



Organizing for **Influence** UK Foreign Policy in an Age of Uncertainty

A Chatham House Report
Alex Evans and David Steven



CHATHAM HOUSE

www.chathamhouse.org.uk

Organizing for Influence

UK Foreign Policy in an Age of Uncertainty

A Chatham House Report

Alex Evans and David Steven

June 2010



CHATHAM HOUSE

www.chathamhouse.org.uk

Chatham House has been the home of the Royal Institute of International Affairs for ninety years. Our mission is to be a world-leading source of independent analysis, informed debate and influential ideas on how to build a prosperous and secure world for all.

© Royal Institute of International Affairs, 2010

Chatham House (the Royal Institute of International Affairs) is an independent body which promotes the rigorous study of international questions and does not express opinion of its own. The opinions expressed in this publication are the responsibility of the authors.

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical including photocopying, recording or any information storage or retrieval system, without the prior written permission of the copyright holder. Please direct all enquiries to the publishers.

Chatham House
10 St James's Square
London, SW1Y 4LE
T: +44 (0) 20 7957 5700
F: +44 (0) 20 7957 5710
www.chathamhouse.org.uk

Charity Registration No. 208223

ISBN 978 1 86203 234 7
A catalogue record for this title is available from the British Library.

Designed and typeset by Soapbox Communications Limited
www.soapboxcommunications.co.uk

Printed and bound in Great Britain by Latimer Trend and Co Ltd

The material selected for the printing of this report is Elemental Chlorine Free and has been sourced from well-managed forests. It has been manufactured by an ISO 14001 certified mill under EMAS.



Contents

About the Authors	iv
Acknowledgments	v
Executive Summary and Recommendations	vi
1 The Age of Uncertainty	1
Britain under pressure	1
The long crisis	2
A global challenge	3
A global role	5
2 From Risk to Resilience	7
Strategies for resilience	7
National security	7
Global systems	8
Fragile states	9
A long game	9
3 Governing in an Uncertain World	10
Towards policy coherence	10
Coherence on national security	10
Coherence on global systems	11
Coherence on fragile states	12
Government on trial	13
4 Organizing for Influence	14
A theory of influence	14
Internationalizing the reform agenda	15
Leadership	15
Alliances and networks	16
Intelligence	17
Legitimacy	18
Resources	19
5 Conclusion: Making the Change	22
Notes	23
Project Information	24

About the Authors

Alex Evans is a Non-Resident Fellow at the Center on International Cooperation (CIC) at New York University, where he works on resource scarcity, climate change and multilateral reform. Before joining CIC in 2006, he was Special Adviser to the Rt Hon. Hilary Benn MP, then UK Secretary of State for International Development.

David Steven is a Non-Resident Fellow at CIC, where he specializes in risk and resilience, and new approaches to influence and foreign policy. He is a Demos associate, a member of the advisory board of JLT's World Risk Review, and a board director of the consultancy River Path Associates.

The authors' recent work together has included projects for the US National Intelligence Council on global climate policy; a Brookings Institution report on the long crisis facing globalization, co-authored with Bruce Jones; and

work to support the UN Secretary-General's office on setting up a new High Level Panel on Climate Change and Development. They co-edit Global Dashboard (www.globaldashboard.org), the global risk and foreign policy blog.

Michael Harvey is the researcher for this project. Before joining CIC in May 2009, he interned on the Security Programme at Demos, at the *New Statesman* magazine and on the Global Government Relations team at DLA Piper. His postgraduate research focused on conceptions of internationalism in UK foreign policy between 1997 and 2005.

This report forms part of a Chatham House project on 'Rethinking the UK's International Ambitions and Choices.' For further information, please see page 24.

Acknowledgments

The authors are indebted to the Senior Advisory Group of the project on ‘Rethinking the UK’s International Ambitions and Choices’, who shared their insights at a meeting to discuss our research.

We thank Chatham House for hosting a Working Group at which ideas for this paper were discussed, and to all members of that group for their contributions, which were made under the Chatham House Rule.

We would also like to thank members of the Global Dashboard network, a group bringing together government officials and other experts, who have contributed to the thinking in this report through a series of seminars.

We conducted a number of in-depth interviews with serving government officials as part of the research for this project, and are grateful to them for their time. Again, these interviews were conducted under the Chatham House Rule.

The report draws on joint research on the ‘long crisis’ facing globalization, conducted with Bruce Jones, Director

of the Center on International Cooperation, New York University.

Within Chatham House, thanks are due to Keith Burnet, Paul Cornish, James Dalton, Margaret May, Nicola Norton and Alex Vines for their assistance throughout. River Path’s Jane Frewer and Matt Kent also helped improve the quality of the report.

Special thanks are due to Michael Harvey on whose research large parts of this report depend and who has worked with us through many drafts, and also to the Project Coordinator, Jonathan Knight, for tirelessly shepherding the whole process.

Finally, we would like to thank Robin Niblett both for his leadership in launching the ‘Rethinking the UK’s International Ambitions and Choices’ series and for invaluable editorial guidance on this report.

June 2010

Alex Evans
David Steven

Executive Summary and Recommendations

Foreign policy in an age of uncertainty

Foreign policy and global issues barely got a mention during the election campaign – but the new coalition will not be able to ignore them in government. The global economy remains in deep crisis and many observers fear the Euro will not survive in its current form. Any number of other risks – resurgent terrorism, conflict between Israel and Iran, or between the two Koreas, a new nuclear arms race, another oil price spike, the collapse of any sizeable state – could suddenly force their way to the top of the Cabinet agenda.

Globalization is now in the midst of a ‘long crisis’ – an extended period of volatility as the world attempts to reconcile its demographic, economic and security challenges, within the constraints of scarce natural resources.

As an open society and economy, **the UK’s exposure to global risks is substantial and likely to grow.** The main sources of strategic surprise for Britain will come from beyond national borders, constraining options available to government at home.

The UK government’s international workload and demands on its resources will increase, possibly dramatically. Voters will not actively call for a more effective foreign policy, nor will policy-makers be rewarded for successful risk management. But voters will notice and criticize failures to respond to global challenges. Given the UK’s yawning

deficit, its capacity to deliver will be stretched to the limit.

The government should define its international mission as managing global risks on behalf of British citizens – by investing in a resilient global order, mitigating vulnerability nationally and internationally, and combating direct threats to national security.

It should accept the need for deep-seated changes to meet these policy goals, working to **upgrade and reform all aspects of its international programme.**

From risk to resilience

The coalition government needs to make clear strategic choices, set priorities and back them up with resources – explicitly identifying areas that it does not believe to be of primary concern.

We believe this means looking at the UK’s international agenda through three overlapping and complementary lenses:

- **National security** – increasing Britain’s resilience to transnational and cross-border threats.
- **Global systems** – building the formal and informal institutions needed to sustain the resilience of the global systems on which British citizens depend.
- **Fragile states** – addressing ‘weak links’ that have the potential to threaten both national security and the integrity of the global system.

Three steps to policy coherence

1. Avoid defining the national security mission too broadly. The new government has created a new National Security Council and installed Sir Peter Ricketts as the UK’s first National Security Adviser – important steps to defending against *direct threats* to British citizens that could have *severe consequences* for their welfare within a *limited time horizon* (say 5–10 years).

But while national security is an excellent lens for looking at Afghanistan, terrorism or Iran’s nuclear ambitions, it is

ill suited to longer-term transboundary threats, such as global economic imbalances or climate change, or to preventive action in fragile states where UK forces are not deployed, such as Nigeria.

If the national security mission is stretched to include *all* foreign policy, either longer-term issues will be crowded out or important security threats will be missed, or both. Either way, the price of national security ‘mission creep’ will be failure.

2. Seize the opportunity to transform the Foreign Office.

David Cameron, the Prime Minister, has made it clear that he wants ‘a strong Foreign Office at the heart of government’. In William Hague, he has appointed a Foreign Secretary who is willing and able to be the main driver of UK foreign policy-making.

In London, the Foreign & Commonwealth Office’s main role should be to drive strategic synthesis across the global systems brief, while still maintaining its in-country expertise. But it will only be able to fulfil this role if Hague sponsors a programme of deep-seated reform. In Whitehall, at least half of the mid-level and senior staff working on policy issues at the FCO’s headquarters should be seconded from other government departments or from outside government, ensuring an effective mix of issue and geographic expertise.

In the longer term, the government should reposition the Cabinet Office’s European and Global Issues Secretariat (EGIS) so that its head reports directly to the Prime Minister rather than to the National Security Adviser, giving global issues equal billing with national security. It should also explore on a case-by-case basis the advantages of bringing key global functions from other departments into the FCO.

3. Turn the Department for International Development into a world leader in tackling the problems of fragile states.

If the UK wants to deepen its commitment to backing the challenges posed by fragile states, it needs to remodel DFID extensively, with the department concentrating on developing a *coherent preventive agenda for fragile states*.

The Secretary of State for International Development should make it clear that where a poor country’s main need is financial, the UK will not necessarily maintain a country office – but will instead reduce transaction costs by partnering with other effective donors, or simply channelling funds through multilateral institutions such as the World Bank.

This will allow it to target its limited numbers of staff on fragile states, focusing on political influence rather than on administering aid budgets, and on strengthening coordination across an international community that usually lacks common purpose or strategy.

Organizing for influence

The new coalition has made a major commitment to political reform. We believe that there is a vital international dimension to this reform. **It will not be able to tackle crisis at home unless it improves its ability to respond to the global drivers that have made the UK’s current predicament so serious.**

The UK needs to place a coherent theory of influence at the heart of its international work, using it to drive delivery by all government departments. Arguably, no country is now powerful enough to achieve its objectives unilaterally, but the UK is *certainly* too small to act on its own. **It can only be effective by persuading others to work with it on shared goals.**

Influence starts with building *shared awareness* with other policy actors: developing the data, analysis, ideas and proposals capable of underpinning a new consensus, whether on financial institutions, resource scarcity or fragile states. **This requires the UK to excel in the role of thought leader.**

As important will be the need to build *shared platforms*, with the UK **increasing the energy and resources it devotes to networks, alliances, and international institutions**. Bilateral relationships should be managed in clearly defined clusters – so that the government as a whole pursues consistent priorities across all members of the G20, or all NATO countries, or all the UK’s counterparts in the EU.

