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Panelists' Memos

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Acronyms

ASEAN Association of Southeast Asian Nations

ASEM Asia-Europe Meeting EU European Union

ECB European Central Bank

EFSF European Financial Stability Facility

EFSM European Financial Stabilization Mechanism

EMU European Monetary Union ESM European Stability Mechanism

G20 Group of TwentyG8 Group of Eight

IMF International Monetary FundISP Internet service providersMAP Mutual Assessment Process

OECD Organization for Economic Cooperation and Development

P5 Permanent Five Members of the United Nations Security Council

R2P Responsibility to Protect

UN United Nations

UNHCR United Nations High Commissioner for Refugees

UNSC United Nations Security Council
WTO World Trade Organization

Introduction

Shortly after Russia assumed the presidency of the Group of Twenty (G20), the Institute of Contemporary Development and the Council on Foreign Relations organized a regional meeting of the Council of Councils (CoC)—a network of twenty-four policy institutions based in established and emerging states—to be held in Moscow on December 12-13, 2012, to exchange practical ideas and solutions to the daunting international challenges that the world faces.

The conference, "Russia, Europe, and the Future of Global Governance," sought to provide specific recommendations for Russian officials shepherding the country's chairmanship of the G20 and to discuss the current opportunities and challenges for Russian participation in multilateral institutions. To this end, policy memoranda were requested from panelists to spark discussion regarding the G20 and global finance, the eurozone crisis and international financial governance, the crisis in Syria and the roles of the UN Security Council, and recent development pertaining to cybersecurity. These memoranda are attached below.

Comments on Four Guiding Questions on "Russia's G20 Presidency: Priorities and Challenges"

Barry Carin
Center on International Governance Innovation

WHAT SHOULD BE THE PRIMARY FOCUS AREAS OF RUSSIA'S G20 PRESIDENCY?

The Group of Twenty's (G20) primary focus should be following through on past commitments. Credibility requires fulfilling commitments on the governance of the International Monetary Fund (IMF), completing the long overdue reform of IMF quotas, strengthening its role, and increasing its resources. Lack of success in these basic issues will overshadow positive achievements in other areas. Constructive action must be taken to deflect issues that might dilute focus. The way forward is to concentrate on a limited number of core strategic issues in need of political direction and delegating the more technical issues, while providing respectful venues to the many petitioners and interest groups who see the G20 as the means to raise the profile of their concerns.

WHAT CAN BE DONE TO IMPROVE THE G20'S INSTITUTIONAL PERFORMANCE, INCLUDING IN THE AREA OF MACROECONOMIC COORDINATION AND FULFILLMENT OF PAST PLEDGES?

With respect to improving the G20's performance in the area of macroeconomic coordination, the G20 should invest in strengthening diagnostic capabilities to better understand how cooperative action can enhance the likelihood of achieving both domestic and global objectives. To invigorate the Mutual Assessment Process (MAP), the G20 should:

- Strengthen collaboration, by defining the relationship between the G20's MAP and other economic surveillance, assessment and peer review exercises, such as IMF Reports on Systemically Important Countries, Organization for security and cooperation in Europe (OECD) work, and, in future, the Financial Stability Board.
- Establish a working group of G20 country experts to study global economic interdependencies, perhaps in an independent office, to support a better understanding of the benefits of cooperative outcomes.
- Analogous to regulatory impact statements, agree to publish *ex ante* international impact assessments for relevant domestic policy decisions to increase domestic awareness of the international implications of domestic policy.
- Publish national statements or roadmaps for delivering international commitments, to fulfill G20 commitments.

- Endorse an ambitious schedule of targets for policy cooperation such as reducing current account imbalances and dampening commodity market volatility, as well as transitioning from the dollar to a more stable multi-currency monetary system.

With respect to improving the G20's institutional performance more generally, David Cameron's report for the Cannes summit recommended that the G20 "develop clear agreed working practices....; formalise the troika of past, present and future Presidencies; and underpin it with a small secretariat, possibly staffed by officials seconded from G20 countries and based in and chaired by the Presidency." ii

The G20's institutional performance is challenged by its need for preparation, institutional memory, continuity, and follow-up, on the one hand, as well as the demand for informality and antipathy for formal bureaucracy, on the other hand. The demands on the one-year G20 Presidency are onerous and unrealistic. The Presidency is expected to monitor G20 commitments; direct extensive processes of outreach and consultations with the business sector and civil society; and solicit and incorporate the concerns of non-member countries. To help meet each of these expectations, Russia should establish an informal, non-bureaucratic "non-secretariat." It could be headed by three Sherpas corresponding to the troika rotation and presided over by the Russian Sherpa. In future years, it would be located in the country holding the G20 presidency. High-level staff could be seconded for three years by the troika countries, on salary from their own governments. The "non-secretariat" could then provide technical and other support in summit preparation, follow-up monitoring and implementation, and help manage relations with non-G20 countries and organizations. Continued control by leaders and the maintenance of the desired informality might be ensured by rotating the location of the secretariat with the presidency and by staffing it with seconded officials from troika countries.

