on energy sources of a variety of types, and those will get nasty. That competition will get nasty.

And the domestic dynamics of those things will risk - as you said, just watch Congress and figure out how much the dynamics of energy independence matters relative to financial integration. And the domestic politics just play badly.

To Rahul's question on what would I ask, I think if you're the Secretary General and you're talking to Indians, the Chinese, the Americans, what you're asking for is for them to answer Jean-Marie's question.

Whether it's through a formal process or informal process, or through a series of joint episodes, they need to come to terms, collectively, about what does it mean that all have a shared interest in stability in a place like Afghanistan or Pakistan - they all have a shared interest in stability - but it's precisely as Jean-Marie says, they have different interpretations of what that is, and they have different interpretations of what happens beyond the floor.

Right? So you all have an interest in avoiding collapses. Different interests above the floor.

That's the question that they have to answer if the United Nations is going to be able to succeed in doing what it's supposed to do over the coming years.

You don't want them to go off into a room and answer that question by themselves because you'll end up with an extremely ugly answer in human rights or humanitarian terms.

You want them to answer that question within the confines of some sort of U.N. process. So there are some constraints on the kinds of answers that they come up with.

And lastly, on Richard's point about sort of the consequences of bombing Iran in the Council.

I have long been of the view that Iran will end up being the great test of U.S. major power relations in the coming period of international order, in the coming period, and there are two things that could happen, which would be fundamentally destructive.

One is that the United States acts without at least tacit support from the major and the rising powers. A questionmark in my mind whether it's a wise decision to seek active support in the Council ... tacit support. One thing that could be fundamentally destructive.

And the second is that the United States and the emerging powers collectively fail to manage the problem. And you have an arms race in the Middle East, which undermines the entire infrastructure of international security.

Those two outcomes are fundamentally disruptive. It means there's only one pathway forward which is the problem is managed, whether that's diplomatically or militarily by the United States and the major powers and the emerging powers, in some joint process. I would guess through the Security Council but not necessarily formally through the Security Council if you see the distinction.

My guess is you'll come to a point where everybody sees a common need for how to handle it, but don't want to be asked to stand up in the Security Council and say, "aye," and that a kind of quiet - you know the word I'm looking - compendium on this thing is better than a kind of forcing of the vote.

That's the negative scenario, assuming the kind of diplomatic scenarios don't work in the meantime. But I fear they won't.

TRAUB: Any of you have any other thoughts on just that Iran question that Richard posed, that Bruce spoke to? [PAUSE]

TALBOTT: Well, I guess all politics is still national. And so much depends on what the hell is happening inside Iran. We tend to look at this from the vantage point of those institutions and actors that we understand, and I think - there may be people in the room who are deeply-wise about what's happening in Iran. I'm sure not one of them.

And it's very, very hard to call how that's going to break.

TRAUB: Well, we've reached - we've almost reached 5:30. I'm actually struck by the more hopeful tone I think from the latter half of our discussion -

[LAUGHTER] - than the first half. The sense that as Strobe said, there is a kind of ideological or rule-oriented convergence that has never existed before.

The sense that Homi talked about, that being tied into the global marketplace gives countries a sense of common purpose that they hadn't had before as well as some of the examples that Bruce gave of surprising acts of comity.

So on the one hand - and I think also Jean-Marie to some extent also answering Steve's question by saying, "Yes, it's the presence of institutions, of global institutions, that make it possible to mediate problems which otherwise would be left to evolve on their own and therefore would lack that kind of circuitbreaker."

So there is at least the sense that there was something in the underlying structure of international relations now which operates against the tendencies towards chaos that we're so aware of in regard to terrorism and weak states, and so forth.

So we have the somewhat positive structural dynamics as against the deeply-unpredictable nature of the kinds of transnational problems that we have.

So I think it's really been very - really, really - instructive that way, and I just want to thank all of our speakers for making I think just tremendously-useful contributions, and I also would like to thank the folks who were on the NGI Team, which is Toni Harmer, Devorah West, and Richard Gowan, as well as Michele Shapiro and Antonie Evans of CIC, who have made this event possible.

I've also been asked to note that the video of this event will be online immediately. So those of you who didn't feel you had experience it directly very well can now experience it as it were vicariously.

The transcript will be available tomorrow, if you can wait until then. [LAUGHTER] And there are refreshments that will be located outside. So thank you all very much for coming.

[APPLAUSE]

[END OF SESSION]