In order to **organize for influence**, it needs to:

- Establish new standards of **leadership** on global issues, by opening civil service posts to external applicants, recruiting more ambassadors for issues, appointing ministers for cross-cutting issues, and making more strategic use of knowledge and cultural assets (both publicly funded and independent) such as the Ditchley Foundation, the Defence Academy and the British Council.
- Effectively deploy the UK's membership of key **alliances and networks**, advance its 'global competitiveness, global warming, and global poverty' agenda for the European Union, using the Toronto G20 summit to launch the Prime Minister's international agenda, and playing an active role in driving a reform agenda through NATO.
- Develop the **intelligence structures** needed to support better decision-making, by building on its commitment to open data, conducting analysis jointly with other countries in order to drive consensus, developing capacity to rehearse comprehensive responses to global challenges, and creating a 'red team' to test assumptions on global risks.
- Focus on the **legitimacy** of its foreign policy at home, by supporting a bigger role for Parliament on foreign policy, while using reform of the Lords to enhance the

capacity of the Upper House on global issues.

- Make bold decisions on scarce **resources**, conducting a first-principles review that looks across *all* UK international expenditure, allocating budgets by strategy not department, and systematically increasing 'surge capacity' to allow faster reaction to both risk and opportunity.

Above all, much will depend on the foreign policy triumvirate at the heart of government.

William Hague, as Foreign Secretary, should be given the authority to drive much greater integration in delivery, and to signal to the UK's partners that the new government is taking a fresh approach to its foreign, military and development policy.

Nick Clegg, as Deputy Prime Minister, has an essential role to play helping maintain focus on a broad and deep-seated reform agenda – which must apply as much to foreign policy as to other areas of the government's programme.

Most importantly of all, **David Cameron**, as Prime Minister, needs to set out – both at home and internationally – why his government wants to lead a new effort to manage the world's most pressing risks. He has to convince British citizens and other governments of the urgency of the task ahead. And he needs to do that in the early days of his term in Number 10.

1. The Age of Uncertainty

Britain under pressure

The 2010 election has given the UK a formal coalition government for the first time since the Second World War. The new Conservative Prime Minister, David Cameron, and his Liberal Democrat Deputy Prime Minister, Nick Clegg, have come to power at a time of grave crisis. There is no honeymoon. They find themselves under pressure from their first days in office.

As in all elections, the parties battled for power on the familiar turf of domestic policy. In the run-up to the polls, the issues that most motivated voters were the economy, immigration, and the health service.¹ The televised ‘foreign policy’ debate between party leaders included only a few perfunctory questions on global issues. Many viewers responded with a collective sigh of relief when the moderator moved back to Parliament’s expenses scandal and free eye tests for pensioners.

After an inconclusive election result, the Conservative and Liberal Democrat parties came together on the basis of an interim coalition agreement that commits them to working together as a ‘strong and stable government’ and sets as its overriding priority the twin goals of deficit reduction and economic recovery.²

The coalition’s plans are set out in more detail in its Programme for Government, published shortly after the State Opening of Parliament. In it, the Prime Minister and Deputy Prime Minister express determination to build a free, fair and responsible society, based on ‘our ambition to distribute power and oppor-

tunity to people rather than hoarding authority within government’.³

Before the election, there were dark warnings of the dangers that a hung parliament would bring, including from David Cameron, the man who subsequently decided to form a ‘bigger, better coalition for the good of the country’.⁴ The fear was that political uncertainty would be punished by global financial markets, with the UK’s AAA credit rating at risk, and a downgrade threatening to drive up the cost of funding a public-sector deficit now running at 12% of GDP. In the worst case, the market for UK government debt could dry up altogether in a year when the government hopes to issue £187bn of gilts.

Now, the new government hopes it will be given the time and space to complete the fiscal retrenchment that will define this Parliament. The task that faces it is daunting. According to Simon Kirby from the National Institute of Economic and Social Research:

Halving the level of borrowing by 2014 requires plans to tighten the public finances by a further £30 billion a year (in today’s money) between 2011–12 and 2013–14. Even after this consolidation a structural deficit of around 4 per cent of GDP remains.⁵

Initial signs are that markets, and rating agencies, are prepared to offer some breathing space. But there are worrisome dangers ahead. At home, tax increases or spending cuts have the potential to stop a fragile recovery in its tracks, further reducing government income that has dropped nearly 8% from its peak in 2008.⁶

Nor can the UK insulate itself from a world economy that remains in deep crisis. Global markets plummeted on the evening of the general election, for reasons that are still not clear but appear to have stemmed from a mix of trader error, fallible market structures and heightened levels of risk aversion. Even as UK parties attempted to hammer out a deal in the days after the vote, European countries were forced to mount a ‘shock and awe’ response to growing panic in the Eurozone, as European Commission President José Manuel Barroso begged German Chancellor Angela Merkel to ‘help save the Euro’.⁷ While the initial response to the emergency package was positive, market sentiment has

quickly cooled. Merkel herself has publicly admitted that the Euro risks collapse.⁸

Further twists to the financial crisis threaten to prevent David Cameron and Nick Clegg from maintaining a steady course at home. Other global forces too have the potential to upset their plans and constrain their latitude for action. Resurgent terrorism, conflict between Israel and Iran, or between the two Koreas, a new nuclear arms race, another energy price spike, or the collapse of any sizeable state could all act as game changers, reshaping the UK's strategic context and elbowing their way to the top of the Cabinet agenda.

Voters may have elected the new government to deliver a domestic programme, but they will be quick to punish any failure to repel threats that come from abroad. The government will soon find that, without a genuinely global perspective, it has little chance of steering the UK through the obstacles thrown up by an uncertain and volatile world. As Robin Niblett has argued, the UK must now 'play to its strengths' internationally, using its scarce resources to protect an open global system that now faces real and pressing peril.⁹

The long crisis

The new government's misfortune is to have taken office as globalization has entered a highly unstable phase.

Economies are tightly integrated, and national borders are highly permeable. At the same time global systems are facing intense stress:

- The world's population exploded in the post-war period and has grown by almost a third in the past twenty years. Fragile states are struggling to meet the needs of a young and increasingly urban citizenry, while emerging economies are competing hard for access to natural resources. The effort to develop a comprehensive global approach to climate change has failed.
- The global economy has proved much more volatile than most analysts predicted before the financial crisis (US Fed Chairman Ben Bernanke, for example, hailed a 'great moderation' that had seen 'substantial decline in macroeconomic volatility').¹⁰ In less than fifteen years, a series of shocks has shown how

Table 1: The long financial crisis

1997-98	<p>Asian financial crisis</p> <p>Attacks on pegged currencies and outflow of capital from many Asian countries. Contagion spreads to Russia (causing collapse of US hedge fund, Long-Term Capital Management) and Brazil. US Federal Reserve reacts to an unprecedented loss of liquidity. Asian countries start to build a 'war chest' of foreign currency reserves to protect against future crises.</p>
2000-01	<p>Dotcom crash</p> <p>Bursting of bubble in technology stocks leads to one of the greatest destructions of capital in history. After 9/11 worsens the gloom, US Federal Reserve pushes interest rates to very low levels until 2004.</p>
2008 -	<p>Global financial crisis</p> <p>Asset price bubble bursts. Losses in US sub-prime market lead to a sustained banking crisis and the near breakdown of the global financial system. Alan Greenspan in a state of 'shocked disbelief'. Central banks respond with rock-bottom interest rates and an even greater injection of liquidity.</p>
2010 -	<p>European sovereign debt crisis</p> <p>Greece bailed out by Eurozone members and the IMF, as contagion threatens to spread to Portugal, Spain, Italy and Ireland, and threatens banks in Germany, France and other European countries. A 'shock and awe' bailout package only briefly impresses markets.</p>

Sources: C. M. Reinhart and K. S. Rogoff, *This Time is Different: Eight Centuries of Financial Folly* (Princeton, NJ: Princeton University Press, 2010); P. Blustein, *The Chastening: Inside the Crisis that Rocked the Global Financial System and Humbled the IMF* (New York: Public Affairs, 2001); The Federal Reserve Board, speech by Governor Ben S. Bernanke, 'The Global Saving Glut and the U.S. Current Account Deficit', March 2005.

vulnerable national economies are to bubbles, panic and financial contagion (see Table 1).

- Hard security threats are also changing. Technology has created new sources of strategic surprise, opening up fresh potential for asymmetric conflict, increasing the chances of nuclear, biological, or chemical attacks – albeit of lower likely severity than in the Cold War – and offering poorly understood opportunities for disruption of the energy, economic and communication systems on which globalization depends.

We have been here before. The early twentieth century, too, was defined by the ebb and flow of globalization. A hundred years ago, money, people and ideas were able to pass freely across national borders – a state of affairs that appeared, as Keynes observed, ‘normal, certain, and permanent, except in the direction of further improvement.’¹¹ A few years later, when the First World War devastated Europe, it became clear how fragile the ‘first globalization’ had really been.

As stresses like population growth, inequality and global economic imbalances built up, so too did the price of failure. Technological change had dramatically increased the dangers of war, while European governments were locked into a political system that exacerbated rather than controlled tension. The stage was set for European governments to blunder into the Great War. With the subsequent Great Depression, and the era of protectionism, fascism and communism that followed, it took most of the rest of the century for globalization to recover its lost ground.

Now, as the world again attempts to reconcile its demographic, economic and security challenges, within the constraints of scarce natural resources and even more limited capacity for international cooperation, a new ‘long crisis’ of globalization is coming to a head.¹² This raises pressing questions for the coalition government – the new Prime Minister risks finding that his time in office corresponds with a series of shocks to a world that has few buffers left against crisis. This will have an enormous impact on the UK’s open society and economy, threatening the government’s ability to stay in office, govern effectively and fulfil its promises to the country.¹³

A global challenge

David Cameron’s challenge will be to govern in an age of uncertainty, and respond to an era in which the UK is far from being in control of its own destiny. Over a decade that began with the shock of 9/11 and ended with the credit crunch, national governments have consistently overestimated both their ability to foresee international challenges and their capacity to respond to them effectively. At the same time, they have seldom had the levers to manage risk effectively.

