Appendix 11.2 Categories of Aid for Trade Activities

The European Union uses six categories for Aid for Trade (AfT) activities, which are useful for coherent reporting and monitoring. Each category is linked to specific codes in the general Creditor Reporting System through which overall ODA is reported.

- **Trade-related assistance:**
  - Trade policy and regulations: trade policy and planning, trade facilitation, regional trade agreements, multilateral trade negotiations, multi-sector wholesale/retail trade, and trade promotion. Includes training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, and institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards.
  - Trade development: investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, and market analysis and development. This is largely a subset of building productive capacity, covering specifically its most trade-related part.
- **Wider AfT agenda:** trade-related assistance plus the following:
  - Trade-related infrastructure: physical infrastructure including transport and storage, communications, and energy generation and supply.
  - Productive capacity: business development and activities aimed at improving the business climate, privatization, assistance to banking and financial services, agriculture, forestry, fishing, industry, mineral resources and mining, tourism. Includes trade-related and non-trade-related capacity building.
  - Trade-related adjustment: contributions to the government budget to assist with the implementation of recipients’ trade reforms and adjustments to trade policy measures by other countries, assistance to manage shortfalls in the balance of payments due to changes in the world trading environment.
  - Other trade-related needs: trade-related support not captured under the above-mentioned categories.

Sources: European Commission (2010).

Chapter 12

Security as a Global Public Good: Common Issues for the European Union and the G8

Sergey Medvedev and Igor Tomashov

Security is one of the most contested issues on the political agenda. However, interpretations of security often differ, and the subjects of the discourse (the individual, the group, the country, the state, the international community) sometimes have conflicting interests. For example, in the name of security, it is possible both to increase the defensive capabilities of the state and to attack the human rights of its population. In order to promote security as a global public good, it is important to analyse different political and military conflicts from the perspective of the collective good and the international community. Global and regional international institutions, such as the European Union and the G8, possess enough authority to speak on behalf of the common good. Based on this assumption and in pursuit of the rationale of the security policies of the key actors, this chapter takes stock of EU and G8 attempts to resolve conflicts in different parts of the world.

Security and International Peace as Global Public Goods

The provision of international peace and security is perhaps the most important global public good. In fact, conflicts and wars are usually accompanied by the violation of human rights, destruction of the environment, erosion of institutions, and other public goods. Moreover, they cause negative effects that may be destabilizing at both the regional and global levels.

Civil wars and ethnic conflicts trigger refugee flows and increased crime and may directly or indirectly influence the situation in neighbouring countries. For example, the genocide in Rwanda in 1994 led to the destabilization of Burundi and Zaire (Collier 2006). As pointed out by the International Task Force on Global Public Goods: ‘In the absence of an effective collective security system, not only will the levels of war, terrorism and other forms of strife increase, but international prosperity will be at risk or even reversed. War, conflict and terrorism will erode international confidence, weakening financial markets. And isolationism and distrust between peoples will infect trade regimes, bringing protectionism and economic reversal. International public health and efforts to combat climate change.’
change will suffer in an atmosphere of eroding security’ (International Task Force on Global Public Goods 2006, 55).

Security and international peace are essential global public goods, non-excludable in provision and non-rival in consumption. The only argument against this thesis is the geographical remoteness of a region in conflict. However, although geography to some extent influences the perception of the situation, it does not change the basic characteristics of this type of global public good. Moreover, the geographical factor is decreasing, considering the ‘globalization’ of the notion of security and peace, and the elimination of the problem of ‘free riders’ in international politics: in today’s world, there are no free riders in the context of international security.

However, the study of concrete examples reveals, first, different interpretations of security and peace as global public goods and, second, an absence of mutual dependence between security and peace. When only a few countries possess nuclear weapons, it may be seen as a global public good because the nuclear weapons play a stabilizing role in the international system. But the borderline between good and bad in this situation is thin: in theory, the aspiration of North Korea and Iran to possess nuclear weapons strengthens their national defence capacity (which may be not the case in reality) at the price of international security. Another fundamental question is to what extent the existence of armies guarantees security and peace and to what extent it precludes security and peace. The ‘military lobby’ has a vested interest in the accumulation of arms and the perpetuation of conflicts; millions of people all over the world earn their living by working in the military industry or dealing in the ‘markets of violence’. For them, wars are a kind of ‘corporate good’.

The example of the USSR is an extreme case of the overproduction of the defence capability of the state and security of the whole Soviet bloc. The situation in the second half of the 20th century was hardly peaceful. The United States and the USSR faced each other during the Cold War, intensifying the arms race and engaging in numerous peripheral conflicts. At times, the world was on the brink of a nuclear catastrophe, as happened in the 1962 Cuban missile crisis. The military might of each forced the two parties into peace but did not establish it. This situation is broader than it looks at first glance: the search for balance between guaranteeing security and the development of peace requires a reassessment of the role of the military; meanwhile conflict management and institution building require different types of political management.