With respect to G20 working practices, Cameron had several other noteworthy recommendations:

- All ministerial and working group arrangements should have automatic sunset or review clauses.
- The troika should have regular meetings during each Presidency year.
- The G20 Presidency should appoint a senior official within the troika to oversee engagement with the UN.
- The troika should review G20 ministerial and working group arrangements assessing continued relevance.

WHAT ADDITIONAL REFORMS TO THE GLOBAL FINANCIAL AND MONETARY SYSTEM SHOULD THE G20 ADVANCE?

The G20 should provide the Financial Stability Board with formal legal standing, and adequate staff and resources. It should also task its finance ministers to prepare concrete

recommendations on the issues of "regulation" of international capital flows, "rules of the game" to deal with unsustainable sovereign debt burdens, and enhancement of the role of the IMF's Special Drawing Rights directed to the financing of global public goods.

HOW BROADLY SHOULD THE G20 EXPAND ITS AGENDA OUTSIDE THE REALMS OF ECONOMICS AND FINANCE?

While nothing will prevent G20 leaders raising issues they wish to discuss, the G20 must strive to get "back to basics." The G20 can square the circle and fulfill different expectations and interpretations for its role—some see the G20 as a crisis resolution committee; others consider the G20 a crisis prevention committee; still others envision the G20 as an agenda setting or global steering committee. One way to finesse the over-constrained context and differing expectations for proposed agenda items is to commission an appropriate body to present a report with recommendations at a future G20. For future agendas candidates like climate change, development, trade, food commodity price volatility, energy markets, and anti-corruption, terms of reference could be given to either G20 portfolio ministers, international organizations, or a leader, to return to a future G20 meeting with recommendations. Another option is to continue the precedent of creating High Level Panels with remits to advise heads of state regarding options for future G20 action.

The criteria warranting G20 consideration for global issues with major implications for both advanced and emerging economies include the poor prospects of existing international organizations and arrangements resolving global problems. Perhaps climate change is distinctive in its need for high level attention.

How Europe's Way out of the Crisis Will Shape the Future of Global Governance

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CONTEXT

Europe is affected by at least three serious interlocking crises, which are hitting different parts of the European Union (EU) asymmetrically:

- An economic and financial crisis
- A crisis of legitimacy and efficiency
- A crisis of European democracies, symbolized by the estrangement of citizens from democratic institutions, a serious erosion of the values of freedom, accountability, and trust through representation

As a result of these crises, we are witnessing a general weakening of the offering of public goods.

The crisis in the EU is not only a problem of institutional design, but a general problem caused by the capture of the policy agenda by major international corporations. These corporations in the banking sector, telecommunications sector, and energy sector are often described as being "too big to fall." This is not only true in continental EU, but also in Great Britain, and the United States.

The capture of the system is affecting both Group of Eight (G8) countries and existing multilateral regulating bodies and the Bretton Woods institutions. The enlarged versions of the G8 and the Group of Twenty (G20) add complexity to the system but do not necessarily offer a solution to systemic problems of economic global governance.

The financial problems have prompted a process of political disintegration in Europe, and brought about a triple breakdown:

- A failure of representation (of citizens)
- A failure of delivery (a lack of effectiveness)
- A failure of regulation (for banks and the financial system as a whole)

The manner in which the European crisis is unfolding and any potential solution to it will both influence the global system of governance and inevitably affect—for better or for worse—non-EU member states in the G20.

We can anticipate at least four possible scenarios for the future of the international financial

architecture, ranging from worst-case to best-case:

- Collapse of the EU and descent into chaos
- Imposing a "German way out" of the crisis
- Muddling through
- Finding a comprehensive solution

COLLAPSE OF THE EUROPEAN UNION AND DESCENT INTO CHAOS

This scenario appears likely to populations living in the southern European countries most affected by the crisis—where citizens are facing up to the hardship of austerity policies, which are affecting their daily life. Countries in northern Europe are less pessimistic, as they have managed to mitigate some of the effects of the crisis. Greece provides an extreme example, as it suffers from a constellation of deep and overlapping domestic problems that have led to mismanaged migration and asylum policies and a rising tide of xenophobia.

The possible collapse of the Euro would also prompt the fragmentation of the EU as southern countries are forced out: a scenario that has been contemplated, not only in European capitals, but internationally. Such an outcome would lead to states being divided into two classes, creditors and debtors, where creditors dictate their will and debtors are forced to follow in a manner that will negatively affect the capacity of exiting democratic systems to offer economic and social stability, in other words, to deliver goods, because there are no credible alternatives.