Most global risks pose complex collective action challenges, yet governments are hamstrung by strong pressures driving them to compete rather than cooperate, and in particular by the fact that political incentives do not favour risk management. While vast resources can be brought to bear on fire-fighting obvious crises (such as the credit crunch or Greece’s implosion), or when the decision has been taken to fight a war (Iraq, Afghanistan), governments gain minimal credit when they invest successfully in resilience (as in the case of swine flu). They are blamed when they fail to respond to a risk (quite rightly), but find it hard to win the support from society needed to underpin bold and far-sighted action that could prevent such risks from erupting in the first place.

The UK is perhaps the only country of its size, resources and assets to continue to play a global role, given its history, its position as a global hub (for instance through the English language, the role of the City of London, its universities, etc.), and its membership of international clubs (the Security Council P5, European Union, Commonwealth, NATO, G8, G20, etc.).

But the UK’s relative influence is clearly on the wane, as economic and political power shifts from the West to China, India and other rising powers. The European Union has failed so far to fulfil its potential as an aggregator of its members’ influence. The effects of the entry into force of the Lisbon Treaty are still uncertain. The EU’s failure to respond promptly to chaos in the Eurozone has raised further questions about its ability to act in concert, even when forced to the brink in an emergency.

The UK finds itself too weak to act on its own but unable to guarantee that its voice will be heard in Washington, or

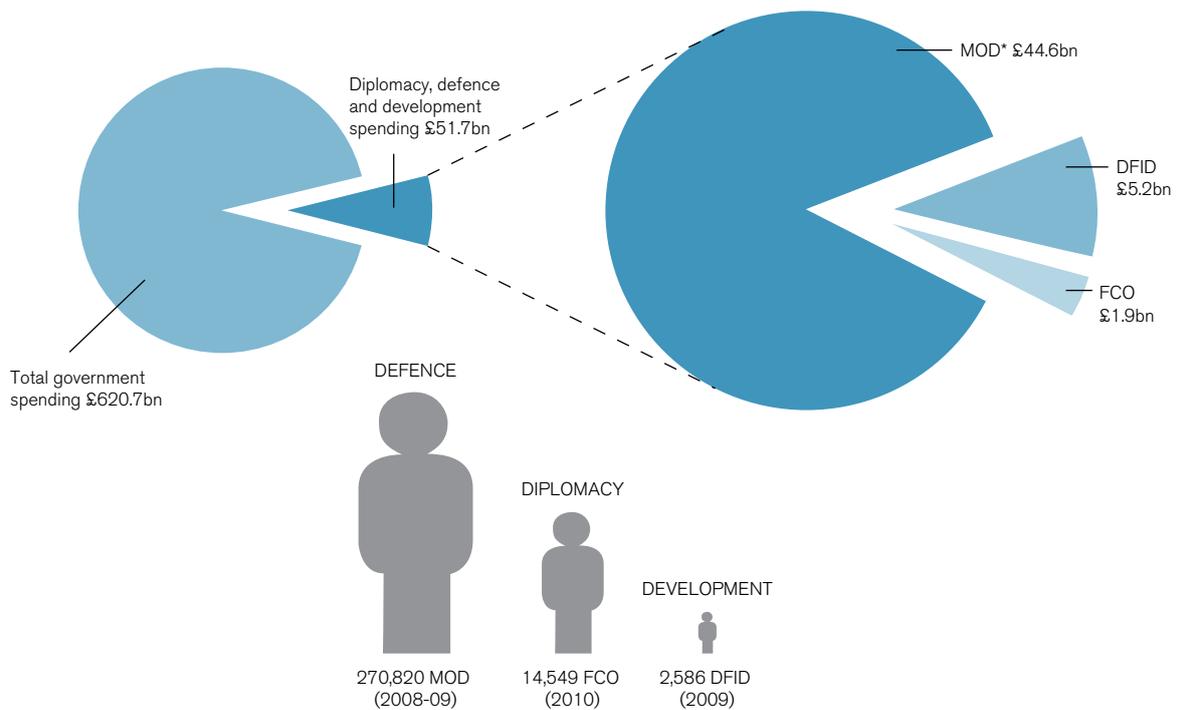
that it will be able to achieve its objectives via Brussels. It risks finding itself without any clear platform for engaging with the rising powers that will determine the next evolution of its geopolitical environment.

It is also hampered by its chequered international track record over recent years. Britain suffered a significant loss of international legitimacy over the decision to invade Iraq, and in Basra found its reputation for being able to fight insurgencies called into question. It was one of the most persistent cheerleaders for financial deregulation, and faces the humiliation of having to re-argue the case for the Anglo-Saxon economic model.

Now, budgetary pressures threaten to erode the UK's international visibility and reach still further (see Figure 1).

Already, the FCO has experienced a major financial shock as the pound has weakened, losing £100m out of a budget for overseas posts of £830m owing to a decision by the Treasury no longer to insulate it against exchange rate fluctuations.¹⁴ The MOD faces a substantial and growing funding gap, with the National Audit Office warning that, if defence budgets are frozen over the next ten years, the department faces a £36 billion deficit on its major military equipment projects.¹⁵ And while the new government has

Figure 1: The UK government's international expenditure, 2008–09



There are no consistent figures for the government's international expenditure, outside core departments. Key budgets include:

- £1.8bn for Security Services
- £826m to the Office for Security & Counter-terrorism
- £12.7m operating costs associated with the HM Treasury objective 'international financial stability'
- £463m for the Serious Organised Crime Agency
- £1.6bn for UK border control
- £95m on UK Trade & Investment†
- £8m for developing an international climate agreement

*MOD budget includes money from the Treasury Reserve to pay for operations, so the £44.60 billion is higher than the actual MOD budget.

†UKT&I budget split between parliament direct, the FCO and (the former) DBERR.

Sources: Guardian/Institute for Fiscal Studies, 'UK public spending by government department', *Guardian Data Blog*, 17 May 2010 (originally published September 2009), <http://tinyurl.com/38gbxgz>; government departmental annual reports for 2008–09.

pledged to protect the 0.7% overseas aid target,¹⁶ DFID faces major pressure on administration costs and staff numbers, which will challenge its ability to spend development assistance effectively.

At the same time, international departments' *mode of operation* is becoming more complex. Risks cut across issue and organizational silos. Few can be managed effectively without collaboration between complex networks of state and non-state actors. The challenge is magnified by the modern media environment, where the news cycle has grown ever more frenetic, even as new forms of social media have increased connectivity across borders, and the volume of content created.

The government's hierarchical 'command and control' management systems are poorly configured to deal with the fast-moving nature of influence, communications and coalition-building. To be effective, UK foreign policy practitioners must be able to operate in ambiguous environments – which in turn requires them to have significantly increased operational latitude, with room to improvise, exploit short-lived windows of opportunity and develop new types of partnership.

A global role

As this brief review has shown, the British government will face competing pressures over the coming decade. The UK's exposure to global risks is substantial and likely to grow. The main sources of strategic uncertainty will come from beyond national borders, constraining the options available to government at home.

Because of globalization's current instability, risks are likely to proliferate rather than ease. Each new crisis will create political aftershocks, with expectations that the government will clear up the mess matched by demands to know why it failed to prevent the problem in the first place.

As a result, the government's international workload and demands on resources will grow, possibly dramatically. Global forces will continue to have considerable impact on the lives of British citizens. Unless there is a pronounced reversal of globalization, the need for effective management of global challenges will only increase.

As budget cuts bite, the government's capacity to respond will be strained. Without deep-seated reform, it will find itself unable to meet its policy goals. Even as he struggles to hold together a coalition government, the Prime Minister will find an increasing proportion of his time is drawn from the domestic to the international agenda.

In the face of these pressures, the government should:

1. **Redefine its international mission as managing global risks on behalf of British citizens**, effectively striking the following bargain: citizens benefit from (and, through their interactions, expand) the opportunities that an open global system offers – thus paying for the public goods provided by governments. The UK government, in return, will work with other governments to protect and insure citizens from risk – by investing in resilient global systems, mitigating vulnerability nationally and internationally, and combating direct threats.
2. **Build consensus on what government is 'for' in the international context** – even as the diverse nature of British society and a frenetic media cycle make this consensus hard to achieve in the first place, let alone sustain. This will require strong leadership, and a willingness to articulate the tough international choices that the UK faces.
3. **Upgrade all aspects of its international work**, based on the commitment made by the coalition to 'turning old thinking on its head and developing new approaches to government.'¹⁷ Reform must be guided by the need for comprehensive responses that bring together diplomatic, development, domestic and – in some cases – military actors; and the requirement for greater prioritization at a time when the UK's standing continues to be weakened by the economic crisis, and when it is likely to prove exceptionally difficult to make headway on key issues.
4. **Accept that the UK's international investment will only be effective if other countries – and not just its close allies – make a similar commitment to tackling global challenges**. Much greater interoperability between governments is needed if successful

outcomes are to be achieved. The UK should be at the forefront of a major strategic and operational shift in which the United States, European countries, China and other members of the G20 also upgrade their

international capacity for risks to be managed effectively. In many cases, the UK's main role may be to persuade *others* to devote more energy, resources and political will to global challenges.

2. From Risk to Resilience

Strategies for resilience

How then can David Cameron's government tailor an international strategy for the challenges of an age of uncertainty?

The strategy needs to be comprehensive, covering the full extent of the UK's international relations. It should make clear strategic choices, set priorities and back them up with resources – explicitly identifying areas that the government does not believe to be of primary concern. And it needs to reform structures, organizations and working practices, which must be prevented from reverting to business-as-usual.

Given the disparate and unpredictable nature of the threats facing the UK, we have argued that the coalition should place *risk* at the heart of this strategy, focusing scarce resources on the most pressing dangers facing citizens. However, the strategy should not be rigid, or based on a misplaced confidence that the government can be sure where trouble will come from in the future. Instead, its ultimate goal should be to increase the UK's *resilience*, adopting a set of strategies that make society better able to defend itself from attack, absorb shocks and adapt to future challenges.