In the era of globalization, the concepts of security and international peace are evolving as well. On the one hand, the notion of security acquires a ‘civil’ dimension and becomes more elusive: in addition to the prevention of wars, terrorism, organized crime, and the proliferation of the weapons of mass destruction, it includes financial and energy security and the struggle against infectious diseases and against environment degradation. On the other hand, the prospects for international peace are slim where global growth is unequal and the world order erodes, discrediting of western ‘liberal imperialism’.

During the Cold War, security was a one-dimensional and homogeneous issue. It existed in a single political and geographical space, determined by the ideological rivalry between capitalism and socialism. These days, the provision of global security is a multidimensional and multilateral process. This is perfectly illustrated by the case of Europe, where security is provided by such different organizations as the North Atlantic Treaty Organization (NATO), the Organization for Security and Cooperation in Europe, the European Union, and the Collective Security Treaty Organization. The United Nations is gradually losing its legitimacy at the global level, being unable to assume the role of the universal mechanism for resolving all security problems. States tend to resort to unilateral actions, or build ‘coalitions of willing’, when engaging in military actions or in conflict management. In these circumstances, the role of new actors such as the EU in security is coming to the fore.

The EU’s Common Foreign and Security Policy: Providing for Global Security?

The EU has always moved gradually and consistently in pursuit of its goals. The move from being an economic community to a political union was not easy and took several decades. This process still continues. In adapting to the consequences of enlargement and overcoming the crisis of integration, the EU now faces the challenge of political institutionalization and the implementation of the Common Foreign and Security Policy (CFSP). Although citizens of the European countries are not ready to see any further weakening of their national sovereignties – as indicated by the hardships of the ratification of the European constitution and the Lisbon Treaty – at the level of values, the conditions for further integration are all in place. The aspiration for peace, the peaceful resolution of conflicts, the rule of law, human rights, and democracy are essential elements of the European identity. Opinion polls show that Europeans would favour the adoption by the EU of a more effective foreign and defence policy in order to pursue these goals (Emerson 2008).

The establishment of the Western European Union (WEU) in 1948 and of NATO in 1949 are notable landmarks in the history of cooperation among European countries in the field of security. These two organizations have guaranteed security of Europe during the second half of the 20th century, until the WEU and the EU merged in 2000 and NATO became oriented towards global rather than regional problems. The EU now plays a more active role on the international stage, pursuing its foreign policy goals within the framework of the CFSP and the European Security and Defence Policy (ESDP) (Barabanov 2000). In 2010, in accordance with the Treaty of Lisbon, the European External Action Service was created, headed by the High Representative for Foreign Affairs and Security Policy Catherine Ashton (Council of the EU 2009).
The members of the European Council first discussed the prospects of implementing a common European foreign policy through more active intergovernmental consultation and exchange of information at the end of 1960s, when the idea of European political cooperation was discussed at the European Council summit in the Hague (Barabanov 2000). The Single European Act adopted in 1986 formalized this intergovernmental cooperation in foreign policy and confirmed the aspirations of the member states to 'endeavour jointly to formulate and implement a European foreign policy'.

Massive changes at the end of 1980s and beginning of the 1990s further enhanced this desire.

After the signing of the Maastricht Treaty, a common foreign and defence policy became one of the pillars of integration. Shortly thereafter, the WEU defined new objectives of foreign and defence policy: humanitarian and rescue tasks, peacekeeping tasks, and the tasks of combat forces in crisis management, including peacemaking (Barabanov 2000). The EU began to position itself as a 'supplier' of security as a global public good; building the success of Western Europe, it aspired to 'export' security to the global markets. The EU has since become a significant international actor and has participated in conflict management in the Balkans, Africa, and the Middle East. Another important step was the Amsterdam Treaty, which established the post of a High Representative for Common Foreign and Security Policy. Javier Solana, former secretary general of NATO, held this position from 1999 to 2009.

The priorities of the EU's foreign policy are defined in the European security strategy adopted in 2003 (EU 2003). The document specifies the main contemporary security threats: terrorism, the proliferation of the weapons of mass destruction, regional conflicts, and organized crime. It calls for a more active, efficient, coherent foreign policy in which its partners cooperate. It states that the EU 'should be ready to share in the responsibility for global security and in building a better world'. In this sense, European foreign policy aims at providing security as a global public good rather than at building an isolationist 'fortress Europe'.