Should this scenario materialize, it would have broad effects outside the EU including a spin off into a global recession. Such a recession would most likely be deeper than the one witnessed in 2008-2009 that originated in the United States.

A "GERMAN WAY OUT" OF THE CRISIS

This scenario is currently backed by policies designed in Berlin and endorsed by Brussels. It essentially calls for an internal devaluation of the heavily indebted countries through tough austerity measures. To increase the external competitiveness of these economies, eurozone states need to be able to rebalance the debt by export surplus. Subsequently, the eurozone will evolve from a balanced/neutral market into a net exporter.

Overall, the plan is to build a trade surplus and a current account surplus and grow exports of both capital and goods made in Europe to the rest of the world and to emerging economies.

In order for this scenario to play out, countries outside the EU will have to accumulate debt (e.g. Turkey). This will push the internal balance of payments imbalances problem to the periphery.

MUDDLING THROUGH: KEEPING THE CURRENT STATUS QUO

The southern eurozone countries are undergoing an internal devaluation process which already may lead to a potentially explosive social situation.

While countries in northern Europe continue to transfer funds to the southern states of Europe, citizens in both halves feel less committed to the common European project. Even within each state the distance between the middle class and the elite is widening. At the same time, eurocrats, in Brussels and Frankfurt, are maintaining a status quo that has the potential to lead to a deterioration of the democratic quality embedded within the European project. The danger is that an introspective and problematic Europe will evolve into a heavy burden for the global economy, increasing the risk of it falling into a new depression. In such a situation, if Europe remains relevant at all, then it will be as a problem rather than as an actor of global importance.

FINDING A COMPREHENSIVE SOLUTION

The current contradictions experienced by Europe are not exclusive to the old continent.

The problems that Europe faces exist elsewhere. These problems include:

- An ageing society
- Welfare without growth
- A low carbon economy
- Accountability without sovereignty
- A multilingual and culturally diverse democracy
- The governance of common goods

If Europe manages to find balanced solutions to these issues and achieves a genuine burdensharing political union, then there is a chance that future crises might be averted. Furthermore, those solutions may provide a model for international cooperation between groups of states that face the same issues.

CONCLUSION:

We have argued that there exists at least three interlocking crises (those of finance, legitimacy, and democracy) and proposed four scenarios that range from the very negative *chaos and conflict*, to *muddling through*, to seeking *balanced way out*. The latter, more optimistic, scenario means finding a sustainable solution to systemic contradictions that are not only European but global.

Europe has been obsessed with the idea of being an independent actor of global importance but should return to a more humble position that recognizes the European project as an advanced laboratory of globalization. This will mean having the courage to invest in trial and error and seeking innovative solutions to complex problems.

Rather than being permanently worried about finding a unified voice, it is more relevant to the contemporary crisis that Europe (either as a continent or its individual states) finds balanced and sustainable solutions that might be replicated on a global scale. With that said, Europe should be most occupied in finding a long term solution and reinforcing its governance institutions and explaining to its constituents the legitimacy of its project.

To this end, the idea of a fiscal union that will foster a banking union leading to political union should not be abandoned.

On a related note, if Europe falls apart and the euro goes down in history as a failed experiment, the probability of sound governance of global problems will diminish accordingly.

...but nobody wants to face a Hobbesian scenario.

The Eurozone Crisis and the Future of the Global Economy

Beata Wojna The Polish Institute of International Affairs

EU RESPONSE TO THE CRISIS AND ITS LIMITS

The European Union's (EU) response to the crisis has been described as too slow, inadequate, and coming too late, which resulted in an exacerbation of the crisis. While there are strong reasons to be critical, the political context should be taken into account when analyzing the EU. This context encompasses the eurozone (EU-17) members with differing economic situations and political interests, the north-south divide, and continually changing domestic political contexts that include elections, changing leadership, and problems with austerity (social protests and difficulties in promoting growth). Last, an important contradiction must be observed: markets are looking for quick solutions, while EU decisions take time. This is true whether negotiations are within the EU-17, EU-27, or the European Commission and its constituent agencies. The complex negotiations on the next tranche of Greek aid serve as a prototypical example.

The EU's efforts were concentrated in two directions: First, it took action to mitigate the crisis by providing rescue mechanisms (European Financial Stabilization Mechanism (EFSM), European Financial Stability Facility (EFSM), and European Stability Mechanism (ESM)); rescue packages for Greece, Ireland, Portugal, Spain, and Cyprus accompanied by strict conditions; and the European Central Bank's (ECB) decision to buy sovereign bonds on the secondary market through the ESM. Second, it took preventive actions to arrest a further slide into crisis by increasing the stringency of the European Stability and Growth Pact via the Sixpack legislative measures, fiscal compact, regulatory reforms, and developments toward banking union as well as potential fiscal and political union.