We believe this means looking at the UK's international agenda through three overlapping and complementary lenses:

- *National security* – increasing Britain's resilience to transnational and cross-border threats.
- *Global systems* – building the formal and informal institutions needed to sustain the resilience of the global systems on which British citizens depend.

- *Fragile states* – addressing 'weak links' that have the potential to threaten the integrity of the global system.

National security

National security covers those issues that pose immediate threats to the livelihoods of British citizens – and requires integrating a range of the government's international and domestic capabilities.

The 2008 National Security Strategy (updated in 2009) began the process of setting out a comprehensive approach to 'providing security for the nation, safeguarding our citizens and our way of life'.¹⁸ The coalition has announced its intention to extend and deepen this commitment to a national security paradigm. It appointed the UK's first National Security Adviser and held the inaugural meeting of its newly formed National Security Council on its first day in office, and will shortly publish a new National Security Strategy.

We support this direction, with the caveat that national security will be badly served if the concept is allowed to become *too* broad. The UK's international mission will not be helped if an attempt is made to bracket *all* of its strategic objectives under the national security rubric.

We therefore favour a tightly defined focus for a new national security strategy that:

- Includes *direct threats* to British citizens that could have *severe consequences* for their welfare, within a *limited time horizon* (say 5–10 years).
- Excludes a broader agenda that may have *indirect security implications* or threaten security over the *longer term*, or where security is only one of the UK's motivations for action.

Under this approach, risks such as terrorist attacks, organized crime, natural disasters and cyber-attacks on the UK's critical national infrastructure would be seen through a national security lens, as would hard security issues such as Afghanistan (or any other military deployment) or Iran. Risks such as climate change, resource scarcity or global economic imbalances, on the other hand, would not.

This would make the UK model quite different from that of the US National Security Council, which has an overarching remit covering the whole of foreign policy but has failed to give sufficient attention to long-term strategic goals, and which – in contrast to the UK NSC – does not have responsibility for domestic risks (these fall under the remit of the Homeland Security Council, although President Obama has merged the national and homeland security staffs that serve these committees).¹⁹

We believe a sustainable model for the UK requires:

- Making national security the bedrock of the government's approach to managing risk on behalf of its citizens, eroding the boundary between domestic and foreign policy in pursuit of the *resilience of UK society*.
- Developing a complementary focus on *international resilience*, both *systemically* – the global system as a whole – and *locally* in fragile states around the world.

Global systems

At an international level, a strategic approach is needed if the UK is to contribute to the emergence of resilient global systems.

Cross-government delivery is *at least* as important in this area as it is for the national security portfolio, and has seldom been delivered – or even really pursued – by previous governments. The coalition is already committed to working for global institutions that 'reflect the modern world'. It now needs to go beyond this to develop an ambitious agenda for developing existing institutions – both formal and informal – that will enable the world to *function* more effectively.

The most important policy initiatives will, inevitably, be driven from the centre. David Cameron will spend a considerable proportion of his time on international policy, as world leaders grapple with the overlapping problems facing globalization. Recent years have seen the emergence of an active network between leaders – *hyperactive* at times of crisis – as they increasingly deal directly with each other.

While the Prime Minister will want to make a decisive contribution to these discussions, he will not have the time to run an effective foreign policy from Number 10 (although

there are times when he will be tempted to try). During his period in office, the number of countries with a significant voice on key issues will continue to grow. At the same time, the international system will become more complex, as the existing international architecture is overlaid by new types of organization, alliance and network. The demands of this agenda will far exceed the capacities of the small team that surrounds the Prime Minister in Downing Street and the Cabinet Office.

“Recent years have seen the emergence of an active network between leaders – *hyperactive* at times of crisis – as they increasingly deal directly with each other”

Consequently, the government urgently needs to agree a unified strategy on global issues. This strategy should drive the international work of *all* government departments: not only the Foreign Office, though its role will clearly be crucial, but also those with primarily domestic remits (and those that have made a unilateral declaration of independence on the policy briefs on which they lead – the Treasury, in particular). It will also need to clarify the relationship between Number 10, the Cabinet Office and line departments, creating a coherent and comprehensive delivery system for key strategic objectives.

Two immediate priorities should sit at the heart of this strategy. Both will be critical to demonstrating that the global system is able to address challenges that have substantial impact on the lives of British citizens. These are:

- Building a more stable *global economy*, a task that involves re-regulating financial institutions, tackling global imbalances and increasing capacity to manage sovereign debt crises; and
- *Tackling climate and resource scarcity*, where the challenge is to promote an integrated, multilateral and rules-based approach to managing strategic resources such as energy, food, land and water, while exploring how the 'ambitious global climate deal' called for in

the coalition's Programme for Government can be agreed in the wake of Copenhagen.²⁰

In both areas, British effectiveness will rest on the new government's willingness to challenge the status quo – especially during a fluid first year in which David Cameron will be seen as bringing a fresh perspective to global challenges.

The Prime Minister will also need to make clear, to both international and domestic audiences, that he wishes to lead a major change in the UK's strategic posture. Over the past generation, the UK has assumed that globalization is effective and stable, albeit that its institutions need to be strengthened, its reach widened, and its benefits spread more widely. Today, these assumptions no longer hold. Can the triumvirate of Cameron, Clegg and Hague develop a coherent vision for the future of the global order? Can they explain how they believe global systems can be made more resilient? And will the government work as a unified whole, acting to influence others to join in and make this vision a reality?

Fragile states

The final strategic lens concerns fragile states – those countries that failed to prosper during an era of relatively buoyant growth, and that risk falling even further behind as the world struggles to adjust to new realities.

The waning of enthusiasm in the UK, Europe and the US for military intervention suggests that the post-Cold War 'moment' of peace enforcement missions and attempts at state-building is nearing an end. The West's campaign in Afghanistan appears at risk of reaching an impasse. Darfur demonstrated that international agreement of a 'Responsibility to Protect' in 2005 has meant little in practice. Even when peacekeeping succeeds, the international community struggles to achieve a resolution of the underlying political, social or economic tensions that led to conflict erupting in the first place.

Yet it is too early to declare the end of the 'era of intervention'. As Robert Cooper has argued, 'we may not be interested in chaos, but chaos is interested in us.'²¹ A state that poses a serious threat to others – by harbouring terrorists or destabilizing its region, for example – cannot

be left to its own devices and will, at a minimum, need to be 'quarantined' from the wider system.

The new government should:

- *Focus the UK's development programme on building more resilient societies*, through targeted support for stronger institutions, economies and civil society in fragile and vulnerable states, and by investing in the resilience of poorer communities through risk-based approaches to development such as social protection, peacebuilding, disaster risk reduction and climate adaptation.
- For more secure developing countries, *direct an increasing proportion (and eventually all) of the UK's support through multilateral institutions or other mechanisms that bring together coalitions of donors* – thus lowering transaction costs for developing-country governments, building the capacity of multilateral mechanisms, and allowing the UK's limited personnel to be targeted at a growing specialism in state fragility.

A long game

A new approach to national security has the potential to make a significant contribution to countering immediate and pressing threats facing the UK.

But while national security offers an excellent lens for looking at *direct and immediate threats* to British citizens, a focus on national security will not suffice on its own.

As we have argued in this chapter, if the national security mission is stretched to include *all* foreign policy, either longer-term issues will be crowded out or important security threats will be missed, or both. Either way, the price of national security 'mission creep' will be failure.

The challenges of building effective global systems and strengthening fragile states are distinct and must be treated as such, both at a strategic level and – as we will argue in the next chapter – operationally.

By attempting to increase resilience – nationally, internationally and in the world's weakest states – the coalition can take the essential first steps to reorient Britain's international policy towards dealing with the age of uncertainty in which it finds itself.

3. Governing in an Uncertain World

Towards policy coherence

National security, global systems and fragile states offer three strategic lenses through which all dimensions of British foreign and security policy can be viewed.

For each of them, we envisage a decisive shift away from departments being left to run ‘their’ areas without interference – and towards a much more integrated approach. In practice, this would entail:

- *Cross-government assessment* of the key issues, and development of potential solutions, conducted by cross-departmental teams with a remit to challenge existing assumptions and structures – and including new Cabinet-level horizon-scanning exercises in each area as a means of building shared awareness of common risks and challenges.
- A regular *strategic review* of the UK’s objectives and capabilities, undertaken during the run-up to the Comprehensive Spending Review, and then underpinned by budgets geared towards strategic objectives rather than departments – and with a bias towards a small number of substantial and consequential successes rather than a jumble of ‘little wins’ which, together, deliver less than the sum of their parts.
- *Reporting of impact* against desired strategic outcomes, again performed on a whole-of-government basis.

In both decision-making and delivery, the overall approach would be designed to yield *effective mechanisms for forcing*

synthesis – across issues, sectors, geographies and departments, thus allowing a truly comprehensive approach to the UK’s foreign policy.

Inevitably, there would be some overlaps between the three strategic dimensions – but overall they describe domains of activity that require different ambition, approaches and appetite for risk (see Table 2). They *must* be treated differently. A one-size-fits-all approach may look neat on the government’s organogram – but it will not withstand the rigours of the real world.

Coherence on national security

National security relies on a very low tolerance for risk. The UK’s territorial integrity, the safety of its citizens and the functioning of its critical national infrastructure are objectives that cannot be compromised. The goal is to *avoid* failure, despite conditions of considerable uncertainty. As a result, the government has to be sensitive to weak signals that warn of an impending crisis, embrace the complexity of both problems and solutions, and be committed to learning from failure.²²

Achieving resilience in this area will depend on recognizing that the UK’s values must not be compromised in the pursuit of physical security, whether at home (where basic liberties must be protected) or in conflict zones overseas (where protagonists are involved in a competition for ‘influence and control at the grassroots level’).²³

At the same time, achieving a coherent approach will depend not only on bringing together the activities of the Intelligence Services, Home Office, MOD, parts of the FCO, the military, police, Civil Contingencies Secretariat, Serious Organised Crime Agency and so on, but also on looking outwards: recognizing cohesive communities as an integral part of achieving security, not just in traditional roles such as providing volunteers for the military, but also in broader efforts to create a resilient society.