Since the beginning of the 21st century, the EU has led more than 20 anti-crisis missions. Among them are military operations in Libya, Bosnia and Herzegovina, Chad, the Democratic Republic of Congo, Somalia, as well as civil operations in Kosovo, Georgia, Palestine, Iraq, and Afghanistan (EU 2011c). Moreover, the activity of the high representative in foreign affairs and security policy is supported by eight special representatives of the EU, working in Afghanistan, the African Union, Bosnia and Herzegovina, California, Asia, Kosovo, the South Caucasus, Georgia, the Southern Mediterranean region, and Sudan (Council of the EU 2011).

The scale and tasks of the CFSP are gradually widening. Mission EULEX in Kosovo was organized in 2008 and remains the largest civil operation in the

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question is paradoxical: is it possible to wage wars for the sake of the ideal that democracies do not fight each other?  

However, difficulties in finding the consensus are no reason to give up. The EU provides an example of best practice here. The amount of European aid, which comes from the EU budget and the budgets of its member-states, amounts to €54 billion, making it among the largest donors of global official development assistance (European Commission 2011). Moreover, the EU is the largest trading partner for the world's poorest countries. The EU also supports non-governmental organizations and fulfills the commitments it undertakes at G8 summits. For instance, the EU (2007) committed more than €840 million to the G8's Global Partnership against the Spread of Nuclear Weapons and Materials of Mass Destruction for more effective control over chemical, biological, radiological, and nuclear weapons and materials.

Through humanitarian and military missions, the EU uses its authority and resources to provide global security. It is nonetheless often criticized for its inability and even fear of more active engagement in international affairs. Yet can the dispatch of a few dozen police officers and diplomats change anything in reality? The exception is the Balkans, but the states in this region could possibly join the EU, so operations there cannot be seen as the accomplishment of a purely global public good mission. And even in the Balkans the EU follows the principle of the ‘visibility’ of the uniformed military and police forces, whose symbolic presence should prevent new violent conflicts (Emerson and Gross 2007). Such a ‘post-heroic’ approach of the EU can be either praised as a new post-modern type of foreign policy or criticized for its passivity. The reality is that it is in many ways predetermined by US military might, which makes it possible for Europe not to think about the military aspects of its security.

In general, today the EU is one of the largest suppliers of global public goods. Establishing peace in Europe and creating a stable zone of freedom and security on the continent belong to greatest achievements of humanity in the second half of the 20th century. The issues for the 21st century include a further accumulation of these goods and the spread of European values and political and economic standards at least to the territory of ‘wider Europe’, which includes the Mediterranean region, the Middle East, Russia, and Central Asia. The development of the CFSP is undoubtedly the main instrument of international peace and security as global public goods.

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2 A striking answer to this question was given in 2002 by Robert Cooper (2002), who argued for the positive role of the idea of ‘double standards’ in international relations: ‘Among ourselves, we operate on the basis of laws and open cooperative security. But when dealing with more old-fashioned kinds of states outside the postmodern continent of Europe, we need to revert to the rougher methods of an earlier era – force, pre-emptive attack, deception, whatever is necessary to deal with those who still live in the nineteenth-century world of every state for itself. Among ourselves, we keep the law but when we are operating in the jungle, we must also use the laws of the jungle.’
Chapter 13

Knowledge and Education as Global Public Goods

Sergey Medvedev and Igor Tomashov

Knowledge and education are increasingly important elements in development. They go hand in hand, and while new technologies allow free access to information, education provides people with tools to analyse that information and create new knowledge. However, key international actors need to do a lot of work in this field. In fact, a consistent effort over the next few decades is required for knowledge and education to become de facto global public goods. This chapter assesses some initiatives of the European Union and the G8 to promote knowledge and education as global public goods.

Knowledge and Education as Global Public Goods

The growth of the knowledge economy is a significant characteristic of the changes that have occurred globally in recent decades. Education, invention, and the accumulation of knowledge have always been important to progress. But the main sources of power have traditionally been violence and wealth. However, this balance is changing: as Alvin Toffler (1990) has written, because the nature of power has changed, wealth and violence have become dependent on knowledge.

As a result, knowledge and education have become globalized public goods. In the past the development of an education system was primarily the task of the nation-state, but today universal primary education and gender equality in access to education are set out in the Millennium Development Goals (MDGs). It is an ambiguous situation: knowledge in the broad sense is a driving force for the development of civilization, but it is also a source of growing global inequality. While the developed countries have all the opportunities for the advancement of science, the rest must depend on imported technologies as well as humanitarian and financial assistance.

Knowledge is a non-excludable and non-rival global public good. Everyone can learn a mathematical theorem and this does not prevent others from learning it. The more well-educated people there are in society, the higher the potential of its development. So the source of the problem of global inequality lies not in knowledge as such but in access to it and in the transaction costs associated with gaining access. Primary education is still not universally available: in 2009,