So far:

- The region has enjoyed relative successes in the reinforcement of EU/EU eurozone governance rules, ECB interventions, the creation of a permanent rescue mechanism (ESM), discussions to create banking union. This has led global financial markets to slowly regain confidence in the eurozone, as Ireland and Portugal seek to return to financial markets in 2014 and 2015. With that said, the future of some countries in the Eurozone, particularly Greece and Cyprus, remains questionable.
- Despite poor macroeconomic data, particularly related to unemployment and growth, there is a moderate optimism in the eurozone as pressures from financial markets continue to subside and look as if it will continue to do so into late 2013.

The most important lesson to be drawn from the crisis is that the design of the European monetary union should be modified. But the question remains of how to do it. Small EU treaty adjustments or an intergovernmental conference would require at least 3 years of negotiations before ratification and offer no guarantee of success—due primarily to domestic contexts in member states. So, with this vital constraint in mind, the only way to act now is incremental steps using the current institutional and legal framework in an effort to gain the confidence of investors, markets, and domestic consumers. An additional difficulty is posed by the political situation some of the most important countries in the EU as 2013 is an electoral year in Germany and euroskepticism is mounting in the United Kingdom.

INSTITUTIONAL CHANGES AND MAIN CHALLENGES FOR THE EU

From a purely institutional perspective, the economic crisis is contributing to important changes to the distribution of power and the institutional architecture of the EU. The European Central Bank has grown in importance as it assumes supervisory and regulatory tasks. The European Commission, traditionally the EU institution identified as a body representing the interests of the whole EU, is weaker as it has acquired a more technical and less political character. At the same time, the European Parliament is trying desperately to increase its participation in the decision making process as a result of the Lisbon Treaty (not the crisis), but the crisis is making these attempts more difficult. What is really important is Europe appears to have a more top-down approach: the European Council has become the main decisive body, which is a symptom of growing intergovermentalism in the EU. Paradoxically, new proposals of political union and deeper integration stem from this intergovernmental cooperation.

The EU today is facing two important challenges (with possible consequences for world economic situation and global governance). First, the EU must avoid a permanent division of the EU into the eurozone and non-eurozone. To survive, the eurozone will have to integrate further in three aspects: financial (banking union), budgetary (stronger coordination of fiscal policies), and macroeconomic policy making (with a focus on stronger coordination). A consequence of this effort is likely to be a deeper division between the EU-17 (eurozone members) and the EU-10 (non-eurozone members). If this happens, it will not be a simple division into new and old member states (with the United Kingdom, Sweden, Denmark among the old non-eurozone members and new members like Slovenia, Slovakia and Estonia among eurozone members). Rather, the final result could be a new division of Europe into the center (EU-17) and fragmented periphery (composed of the EU-10 in different constellations with varying potential to act internationally).

Second, the EU must address the political instability and social unrest that resulted from the crisis. As long as the longer the crisis continues, there is a danger that populism and extreme political forces might continue to grow. Such developments have the potential to derail

regional efforts to address the crisis as states face the possibility of chaotic policy making and uncontrolled default. The recent golden dawn in Greece serves as an extreme example of this danger. There is a clear radicalisation of political forces (more populism in Greece, the Netherlands, and Hungary), growing separatist movement in different EU countries (the case of Spain with its recent elections in Catalonia and in Friuli, Italy), or more disappointment in traditionally euroskeptic member states. For example, there is a growing discussion in the United Kingdom regarding a British withdrawal from the EU.

WHAT SHOULD BE DONE?

An end of the eurozone crisis is in the interest of all EU member states, as it is the major instability factor for both the regional and the world economy. The EU should act in the near and medium term in the following directions:

- Eliminating macro-economic imbalances by introducing changes to EU governance, but this is not the only way to solve the crisis. Important structural reforms of EU member state economies are needed to account for future international challenges.
 Indeed, it is perhaps even more difficult to reform some member state economies than transform EU economic governance.
- A deep haircut (Greek debt reduction by other eurozone creditors) is necessary, probably after Ireland or Portugal return to the financial markets in 2014. This will be a very difficult issue from the political perspective; In the medium term, there is a need for the inevitable and necessary EU and eurozone integration alongside changes in the EMU architecture, reform of the financial sector, and a banking union (with a single supervisory mechanism). Without these changes, the markets may turn again against the eurozone. But without the unnecessary barriers for the other non-eurozone countries, which are obliged to join the euro in the future;
- Completing the single market can boost economic growth in the EU via deregulation and reducing transaction costs in the energy and transport sectors.

EU'S ROLE IN GLOBAL GOVERNANCE: CAUSES FOR OPTIMISM.

Looking at the issue from a short term perspective, the immediate consequence of the crisis is the EU's weakening political activity/influence in the world (different examples can be quoted). All of these developments are producing the EU's self-oriented policy and undermining its interest and capacity to act internationally and to tackle global issues. The question is whether the EU's focus on itself will remain permanent or if the EU returns to the global stage. There are numerous reasons for optimism, at least in the medium term perspective:

- The EU is too important an economic actor to disappear from the global stage. The

EU still remains the largest and most strongly integrated economic area in the world, being an internal market with 500 million consumers of key significance for the world economy (25 percent of global gross domestic product (GDP) and the biggest trading partner for most countries in the world).