Effective delivery of this agenda will rest on:

- Strong leadership from the new National Security Adviser, Sir Peter Ricketts, whose challenge will be to (i) clarify and define his remit (direct, serious

Table 2: Strategic dimensions of UK policy

	National security	Global systems	Fragile states
Challenge	Immediate and direct threats to UK citizens	Building resilient global systems	'Weak links' in the global system
Response	Highly risk-averse	Ambitious, risk-taking	Patient progress over years/decades
Issues	<ul style="list-style-type: none"> ▪ WMDs ▪ Terrorism ▪ Critical national infrastructure ▪ UK military deployments 	<ul style="list-style-type: none"> ▪ Global economy ▪ Resource scarcity and climate ▪ Building the alliances needed to deliver change 	<ul style="list-style-type: none"> ▪ Strengthening institutions in-country ▪ Community resilience ▪ Creating conditions for economic and human development

and immediate threats); (ii) review and update the National Risk Register; and (iii) lead both the Strategic Defence Review announced in the government's Programme for Government, and the third iteration of the UK's National Security Strategy.

- A commitment to bringing all budgets for national security under the control of the new National Security Council (with its subsidiary committees on UK resilience and nuclear weapons), allowing resources to be allocated according to strategy, ensuring that the National Security Adviser has real power and influence, and allowing for hard decisions to be taken on unaffordable military procurement programmes.²⁴
- Willingness to contemplate radical changes in the machinery of government, including the breakdown of barriers between military and civilian organizations, and between the three military services.

Coherence on global systems

A commitment to building strong **global systems**, meanwhile, requires a very different stance.

Globalization's 'long crisis' demands a willingness to challenge assumptions and established patterns of thinking. Reforms will never be achieved without a hard fight. Those working in this area cannot afford to be risk-averse and need to be prepared to tolerate failure in the pursuit of ambitious goals. Instead of acting like bank managers, pursuing modest wins across a broad portfolio,

they need to follow the example of venture capitalists – pursuing a small number of prospects with high potential, and expecting the occasional 'big win' to compensate for a greater number of investments that fail to deliver results.

Delivery of this agenda rests on the vexed question of the future role of the Foreign Office. The FCO has suffered badly in recent years. As Foreign Secretary, David Miliband boosted the department's self-respect, but he was not part of the Prime Minister's inner circle – meaning that the FCO was still too often left on the sidelines (as in the run-up to the London G20 Summit, for example).

Looking to the future, we see two options for the department:

- A *back-to-basics* reform of the FCO, paring the department back to focus on its traditional core business of (i) running a network of embassies, (ii) providing a geographical perspective on policy to the rest of government, and (iii) offering consular services to UK citizens.
- *Radical reform* that would rebuild the FCO's London headquarters around the primary role of strategic synthesis on the UK's global issues objectives – a role that would enlarge its responsibilities and bring it much closer to the centre of government, but require far-reaching operational changes – while still firmly maintaining the FCO's in-country expertise.

Many will see reasons to support the first option. The FCO excels at this work, and would probably prefer to stay in the comfort zone of its overseas network and bilateral relation-

ships. Recent years have shown that global issues are far from being a core concern for the department (with climate change as a notable exception). The decision to relegate key global issues – including climate, conflict prevention, global economic issues and the UN – to Parliamentary Under-Secretary of State level is a further unwelcome sign. The FCO is also unlikely to favour a radical restructuring of its King Charles Street operation in Whitehall, especially if it would complicate career paths for its diplomatic staff.

However, we fear that this route would lead to an ongoing downgrade and marginalization of the existing FCO – and would still require the same strategic synthesis and campaigning capacity to be created elsewhere in government. We believe that, in William Hague, the UK has a Foreign Secretary with the credibility and connections to drive deep-seated reform, who fully intends to be the main driver of UK foreign policy-making. David Cameron has also made it explicit that he believes in ‘having a strong Foreign Office at the heart of government with a really big figure leading [it]’²⁵

We therefore believe that William Hague should explain to his new department that it *must* be prepared to consider far-reaching steps to secure its future, developing a strategic role at the heart of the government’s response to globalization’s long crisis. This means that at least 50% of the mid-level and senior staff working on policy issues at its London headquarters should be seconded from other government departments – making the FCO less like other Whitehall line departments and more like the Cabinet Office. This shift would both ensure an effective mix of issue and geographic expertise, and begin the process of transforming the FCO into a department able to use its geographic network to respond effectively to global issues.

In the longer term, it will then be possible to:

- Explore on a case-by-case basis the advantages of bringing key global functions from other departments into the FCO – such as DECC’s work on European energy security, oil markets and international climate change; the roles of BIS and DEFRA on international trade; HM Treasury’s lead on international financial regulation and global economic imbalances, and so on.
- Reposition the Cabinet Office’s European and Global Issues Secretariat (EGIS) so that its head reports

directly to the Prime Minister rather than to the National Security Adviser – giving global issues equal billing to national security.

- Set up a new Cabinet committee, focused on global issues – chaired, like the National Security Council, by the Prime Minister, with the Foreign Secretary as his deputy, to ensure that long-term risks to the UK receive the necessary ministerial airtime.

Coherence on fragile states

Effective delivery on **fragile states** also requires significant overhaul of how the UK organizes for influence.

The vulnerability of the most fragile states stems not only from their own institutional deficiencies, social divides or histories of conflict, but also from exposure to exogenous drivers: arms sales, OECD agriculture subsidies and biofuel support regimes, foreign policies that act as recruiting sergeants for insurgencies, or economic shocks such as oil spikes or credit crunches that can have a sudden and devastating impact on weak governments and societies.

Supporting the emergence of effective states relies on political influence as much as on aid volume. It requires strong coordination across an international community that usually lacks any common purpose or strategy. In post-conflict zones, the relationship between military and civilian actors is also of crucial importance. Sustainable gains require years, and even decades, of patient support in the field. However, ‘quick wins’ will often also be needed to build confidence, along with a rapid response to major reversals (a failed election, the outbreak of conflict, a natural disaster) that can wipe out a generation’s worth of progress.

UK strategy for fragile states requires action from across government, but requires one part of government to be clearly in the lead. While the Stabilisation Unit – and soon, a new Stabilisation and Reconstruction Force – can play a valuable role in providing ‘surge’ capacity, it has not emerged as the cross-governmental coordinating apex on fragile states that it was initially intended to be. Accordingly, we believe that the government’s work on fragile states should be led by an extensively remodelled DFID.

DFID still has much to do to prove that it contributes to wider government objectives. In private, many politicians, senior civil servants and military personnel are deeply sceptical about the contribution made by DFID to UK objectives, despite the cross-party consensus in favour of protecting aid budgets.

Yet the department has come some distance from its early days of over-promising and under-delivering on state-building in the period immediately after 9/11. Confronted with the challenges of Iraq and, in particular, Afghanistan, DFID has moved from a refusal to engage fully, through an insistence that it was prepared to consider only very long-term interventions, to its current attempts to move from neutral 'governance' programmes to a more politically engaged approach to development assistance. Political economy analysis is now built into all its Country Assistance Plans as standard, meaning that DFID's programmes are built on a real understanding of the drivers of change in the countries in which it operates. The caricature of DFID as 'running its own foreign policy' is no longer as true as it was in Clare Short's day.

Andrew Mitchell, the new Secretary of State for International Development, should now:

- Set out plans for how DFID can take a leadership role within the international community in developing a *coherent preventive agenda for fragile states*. This should focus on avoiding harm (stopping states being destabilized by great-power actions), protecting states from global turbulence, and coordinating donors to support the development of inclusive political systems as well as capable and accountable institutions.
- Make it clear that, where a poor country's main needs are financial, the UK will not necessarily maintain a country office – but will instead reduce transaction costs by partnering with other effective donors, or simply channelling funds through multi-lateral institutions such as the World Bank. In the

long run, the government should aspire to spending *all* of its assistance to 'good performing' countries through partnerships with other donors or multi-lateral institutions.

- Charge DFID with leading a process of change in how the UK runs country programmes in fragile states. A high-profile, named individual should be responsible for delivery of the strategy in each priority country – providing leadership across Whitehall, accountability to the public, a strong voice within the international community, and an effective presence on the ground that harmonizes the work of DFID, FCO and other UK departments. In some cases, this person might be the FCO ambassador rather than the DFID country head. The key issue, however, is less whether DFID staff report to the ambassador than the quality of the political analysis on which the UK's engagement is founded, the skills of its staff at political influencing, and the need to take a truly long-term perspective.

Government on trial

In an uncertain age, we expect the government to find that its response to global forces is subject to constant challenge. Can it innovate in the face of a rapidly changing external environment? Or will inertia ensure that it slips further behind the curve as it is buffeted by forces it does not understand, let alone control?

We have set out a strategic approach to the challenges that we believe the UK will face over the next decade, and recommended structures that ensure strategy drives the distribution of UK capabilities, rather than the other way around; and that provides for clear leadership and accountability, while promoting cross-Whitehall working.

Changing the way the British government does business is only the first part of the challenge, however. To make a real impact, the UK needs to act as a catalyst – persuading other countries to follow its lead and re-evaluate their approach to global risks.

4. Organizing for Influence

A theory of influence

International relations are pointless unless directed at a clear end. While there are those who see British power as a prize in itself, we have argued that the overarching purpose of British foreign policy should be judged against a simple yardstick: whether or not risks are effectively managed.

Arguably, no country is now powerful enough to achieve its objectives unilaterally, but the UK is *certainly* too small to act on its own. It can only be effective by persuading others to work with it on shared goals.

Whether in the diplomatic, development or military arena, then, the benchmark of foreign policy success for Britain will increasingly be the extent to which it has helped *other* actors to develop sufficient vision, knowledge, capacity and resolve to build and protect the global, national and local systems on which its citizens depend.

This means a coherent theory of influence must be placed at the heart of the UK's international policy, and used to drive delivery by all government departments (see Table 3). We define influence here as:

A systematic programme of interventions designed to alter the beliefs and actions of others so as to deliver concrete outcomes against a clearly defined strategic objective.