- The EU model of development is still attractive with less than 10 percent of the global population, the EU's share in global social spending is 50 percent. This cannot be sustained and must be reformed, although it reflects the prosperity achieved by Europeans. Recent decisions have streamlined economic governance and strengthened the institutions that are coming to the rescue of troubled member countries.
- The ambitions of the EU and the majority of its member states are still running high. The Europeans are aware that the EU provides an important added value (and also an instrument of their own policy) in relations with the world, so the EU should be present economically/politically in the region and in global affairs (see discussions on the European Global Strategy; foreign policy in the next EU multiannual financial framework, et cetera).
- Economic and political expectations coming from the EU partners. It is in everybody's interest to keep the euro going; its collapse would mean global recession; losses of banks and governments (China, the largest exporter to the EU, keeps 25 percent of its currency reserves in euro); Moreover, politically the EU is an important element of a multipolar world and emerging powers seem interested in maintaining this multipolarity.

The priority for everyone should be to end the eurozone crisis, although reforms in other countries are also needed (it is not only Europe that is causing instability on global markets, as the level of public debt in the United States is considerably higher, not to mention Japan, and may also become difficult to sustain in the future) and we have to deal with global economic imbalances. The end of the eurozone crisis is in everyone's interest, so perhaps a stronger message from the G20 is necessary alongside more financial assistance from the IMF if need be.

The crisis in the eurozone will not end entirely before 2020; this will require a lot of political energy and during this period the EU will concentrate on its own problems. The crisis is a problem in itself, but also an opportunity for the EU (a kind of shock therapy) to rethink its economic, social and political future (innovation, demography, energy needs, etc.). We are confident that the eurozone crisis is not a permanent element of the EU reality. As Polish Prime Minister Donald Tusk stated during the recent Asia-Europe Meeting: "The European project is undermined by euroskeptics who call the common currency, the euro, a failed experiment. Many Europeans and EU partners are losing confidence in the EU because the EU struggles to repair its structural weaknesses, and because the old ghosts of nationalism, xenophobia and protectionism have risen again." But still: "Democracy, free

markets, and the rule of law are the most inspired inventions based on our values which will help today's Europe to overcome the crisis and remain a role model for the rest of the world."

The Limits of International Action in Syria

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For over 18 months, the international community has watched with horror a conflict in Syria that has, at the time of writing, resulted in some 40,000 deaths, somewhere between 1.5 and 2.5 million internally displaced Syrians, and almost 400,000 refugees registered with United Nations Refugee Agency (UNHCR). None of this, however, has helped to generate a consensus within the international community about how to respond.

The situation could still get worse. Syria could lose control of—or even use—its chemical and biological arsenal. There is also an increasing danger that the conflict in Syria might spillover into neighboring countries. Meanwhile, there is likely to be an even greater humanitarian crisis and outflow of refugees. And there is still no guarantee that a more stable Syria will emerge, even if the current regime can be forced from power.

One would think that with so much at stake it would be easier for the international community to formulate a coherent and effective strategy to bring the conflict to an end. However, there are reasons why this has not been the case. In particular, the Libyan intervention seems to have cast a long shadow over the international community's deliberations on Syria in a number of negative ways.

Russia and China have chosen to take a narrow view of their interests in Syria, seemingly reinforced by the Libyan experience where they may have felt that the actions taken by the international community exceeded those to which they had agreed. Russia's historical ties with Syria provide some context for its position; China's actions are less comprehensible, given its broader interests in the stability of a region that supplies a significant proportion of its energy needs.

China and Russia's narrow conception of their interests hampered the ability of the international community to place strong political and diplomatic pressure on the Syrian regime, and on the opposition, in the interests of a peaceful settlement and of regional stability, especially early on in the crisis. It would be ironic if this were motivated by suspicions that other United Nations Security Council (UNSC) members were looking to create grounds for a military intervention: It is difficult to detect any enthusiasm among the P5 for a military intervention in Syria along Libyan lines.

Indeed, there seems to be broad recognition of the limits to what the international community can do in Syria and that Libya needs to be seen as less of a precedent than an exceptional case.

The risks of military intervention in Syria are well understood; the Syrian military is stronger, the battle lines between government, opposition and civilians are more complex and less clear, and the regional political dynamics would be far more difficult to manage.

This places limits on what the international community can do in Syria. It is probably true that only when the military momentum shifts decisively in favor of the opposition or the government, will the possibility of a political settlement become real. Nevertheless, the political positions adopted by the international community will have some bearing on such a settlement and would have more influence were there greater consensus.