Influence starts with building the *shared awareness* that creates a basis for action. On most issues, the UK's first task internationally will be to collaborate with others to reframe existing debates: the hard work of developing the data, analysis, ideas and proposals that can begin to underpin a fresh consensus. This work is important across the board: from how to operate in a failing state to the regulatory framework needed for financial institutions. Shared awareness will also be needed among groups of all sizes – from handfuls of heads of state, through networks of opinion-formers, to global publics scattered across scores of countries.

Building shared awareness requires substantial resources, and sustained commitment over time. The international community is *far* from consensus on the best way to approach most challenges. The UK therefore needs to be prepared to adopt and excel in the role of *thought leader*, recognizing that it will often have greater comparative advantage in this area than in the 'endgame' on key risks, where larger powers will tend to dominate. It should also be prepared to act as a facilitator and supporter of the thought leadership of others, acting as a *convenor* for debate, discussion and dialogue.

Shared awareness is the precursor to building the networks, coalitions, partnerships and other 'shared platforms' that can deliver actual policy outcomes. More than ever before, Britain's foreign policy will depend on its capacity to build and animate alliances – and moving away from viewing the world primarily in terms of bilateral relationships. The UK should therefore:

Table 3: The goals of UK influence

Shared awareness	A common understanding of the action needed to respond to a risk
Shared platforms	A network of actors (state and non-state) prepared to campaign for change
Shared operating systems	A resilient framework for managing risk – the goal of international collective action

- Systematically upgrade resources devoted to alliances, international institutions and task-based networks, with funding decisions made on the ability of each platform to respond to a given risk.
- Prioritize these multiparty relationships over traditional bilateral relationships, which are too fragmented to achieve sustained policy advances, and as far as possible manage bilateral relationships as a set of clearly defined groups – with the UK pursuing consistent priorities across all members of the G20 for example, or with all partners in the EU.
- Recognize that informal task-focused alliances are likely to become steadily more important, often bringing together state and non-state actors to work towards a common goal.

Internationalizing the reform agenda

Influence then becomes the cement that binds together all aspects of government delivery.

The new coalition has made a major commitment to political reform. We believe that there is a vital international dimension to this reform. Already, the government has made clear that, at home, it wants to move beyond the twentieth-century assumption that government ‘can only change people’s behaviour through rules and regulations’ and has promised that it will find ‘intelligent ways to encourage, support and enable people to make better choices for themselves.’²⁶

By applying this insight to its international work, it can begin the work of *organizing for influence* by:

- Establishing new levels of **leadership** on international issues, while effectively deploying the UK’s membership of key **alliances and networks**, and maximizing the leverage offered by its universities, think tanks, media, and other intellectual assets.
- Developing the **intelligence structures** needed to support better decision-making, while increasing the **legitimacy** of its foreign policy, through more robust mechanisms to guarantee accountability.
- Making wise use of scarce **resources**, accepting its responsibility to protect British citizens against global

risks, while providing value for money during an age of public-sector austerity.

Leadership

The civil and diplomatic services are two of the jewels in the crown of British government. They are, however, slow to change, and the most dynamic members of staff are often hampered by outdated bureaucratic structures that inhibit innovation and enterprise. Government departments have also been reluctant to confront past failures to protect the UK from risk. In order to deal effectively with globalization’s ‘long crisis’, the government will need to be much more willing to challenge assumptions, and build a common purpose across departments about how to respond.

Britain already excels at the nuts and bolts of foreign policy. Few governments are better at coordinating a UN Security Council Resolution or a summit communiqué, at getting candidates into senior international jobs, or at the day-to-day work of managing bilateral relationships or administering aid spending. But to meet its strategic priorities, the UK needs to flourish in the role of thought leader – developing the ideas, narratives, and methodologies needed to manage unfamiliar risks effectively, and using them to set global agendas. In the field, too, even junior soldiers, diplomats and aid workers face complex situations in which they are called on to navigate complex political and social dynamics, exercise considerable independent judgment, and develop and inspire their own trusted networks.²⁷

So how can Britain make the most of its potential to build shared awareness by working as a thought leader? We offer four proposals.

1. **The civil service should be made far more permeable.** The American model of staffing government with political appointees brings many problems, but it has the advantage of ensuring a flow of fresh ideas into government. The UK’s approach, based on the principles of the 1854 Northcote-Trevelyan report, looks ossified by comparison. Admittedly, civil servants are

now more likely to spend time in other departments, and some also spend time on secondments outside government. But departments only pay lip service to opening up recruitment to outsiders – making government one of Britain’s last closed shops. The government should immediately open all civil service posts working on foreign policy to competition from external applicants, in line with its commitment to ‘open up Whitehall recruitment by publishing central government job vacancies online.’²⁸

2. **The UK needs to recruit more ambassadors for issues (as opposed to countries).** John Ashton (climate change) and John Duncan (arms control) have shown the power of using high-profile individuals to represent the UK in key policy areas, while bringing global views on the issue back to the rest of Whitehall. Modern social networks are strongly influenced by high-profile, well-connected individuals who bring fresh ideas and perspectives, and who are able to use the media to maximize their profile and impact. The UK needs to recruit and promote individuals with world-class potential across *all* its priority issues, and then give them the latitude they need on the international stage.
3. **The government should appoint more ministers for cross-cutting issues.** The Institute for Government has argued that ‘a small number of Secretaries of State should be appointed outside of the departmental framework and given ownership of top strategic goals’. By applying this approach to foreign policy issues, the government can break down barriers between sectors, departments and countries, helping create the momentum needed to engage the international community in the problems facing a fragile state, for example, or driving a new approach to a key policy issue across all members of an alliance such as the G20.
4. **The government must make strategic use of its knowledge assets.** In their different ways, the Ditchley Foundation, Wilton Park, the Defence Academy, the British Council and programmes such as Chevening Fellowships have the potential to develop new thinking, while building both trust and networks.

The government should determine which of these assets is most effective in delivering which strategic goals. It should also aim to build new partnerships with think tanks, universities and similar institutions, both in the UK and internationally, creating networks of decision-makers committed to the implementation of new solutions.

Alliances and networks

Britain clearly has considerable skill in managing alliances and the potential to thrive in a networked world. But at the moment the government is overstretched, working across too many clubs and consequently falling into the trap of servicing processes rather than achieving real outcomes. It needs to husband its resources more carefully, prioritizing key alliances while favouring multilateral relationships over bilateral ones.

In the near future, if the multilateral system continues to fragment and lose effectiveness, the government may need to make a strategic choice to concentrate on ad hoc coalitions that form around major policy goals. However, its initial priority should be to make a concerted effort to reinvigorate three formal alliances that are central to the UK’s place in the world and that have untapped potential as platforms for managing risk.

Over the next few years, therefore, we believe Britain should concentrate its multilateral attention on three overriding priorities: **the European Union, the G20, and NATO**. This will allow the government to add relevance and content to its ‘strong, close and frank relationship’ with the United States, while integrating with President Obama’s renewed emphasis on diplomatic engagement and building ‘stronger international standards and institutions’ in his new security strategy.²⁹

All three bodies risk irrelevance unless they raise their game in the next two to five years. The European Union is in deep trouble at home, and risks international irrelevance too. It is hard to see where the leadership will come from to address Europe’s internal contradictions, while simultaneously turning its attention outwards to tackle global problems. The G20 was largely a product

of the economic crisis, created more by circumstance than design. It has the potential to play a major part in responding to globalization's long crisis, but lacks capacity and consensus among its members about its future role. The mission in Afghanistan has exposed NATO's limitations, raising urgent questions for an alliance that is still seen as the cornerstone of British security.

To support the three alliances, the government should:

1. **Swiftly advance its 'global competitiveness, global warming, and global poverty' agenda for the European Union.** This requires clear, and repeated, signals from David Cameron to his EU partners and backbenchers that he sees himself as a leader within Europe and intends to play an active role in ensuring 'all the nations of Europe are equipped to face the challenges of the 21st century' even at a time of internal crisis. He should seize the opportunity offered by the European External Action Service and other elements of the post-Lisbon foreign policy machinery.
2. **Use the Toronto G20 summit to launch the Prime Minister's international agenda.** The key agenda items for Toronto are financial-sector reform, stimulus programmes, and global trade and growth. This is a vital opportunity for leaders to get ahead of the curve on the problems facing the global economy, and for the G20 to show that it can sustain its role over the longer term. The UK should champion steps to increase the G20's capacity to take forward complex policy briefs, while ensuring deeper and more sustained communication between G20 countries, and at all levels from head of state downwards.
3. **Play an active role in driving a reform agenda through NATO.** Decisions on the Alliance's future shape and structure are being taken even as it remains entangled in Afghanistan. The government should play an active role in finalizing NATO's New Strategic Concept – in the process developing a new strategic doctrine that can cope with future conflicts, and new procurement practices that support much-needed interoperability. However, it should also indicate its willingness to push for a pared-down role for NATO that takes it back to its core mission (collec-

tive defence) if the Alliance shows itself incapable of pursuing fundamental reform.

Intelligence

Thought leadership will only be effective if the UK upgrades its mechanisms for making sense of the risks it faces and collaborating with other actors in this task.

By intelligence, we are not referring only to the work of MI5, SIS, GCHQ and the JIC. Indeed, part of the problem is that when we think of 'intelligence' we often think first of secret or covert work. This is not to underplay the importance of traditional intelligence. Looking forward, it will become even more crucial to understand the covert actions of the world's rising powers and the intentions of those actors on the margins of the global community, especially if Iran triggers a new nuclear arms race in the Middle East, or if there is another significant evolution in terrorist organization, strategy, or tactics.

‘Part of the problem is that when we think of ‘intelligence’ we often think first of secret or covert work’

We are, however, especially interested in a larger challenge: the overall question of how the government perceives and makes sense of its global context. This draws in not only intelligence gathered by FCO posts, SIS, DFID offices and so on, but also the vast sea of open-source data now available – which *all* kinds of actors, governments and otherwise, struggle to synthesize. We are in the midst of a revolution in the way in which information is created, distributed and stored. This has created the conditions for the multiplication of global networks, but has also increased the complexity of the environment in which governments operate.

Intelligence, in all its forms, can be highly cost-effective – but only if the government becomes better at thinking out in the open, in collaboration with potential partners,

and while allowing its own assumptions to be subject to vigorous challenge.