THE UN SECURITY COUNCIL REMAINS LESS THAN THE SUM OF ITS PARTS, BUT THIS DOES NOT MAKE IT IRRELEVANT

Even if the UNSC has demonstrated, yet again, that it remains less than the sum of its parts, this does not make it irrelevant, particularly in managing the consequences of the conflict and, in the future, mediating a settlement in Syria.

The key members of the UNSC may disagree whether the causes of the Syrian conflict but the consequences are fairly clear. In particular, the UNSC has a role to play in managing, to the extent possible, the humanitarian crisis in Syria and in neighboring countries. With that said, there may be more that needs to be done given how quickly refugee numbers have been growing in recent months. The UNSC must also ensure that the conflict is contained to Syria and does not spread through the region or exacerbate existing regional tensions.

Beyond managing the immediate consequences of the conflict, the Council will have a role to play when conditions for a political settlement do become ripe. The failure of UN Special Envoy Kofi Anan's mission and the problems faced by his successor, Lakhdar Brahimi, underline the difficulty of brokering an agreement when both sides still believe that they can win. But when the momentum eventually shifts, the UNSC, and the international community more broadly, will need to move quickly to ensure that the current civil conflict does not transform into something even more dangerous as various players compete for power.

At the very least, this means staying in close communication with the various stakeholders in both the regime and opposition. In this regard, the Brahimi mission has a useful purpose, even if its achievements to date seem rather limited.

DO WE HAVE A RESPONSIBILITY TO PROTECT, BUT ONLY WHEN IT IS EASY?

The fact that the conflict has dragged on at a very high cost in civilian lives raises serious questions about the concept of "responsibility to protect" (R2P). If Libya seemed to give new life to R2P, the inability of the international community to protect civilians in Syria is

draining life from it.

Nevertheless, as a leading proponent of R2P, the former Australian foreign minister and former head of the International Crisis Group, Gareth Evans, has argued that international military intervention needs to be seen as a last resort in efforts to protect civilians under threat, not the only resort. The international community has taken a range of actions in the Syrian case, including diplomatic pressure and a series of sanctions, and can continue to seek innovative solutions.

In this regard, the chief failure has not been the failure to take military action, but rather the failure to place stronger and more united political pressure on President Bashar al-Assad early in the conflict when it first began to take military action against unarmed protestors. More generally, the Syrian case should not damn the concept of R2P altogether, but provide a dose of reality after the Libya experience.

Saving Syria: Russia to Lead?

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Together with China, Russia opposed their counterparts at the United Nations Security Council (UNSC), on three occasions no less, over the backing of foreign intervention in Syria. Some have sought—not incorrectly—to explain the Chinese and Russian vetoes in terms of Syria's strategic importance to Russia. It was for similar reasons that China and Russia used their respective vetoes in 2007 against any UNSC resolution to halt human rights abuses in Myanmar, whose ruling junta had long enjoyed the backing of China. Russia also threatened to use its veto in 2007 against humanitarian aid to Kosovo because it did not want a UN-supported military intervention in its backyard. Ultimately, the Chinese and Russian actions are rooted in their shared concern over the need to preserve the principle of nonintervention and uphold national sovereignty—China's or Russia's, to be precise—lest the precedence of intervention is used by the United States, United Kingdom or France to justify actions against the Chinese or the Russians, themselves.

As many have noted, Russia's actions are not incongruent with a United Nations whose foundational principles continue to privilege nonintervention and national sovereignty over other global norms and conventions. These norms include the "responsibility to protect" (R2P) principle adopted by the UN at its World Summit in 2005 and subsequently refined through a number of UN efforts, as documented in UNSC Resolution 1674 that was issued in 2006, and the UN Secretary-General's report on "Implementing the Responsibility to Protect" released in 2009. In this regard, the recent invocations by western powers of the R2P principle as justification for military intervention in Libya has been equally problematic and leading both China and Russia to abstain during the UNSC vote on Libya and hitherto veto intervention in Syria. Granted, there is no denying the reality of massive human rights violations in both instances (albeit that, in Syria's case, the situation has been complicated somewhat by apparent human rights abuses perpetrated by rebel forces). However, the push toward regime change—or, for that matter, the use of air power to achieve regime change—in Libya by western proponents of the R2P extended well beyond the scope of the R2P principle as originally conceived by its architects. In a sense, Russian suspicions about Western appropriation of the R2P as a license for unilateral intervention are not unjustified.

As Russia prepares to assume the chairmanship of the Group of 20 (G20) in 2013, it finds itself in a potential bind. On the one hand, Russia is preparing to chair the world's premier framework for global governance. On the other hand, unfairly or otherwise, it has been vilified for standing in the way of condemning brutality in war-ravaged Syria—America's ambassador to the UN, Susan Rice, memorably referred to Russia's opposition to the proposed UNSC resolution as "disgusting"—that foreign intervention would presumably

remedy. Admittedly, if the situation in Syria deteriorates, Moscow stands to lose, given the significant number of Russians based in Syria whose lives are equally at risk. It therefore stands to reason that a pacific solution for Syria, and a quick cessation to hostilities therein, is in Moscow's best interests.

Against that backdrop, what can be done?

DIRECT CONSULTATIONS WITH THE ASSAD REGIME AND THE SYRIAN OPPOSITION LEADERS

Russia has sought to directly engage President Bashar al-Assad and push for reforms and dialogue between the Assad regime and Syrian opposition forces. Admittedly, this has not yet resulted in the cessation of violence. But what Russian engagement can and should accomplish is keeping other international actors, particularly the interventionist-minded powers, informed about the complexities of Syria's internal struggle and the protagonists involved. For example, the pro-intervention camp tends to oversimplify matters by assuming that getting rid of Assad is all it might take to get Syria back on track. More than most external actors, it is the Russians who appreciate the challenges confronting Assad and the ruling Alawite community, as well as the prospects for a radicalized Alawite insurgency that could emerge in the wake of Assad's departure, whether forced or voluntary. But extolling the virtue of the point of view presupposes a Russian preparedness to share its knowledge with external powers that Moscow does not trust. On the other hand, it could prove a crucial stepping stone toward building a political consensus with the pro-intervention camp through helping them appreciate better the limits of their preferred strategy of military intervention.

COORDINATED ENGAGEMENT OF SYRIA BY THE MAJOR POWERS

Global governance concerns multilateral coordination and cooperation. It is imperative that Russia find a way to facilitate some level of coordination with other major powers in response to Syria while, at the same time, ensuring its own interests are preserved. In order for Russia to invest in such an enterprise, it would naturally entail cooperation—and, if you will, restraint—on the part of the Western powers in finding common ground with Russia (and China) concerning Syria. While Russia understandably does not support the notion of foreign intervention, neither can it work in isolation from the rest of the international community if it hopes to bring an end to the violence in Syria. In his November 28, 2012, interview with Russia's *Argumenty & Fakty* newspaper, Foreign Minister Lavrov stressed that Russia's involvement in the Syrian conflict was "completely out of the question." This is a rather unfortunate statement, in my view. While Moscow's decision to stay neutral and avoid backing any side is understandable, it does not necessarily have to mean non-involvement; indeed, Russia is for all intents and purposed *involved* as it is. Russia's offer to broker dialogue between Syria and Turkey is commendable.

MAKE ENCOURAGING BUT NON-THREATENING RESOLUTIONS AND STATEMENTS AT THE UN BY THE SECRETARY-GENERAL AND THE PRESIDENTS OF THE GENERAL ASSEMBLY AND SECURITY COUNCIL

This may sound odd given the severity of the situation in Syria. But the threat to issue aggressive resolutions and statements has proved unsuccessful in getting Russia's (and China's) buy-in, much less compel the Assad regime toward restraint. Perhaps the employment of less threatening or non-threatening resolutions and statements that Russia and China might accept and support, could prove a more productive course of action, and offer Assad and his Baathist regime a way to make a face-saving exit that military intervention would otherwise not.

ENGAGEMENT OF SYRIA BY ITS MIDDLE EAST NEIGHBOURS, INCLUDING THE ARAB LEAGUE

Finally, there should be a role for Syria's neighboring countries and the Arab League. Russia had previously indicated support for a leading role for the Arab League. However, the Arab League has complicated matters by calling on Russia to halt its arms sales to the Syrian government, while the Arab League itself is divided over its support for the Syrian opposition. Needless to say, these complications affect the Arab League's effectiveness as a peace facilitator on which the Assad regime could rely. Oddly enough, a position of express neutrality by the Arab League could prove the best strategy. For example, the Association of Southeast Asian Nations (ASEAN), for all its flaws, was relatively successful in winning Myanmar's confidence following the devastating cyclone in 2008 through its policy of constructive engagement (or, if you will, "enhanced interaction") in the face of worldwide criticism against the leaders of Myanmar for refusing international assistance. In fact, the ruling junta hardened its refusal in the face of the invocation by some Western powers to use the R2P principle to justify foreign intervention in Myanmar. But the junta agreed to let ASEAN play the role of intermediary and conduit for foreign assistance to enter Myanmar. To be sure, the situation in Syria might already have reached the point where neutrality by the Arab League is no longer an option.

A Better Cybersecurity? Some Considerations

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Cybersecurity is a complex topic. We increasingly depend on digital networks that are very insecure. Poor cybersecurity harms all users, from individuals to states. New technologies affect economic and technological competitiveness, cause major economic losses, and be exploited by criminals. Cyberspace is increasingly used by the military and the intelligence services. While the scenario of a fully-fledged cyber war is implausible, cyberattacks have been conducted (with relatively minor effects) and the usefulness of appropriate cyber operations to complete and reinforce the use of force has become increasingly clear.