The government should:

1. **Take its commitment to ‘setting data free’ out into the international arena.**³⁰ If countries disagree, they should at least do so on the basis of the same information on the nature, extent and dimensions of a problem. At the moment, government intelligence-gathering is like an iceberg, with the vast majority of its work hidden below the water, where it cannot be shared or contested. Things are changing, however. Internationally, the Obama administration has emerged as an evangelist for open data standards, while the World Bank has recently launched its Open Data Initiative; at home, DFID helps lead the International Aid Transparency Initiative, while the coalition has made data openness a theme of its Programme for Government. The UK should now make a commitment to: (i) always reusing or improving existing data where possible, rather than building its own datasets; (ii) developing datasets jointly with partners where it does not; and (iii) ensuring that all data it develops with international partners are published in an open, standardized format.
2. **Create shared platforms for exploring options for the future.** Open data will only have an impact if government and non-state actors use them to collaborate in exploring and addressing problems, and to ‘connect the dots’ between organizational, issue-based and geographic silos.³¹ The Intergovernmental Panel on Climate Change – for all the recent controversy it has attracted – has played a pivotal role in anchoring the climate debate over the last 20 years, while the US National Intelligence Council has turned its work on Global Trends into an international collaborative effort. Why should the UK invest in its own trends analysis when it could join a transatlantic exercise with much greater scope, reach, and influence? How can it engage other G20 countries in a joint exploration of global rebalancing or low carbon growth? How does it develop a joint understanding across the international community of the drivers of change within a given fragile state?
3. **Develop capacity to rehearse comprehensive responses to global challenges.** The UK has a cross-government programme of exercises to prepare for domestic disruptive challenges, while the military makes regular use of war games, often run jointly with its allies. Complex global risks, in contrast, are tackled with reams of paperwork and scant, if any, live practice. It is little wonder that partners across Whitehall and beyond are unable to work together effectively when developing long-term frameworks to handle risk. The government needs to move beyond scenario planning to table-top exercises that test and evaluate methodologies for joint working and possible solutions, and to understand how other governments and key non-state actors are likely to respond to UK attempts to influence the policy process.
4. **Create a ‘red team’ to test its assumptions on global risks.** The government should create a small unit to challenge its thinking and develop alternative perspectives and approaches: a ‘licensed awkward squad’. This would be staffed mostly by security-cleared associates from outside government, but with a number of ‘insiders’ charged with helping the team navigate the bureaucracy. As part of the strategic cycle outlined in Chapter 3, it would publish think pieces intended to catalyse broader debate, as well as classified reviews of policy decisions and progress on implementation.

Legitimacy

One of the dangers inherent in the long crisis is that government will become locked into a spiral whereby it is battered by global forces that erode its legitimacy at home; and that this in turn will undermine its ability to respond forcefully to the risks it faces abroad. Building a strong foundation on the home front is therefore of critical importance. This requires:

- *Stabilizing the government’s fiscal position.* While the speed of deficit reduction is clearly beyond the scope of this paper, the government’s creditworthiness will have a substantial impact on its influence overseas. A ‘Bankrupt Britain’ would be as irrelevant internation-

ally as it was in the 1970s when it was dubbed ‘the sick man of Europe’.

- *Aligning domestic and international policy.* The last government was too quick to preach on global issues – such as human rights and climate – where it failed to walk the walk at home. The new government needs to aim for much greater consistency. Is it genuinely committed to using the British nuclear arsenal as part of its commitment to multilateral disarmament?³² Will its domestic legislation enshrine civil liberties and fulfil its commitment to ‘be strong in defence of freedom’?³³ Will its fiscal tightening strengthen the price signal on carbon?
- *Being honest with voters about the global nature of the UK’s dilemma.* Politicians naturally want to project a forceful image, and the government faces problems where it will often have little latitude for action, and perhaps not even any solid idea what to do. In an age of uncertainty, debate and dialogue will be more important than ever. The Prime Minister and his team need to be willing to talk openly about the nature of the risks the UK now faces, and to be honest with the public about how hard it will be to achieve success on many key issues.

The government’s biggest opportunity is to use its political reform agenda to broaden the base of decision-making on foreign policy. This means:

1. **Using its commitment to a ‘radical devolution of power’ to focus the House of Commons on a broader agenda.**³⁴ MPs play a vital role in their constituencies, but they spend far too much time on hyper-local issues that could be dealt with by local authorities, mayors or devolved administrations. Greater devolution (and a reduction in the number of MPs) would allow Parliament to spend much more of its time on the big picture. The UK needs to attract MPs who speak Mandarin, understand derivatives or can assess the risks posed by the decomposition of permafrost, for example – and then ensure that these skills are put to good and regular use.
2. **Using reform of the House of Lords to enhance the capacity of the Upper House on global issues.**

The new house is likely to be elected by proportional representation, with members serving single, long terms of office. This provides a significant opportunity to attract members with a range of relevant experience and expertise. The new house should also be charged with exploring the long-term challenges facing the UK, as well as the more traditional role of scrutinizing the work of the Lower House.

3. **Parliament should then play a much greater role in foreign policy-making.** The proposed five-year fixed term for Parliament should allow it to institute a regular schedule for reviewing the UK’s international relations, fitting with the regular cycle of strategic reviews and reporting on implementation that we have recommended. Major foreign policy decisions would benefit from being debated and voted on in Parliament, while the Select Committee system will need to be rationalized as new cross-departmental structures are agreed. Given that these changes will take time, the Foreign Affairs, Defence and International Development committees should immediately commit to holding at least one joint inquiry every year – allowing MPs to look holistically at the UK’s strategy for national security, global systems and fragile states. We would also recommend that the Public Accounts Committee scrutinize mechanisms for inter-departmental delivery on foreign policy.
4. **Run a regular scenario planning exercise on UK risks.** This would bring together the Cabinet, a handful of shadow ministers, key select committee chairs and leaders from business and civil society. The exercise would feed into the National Risk Assessment and inform the development of the National Risk Register, and could be complemented by sessions run by expert and civil society groups. The aim would be both to broaden the assessment of the risks facing the UK and to create the basis for consensus on how to respond to them.

Resources

Decisions on resources need to be taken on the basis of a clear recognition and acceptance that:

- Global risks present the major threat to Britain's economy and to the government's domestic programme. Managing these risks effectively will require adequate resources to be committed, despite overall cuts in public expenditure (and an already announced £55m reduction in the budget of the Foreign Office).³⁵ Budget increases may be necessary in some areas – especially under the global systems strategy, where levels of expenditure are currently *very* low.
- Radical cuts *are* possible, but only if the government is prepared to question all assumptions about international expenditure. The coalition's commitment to scrutinizing the renewal of Trident on a value-for-money basis, for example, is clearly right.³⁶ By contrast, the decision to ring-fence development assistance before reviewing the UK's overall international strategy is regrettable.
- In most areas, people are the scarcest resource. Departments like the FCO, or the international divisions of departments such as Energy and Climate Change or the Treasury, are not spending behemoths like Health, Education or Work and Pensions; nor do they employ anywhere near as many people. Only the Ministry of Defence accounts for a significant proportion of total public expenditure – and there too, the number of personnel available for deployment remains the key constraint.
- There is far less fat to cut in international departmental budgets, compared to their domestic counterparts. Even modest reductions will often lead immediately to reduced headcount numbers in key policy areas. The consequence would be a direct erosion of the UK's front-line capacities on global risks – because in issues that are about influence rather than spending, high-quality UK staff *are* the output.
- The worst possible outcome would be simply to salami-slice existing budgets (other than aid, which as noted above is protected) in line with overall spending cuts. That would be a recipe for mediocrity, and would neutralize the stimulus for innovation that a tight spending environment provides. Funds *must* be aligned to strategy, based on the principles set out in this paper.

The government should:

1. **Base the emergency budget on an initial statement of strategic intent.** It will not be possible to complete full strategic reviews before the Chancellor, George Osborne, announces immediate spending plans, but it *is* essential that even these spending decisions have a principled basis and are not the result of ministers fighting for their departmental turf. We would also advocate a few deep cuts, rather than top-slicing all budgets. Should the FCO, for example, move towards regional embassies or joint posts with like-minded allies in some countries, cutting some of its investment in expensive fixed infrastructure?
2. **Develop a comprehensive overview of all public sector international expenditure.** It is essential that the autumn 2010 Comprehensive Spending Review is informed by a strategic review for each of the three strands of UK foreign policy – National Security, Global Systems, and Fragile States (see Chapter 2) – and that this is followed by an audit of expenditure across all areas. Within the global systems sphere, for example, the government has no mechanism for comparing the relative allocation of staff across Whitehall between (say) the ailing Doha trade round, the post-Kyoto climate agenda and the Canadian and South Korean G20 summits. Far less does it have an overview of expenditure *across* capabilities: given £1bn to spend, for example, would this best be allocated to ships, summits or state-building?
3. **Allocate budgets by strategy, not department.** The government has a prototype system for a cross-departmental approach to spending in the shape of the Conflict Prevention Pool, which cuts across DFID, FCO and MOD and which has a budget of £299 million for the 2010–11 financial year. But spending under this pool is not strategic. Instead, allocations between the three departments are made via a bottom-up 'bidding-in' process in which each department's pet projects are essentially nodded through on the basis of a tacit non-aggression pact. Defining new, cross-departmental budgets for the

three areas of national security, global systems and fragile states would provide an opportunity to build on, and move far beyond, this model.

4. **Increase surge capacity to allow faster response both to risk and opportunity.** In an uncertain age, the UK will be confronted with threats that it does not expect and cannot predict. In the period since 1997, expenditure has constantly been forced to track events (9/11, Iraq/Afghanistan, the financial crisis and so on).

Equally, opportunities for major breakthroughs have also often emerged without much warning, as events or political changes in other countries suddenly made significant reconfigurations possible (the G20 is one such example). Currently, most delivery is constrained by rigid structures. The government needs to steadily increase its ability to move people and resources from issue to issue, with a lag of only days or weeks, instead of months and years.

5. Conclusion: Making the Change

UK governments usually take office with great confidence that they can reassert or redefine Britain's place in the world. These hopes are often dashed by their time in power. The foreign policy of the last Conservative government foundered in the former Yugoslavia. The Labour Party has returned to opposition with Iraq, Afghanistan and failure in Copenhagen to its name.

The next decade seems certain to be a tough one. Globalization's long crisis will make success elusive. Sticking to a coherent strategy will be tough in an age of uncertainty. The task ahead is akin to 'shooting the rapids'. The UK must negotiate a turbulent stretch of the river in a boat where it is reliant on the action of others. The key task is to *paddle in the same direction*, but the river dictates the speed with which the boat moves, while rough water ensures that steering is increasingly difficult. The tradi-

tional levers of policy – the paddles in this metaphor – will often not be up to the task.

This will place enormous strain on the team at the heart of government. Much depends on their willingness to act now to prepare the UK for the strains ahead. As things stand, a foreign policy triumvirate will bear the greatest burden:

- William Hague, the Foreign Secretary, should be given the authority within Cabinet to drive much greater integration in delivery and to signal to the UK's partners that the new government is taking a fresh approach to its foreign, military and development policy.
- The government's international departments are not big spenders (the Ministry of Defence aside), and tend to drop down a list dominated by education, welfare and health. Nick Clegg, the Deputy Prime Minister, has an important role to play in helping maintain focus on a broad and deep-seated reform agenda, and particularly one that doesn't neglect foreign policy.
- Most importantly of all, as Prime Minister, David Cameron needs to set out – both at home and internationally – why his government wants to lead a new effort to manage the world's most pressing risks. He has to convince British citizens and other governments of the urgency of the task ahead. And he needs to do that in the early days of his tenure in Number 10.

Notes

- 1 ICM Poll for the *Sunday Telegraph*, *Sunday Telegraph* Campaign Poll 4, 30 April 2010, available at http://www.icmresearch.co.uk/pdfs/2010_apr_suntelegraph_campaign_poll4.pdf.
- 2 Conservative Liberal Democrats Coalition Agreements, 11 May 2010, available at http://www.libdems.org.uk/latest_news_detail.aspx?title=Conservative_Liberal_Democrat_coalition_agreements&pPK=2697bcd-7483-47a7-a517-7778979458ff.
- 3 HM Government, *The Coalition: Our Programme for Government*, Cabinet Office, London, 2010, foreword.
- 4 David Cameron on the Andrew Marr Show, BBC 1, 16 May 2010.
- 5 Kathryn Hopkins, 'Pre-Budget Report: The Experts' Wishlist', *The Guardian*, 9 December 2009, available at <http://www.guardian.co.uk/business/2009/dec/09/pbr-what-experts-want>.
- 6 Based on HM Treasury figures: Guardian Datablog, 'Tax receipts since 1963', available at <http://www.guardian.co.uk/news/datablog/2010/apr/25/tax-receipts-1963>.
- 7 Tony Barber, 'Europe: Danger Zone', *The Financial Times*, 16 May 2010, available at <http://www.ft.com/cms/s/0/64076dc0-6115-11d1-fb0-00144feab49a.html>.
- 8 Graeme Wearden, 'European debt crisis: Markets fall as Germany bans "naked short-selling"', *The Guardian*, 19 May 2010, available at <http://www.guardian.co.uk/business/2010/may/19/debt-crisis-markets-fall-germany-naked-short-selling>.
- 9 Robin Niblett, *Playing to Our Strengths – UK Foreign Policy in an Age of Uncertainty*, Chatham House, May 2010.
- 10 Remarks by Governor Ben S. Bernanke, at the meetings of the Eastern Economic Association, Washington, DC, 20 February 2004, available at <http://www.federalreserve.gov/boarddocs/speeches/2004/20040220/default.htm>.
- 11 John Maynard Keynes, *The Economic Consequences of Peace* (New York: Harcourt, Brace and Howe Inc., 1920), available from <http://www.gutenberg.org/etext/15776>.
- 12 Alex Evans, Bruce Jones and David Steven, *Confronting the Long Crisis of Globalization: Risk, Resilience and International Order* (Washington, DC: Brookings Institution, 2010).
- 13 Jim Rollo and Vanessa Rossi, *The UK in the Global Economy*, paper in the 'Rethinking the UK's International Role and Ambitions' project, Chatham House, forthcoming 2010.
- 14 This decision was taken when the pound was near its peak, making it inevitably costly, although the Treasury later partially compensated the FCO. The British Council has also seen a 16% reduction in the purchasing power of its grant (see <http://bit.ly/5BZ3Sd>). For DFID 'currency changes have ranged between reductions in the value of sterling of some 20 per cent in the case of Afghanistan, Bangladesh and Malawi to increases for Ghana and DR Congo' (<http://bit.ly/50G7CS>). The MOD's currency exposure (mostly in dollars) is unclear. See also House of Commons Foreign Affairs Committee (2009), 'Uncorrected transcript of Oral Evidence given by: Sir Peter Ricketts KCMG, James Bevan and Keith Luck – on the FCO Departmental Annual Report 2008-09', 9 December 2009, available at <http://www.publications.parliament.uk/pa/cm200910/cmselect/cmaff/uc145-i/uc14502.htm>.
- 15 National Audit Office, *Ministry of Defence – the Major Projects Report 2009*, National Audit Office, London, 2009.
- 16 HM Government, *The Coalition*, section 18.
- 17 Ibid., foreword.
- 18 Cabinet Office, *The National Security Strategy of the United Kingdom: Security in an Interdependent World*, The Stationery Office, London, 2008; and Cabinet Office, *The National Security Strategy of the United Kingdom: Update 2009 – Security for the Next Generation*, The Stationery Office, London, 2009.
- 19 The White House, Office of the Press Secretary, 'Statement by the President on the White House Organization for Homeland Security and Counterterrorism', 26 May 2009, available at http://www.whitehouse.gov/the_press_office/Statement-by-the-President-on-the-White-House-Organization-for-Homeland-Security-and-Counterterrorism/.
- 20 HM Government, *The Coalition*.
- 21 Robert Cooper, *The Breaking of Nations: Order and Chaos in the Twenty-first Century* (London: Atlantic Books, 2003). Cooper's observation nods towards an aphorism attributed to Leon Trotsky: 'You may not be interested in war, but war is interested in you'.
- 22 This section draws on the extensive literature on High Reliability Organizations – nuclear power stations, aircraft carrier flight decks, operating theatres, etc. – that (a) are inherently unsafe and yet (b) tend to have very good safety records. See, for example, Karl Weick and Kathleen Sutcliffe, *Managing the Unexpected: Resilient Performance in an Age of Uncertainty*, Jossey-Bass, 2007.
- 23 David Kilcullen, *The Accidental Guerrilla* (London: C. Hurst & Co, 2009), p. xv.
- 24 Cabinet Office, *Cabinet Committee System*, May 2010, available at <http://www.cabinetoffice.gov.uk/media/409188/cabinetcommitteesystemmay2010.pdf>.
- 25 David Cameron on the Andrew Marr Show.
- 26 HM Government, *The Coalition*, foreword.
- 27 David Kilcullen, *Twenty-Eight Articles: Fundamentals of Company-Level Counterinsurgency*, Washington DC, 2006, available at [http://usacac.army.mil/cac2/coin/repository/28_Articles_of_COIN-Kilcullen\(Mar06\).pdf](http://usacac.army.mil/cac2/coin/repository/28_Articles_of_COIN-Kilcullen(Mar06).pdf).
- 28 HM Government, *The Coalition*, section 24.
- 29 Ibid.; Nicholas Johnston & William McQuillen, *Obama Tells West Point U.S. Needs Help From Allies Overseas*, Bloomberg, 23 May 2010, available at <http://www.bloomberg.com/apps/news?pid=20601087&sid=axQKnu87GXuc&pos=9>.
- 30 HM Government, *The Coalition*, section 18.
- 31 Jake Chapman, Charlie Edwards and Simon Hampson, *Connecting the Dots* (London: Demos, 2009), http://www.demos.co.uk/files/Connecting_the_dots_-_web-2.pdf?1259947418.
- 32 HM Government, *The Coalition*, section 8.
- 33 Ibid., section 3.
- 34 Ibid., section 4.
- 35 HM Treasury press notice, 'Government announces £6.2 billion of savings in 2010–11 – action to cut Whitehall waste and protect schools spending', 24 May 2010.
- 36 HM Government, *The Coalition*, section 8.

Rethinking the UK's International Ambitions and Choices

This major Chatham House project is assessing the UK's international priorities and the policy choices it faces in matching its ambitions, interests and resources. It is led by Dr Robin Niblett, Director, with the support of Alex Vines OBE, Research Director, Regional and Security Studies, and Dr Paul Cornish, Carrington Professor of International Security.

This project has been made possible by the generous support of BAE Systems, Barclays Capital and BP.

Senior Advisory Group:

Professor Sir Roy Anderson
Lord Browne of Madingley
Robert Cooper
Martin Davidson
Mary Francis
Alan Garwood
John Gerson
Lord Hastings of Scarisbrick
Lord Jay of Ewelme
Dr DeAnne Julius
Sir Clive Loader
The Rt Hon Sir Roderic Lyne
Lord Malloch-Brown
Sir David Manning
Dr Edwina Moreton
Baroness Pauline Neville-Jones
The Rt Hon Lord Robertson of Port Ellen
Lord Wallace of Saltaire
Baroness Williams of Crosby
Professor Ngaire Woods
Sir David Wright
Sir Nicholas Young

Other publications in the series

Project briefing papers:

Playing to its Strengths: Rethinking the UK's Role in a Changing World, Robin Niblett (June 2010)

Forthcoming:

The UK in the Global Economy, Jim Rollo and Vanessa Rossi
The UK's Approach to Energy and Climate Security, Nick Mabey and John Mitchell
The UK, the US and Europe, Anand Menon
The UK and the Developing World, Kevin Watkins

Forthcoming report:

The UK's Security and Defence Policy Options, Paul Cornish

For more information, visit the project web page at:
www.chathamhouse.org.uk/UKrole



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE
T: +44 (0)20 7957 5700 E: contact@chathamhouse.org.uk
F: +44 (0)20 7957 5710 www.chathamhouse.org.uk

Charity Registration Number: 208223