Early users of the Internet think of it as free and borderless; a kind of new global common, open to all mankind. In reality, the cyberspace is a sum of networks and devices, owned by private or public entities, as well as being subject to the control of national governments. The increasing number of cyber operations conducted by the military and intelligence services of a number of countries (including espionage, attacks, defensive measures, exercises, etc.) strengthen governmental control and exploitation of cyberspace.

The first question is whether major cyber powers aim to "dominate" cyberspace, or if they would more modestly accept to "share" it among themselves, and possibly with all the other users. Both aims are compatible with multilateral rules and understandings. The first, for instance, would profit from the establishment of confidence building measures, possibly of Internet arms control agreements. The second, however, would require the establishment of clear and common rules and would need the establishment of multilateral institutions to monitor their implementation, to keep track of technological developments, to identify necessary upgrading, and to ensure compliance.

While the second approach is much more in line with the global nature of cyberspace, the reality seems to suggest a progressive re-nationalization of it, more in line with the first approach. Yet, the features of cyberspace and the complex intertwining of public and private actors (including criminals) can severely hamper the effectiveness of limited agreements among few major countries, making the second approach (a regulated sharing of cyberspace) much more promising and effective, albeit in contrast with the increasing ambitions to control or dominate it for national purposes.

Meanwhile, consumer's rights are not adequately protected. Important infrastructure, such as energy grids, traffic controls, public communication systems, as well as banking services, personal information and the like risk damaging their users. All too frequently responsibility

has been attributed to private companies owning or operating those infrastructures, ignoring the fact that national security remains a public responsibility.

A number of provisions have been suggested to correct this situation. Some recommend that Internet service providers (ISPs) should be made responsible for protecting consumers, possibly in partnership with governments. Such a move is of increasing urgency with the growth of cloud computing. Some countries are already trying this approach, but a global multilateral endorsement would make it more likely to succeed.

A similar responsibility could be attributed to critical infrastructure companies. In this case, it would be essential for governments to establish the necessary standards and regulations, and ensure a degree of control by testing the defences put in place. Again, a multilateral agreement on these matters would help avoid the development of differentiated standards and rules.

Some states may prefer to adopt a posture of "active cyber defence," working with the telecommunication service providers and with the major Internet service providers to monitor basic infrastructures, such as high capacity fibre optic cables, to intercept offensive traffic. In practice, these defences would control traffic at "peering points" where different networks meet at a national level. Essentially, these points are where the traffic from a country connects to the networks of the rest of the world and serves as a kind of technological "choke point" that is easier to monitor. Transparency and equity, however, dictate that these activities should be regulated by a common code of conduct to overcome the problem of trust. An example of a prototypical problem in cybersecurity is that sensors ostensibly programed to look for malware could also intercept all private Internet traffic. Responsibilities, therefore, should be clearly spelled out and identified.

To this end, there is a real necessity for an agreement to protect intellectual property and business information from cyber thefts and spying. A greater transparency and sharing of information whenever these attacks are identified might help victims of cyberattacks understand the magnitude of the problem and build more effective defences. There is a role here for the WTO to increase its ability and willingness to fight this very destructive form of international crime, as well as demonstrate that bad behaviour in cyberspace can justify strong reactions and exact punishment. Further, law enforcement cooperation between states, particularly against cyber crime (and cyberterrorism) should target those sanctuary countries that tolerate or encourage cyber crime. International agreements should also define the norms of responsible behaviour in cyberspace (and could be extended to cover the necessary upgrading of international law dealing with armed conflicts). States also need to bear some responsibility for the actions of their residents. Bad behaviour in cyberspace should bear consequences (from trade penalties to other form of diplomatic reactions). A better security system requires a legitimate enforcement to become credible.

In conclusion, better cybersecurity necessitates a comprehensive multilateral approach that combines domestic and international measures, public and private, according to common principles, rules and aims. We are still very far from this.

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ⁱ Paola Subacchi and Paul Jenkins, "Preventing Crises and Promoting Economic Growth: A Framework for International Policy Cooperation" http://www.cigionline.org/sites/default/files/CH_economics_WEB.PDF

ii Cameron recommended "a small secretariat, possibly staffed by seconded officials from G20 countries and based in and chaired by the Presidency... The secretariat could reside in and be chaired by the country holding the annual Presidency. It could act as part of the Presidency team, and draw its staff from troika members and officials seconded from G20 members as desirable." http://www.number10.gov.uk/wp-content/uploads/2011/11/GovernanceForGrowth_acc.pdf

The idea has been supported in many quarters:

http://www.themoscowtimes.com/opinion/article/how-the-g20-can-save-the world/469929.html#ixzz2ARHXZyCq http://english.chosun.com/site/data/html_dir/2010/11/15/2010111500563.html