

Democracy and the Rule of Law

15th Annual Forum 2000 Conference
Prague, October 9–11, 2011

CONFERENCE REPORT



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In Memoriam

Since the Forum 2000 Conference in October 2011, two of the organization's leaders have passed away. Václav Havel was the former President of Czechoslovakia and the Czech Republic. In founding Forum 2000, he sought to confront the indifference of our civilization to its own future. Oldřich Černý headed the Forum 2000 Foundation almost from its beginning, helping it gain a reputation as a prestigious and widely-respected institution. Both men provided moral and intellectual leadership for Forum 2000 for some 15 years.

The best way to honor them is to continue Forum 2000's long-standing mission of fostering an international dialogue about democracy and human rights and we urge you to join us in maintaining this legacy. Now, as always, freedom and democracy are essential to the development of society and it remains essential to insist on the universality of human rights and the imperative of a moral basis for all kinds of human endeavor. President Havel and Olda will be deeply missed, but their work and convictions continue.

Jakub Klepal
Executive Director
Forum 2000 Foundation



Oldřich Černý, His Holiness the Dalai Lama and Václav Havel



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Editors' Note

Changes in the transcripts were made in order to enhance readability. These included eliminating interjections, correcting misused phrases, and adapting spoken language to written language. We can assure that the original intent of the delegates was maintained and thus the edits were for the sole purpose of clarity. Any remaining errors are our own.

We hope that you will find this report as interesting as we did and would greatly appreciate any feedback via e-mail to secretariat@forum2000.cz.

Oldřich Černý, Benjamin Cunningham, Boris Kaliský

Original video recordings of all the transcribed presentations can be found on the Forum 2000 website: <http://www.forum2000.cz/en/projects/forum-2000-conferences/2011/video-recordings/>

Founders' Messages



Václav Havel
Former President
of the Czech Republic

Dear Friends,

In 1996 I took part in a major international conference in Hiroshima organized by my friend Elie Wiesel. And it was there where we decided – as the end of the millennium approached – to invite to Prague various interesting figures: Nobel Prize-winners, writers, ecologists, philosophers, spiritual leaders and leading politicians, simply people who are linked by their experience of the burden of responsibility.

The purpose of the meeting was to discuss the world we live in, and our hopes and expectations, but also the threats in the upcoming new millennium. We called the project Forum 2000, because, among other reasons, 2000 still seemed quite far off. The Forum 2000 Conference that subsequently took place in Prague in September 1997 was intended to be a one-off event. However, its participants decided that the topic was so wide-ranging that it would be a good idea to return to it once more, preferably several times. And so there arose a tradition that would not have come about but for its third founding father, Yohei Sasakawa, and his tireless support and

enormous understanding. No words of thanks could adequately express my gratitude for that support.

Over the past 14 years, the Forum 2000 conferences have dealt with many issues related to our existence on this planet – education, culture, spiritual values, the coexistence of people of different civilizations – and we have also laid great stress on human rights and inter-religious dialogue, and frequently debated the attributes of real democracy. It therefore seems to me highly appropriate that the 15th anniversary conference will be devoted to democracy and the rule of law. I am deeply convinced that a fully-fledged democracy cannot exist without responsibility, nor can it exist without the rule of law. It is necessary to recall that unless a legal system is grounded on moral order, it can neither operate properly nor command respect. Unless the social climate betokens respect for fundamental moral imperatives that make individuals conscience bound to observe norms of coexistence with others, not even the most sophisticated legal system will be respected, preserved and enforced, and we will live in an indifferent, demoralized and undemocratic society.

Forum 2000 conferences are known for their diversity and multi-layered character, and the main topic will certainly be examined from many angles, such as organized crime, corruption and politics, secular rights versus religious rights, etc. I wish for myself and for you that this year's Forum 2000 will be a worthy celebration of our 15th anniversary.



Yohei Sasakawa
Chairman of the Nippon
Foundation

Dear Friends,

Fifteen years ago, in October 1997, as hopes and anxieties about the new millennium were building, President Havel, Elie Wiesel and I created Forum 2000. Our purpose was to create a platform through which the world's political leaders, intellectuals, artists, critics and religious leaders could gather and explore the fundamental issues that our societies face in common. Since that year, we have annually come together under President Havel's leadership to discuss such broad-reaching issues as the challenges brought about by modernization, advantages and disadvantages of globalization, or the question of whether we can find a moral minimum on which to base dialog between our societies.

More than being a place where we discuss possible solutions to our common challenges, Forum 2000 has provided a platform to uncover the most fundamental roots of those challenges. Only if we can achieve an understanding of these roots will we be able to pursue lasting change. We are not simply gathered here to seek a mutual respect of diversity, but to work together toward a common vision of a better world. This year, our theme is "Democracy and the Rule of Law."

We live in an age in which for many societies, economic development is progressing at an unprecedented pace. At the same time however, the development of civil society lags severely in many coun-

tries. In others, while the populace has been able to overcome tyranny, a continuing lack of both democracy and rule of law has led to spiraling social unrest and crime, severely curtailing the development of freedom and prosperity.

Further, even in countries where democracy has been able to develop and mature, legalism and a focus on uniformity often degrade freedom and diversity. The rule of law is vital to protecting our freedoms, but laws must be tools through which we nurture our society, not an apparatus through which we restrict it. In today's world, the shape and maturity of democracy vary from country to country. Likewise for the rule of law.

It is more important than ever that we continually reexamine the nature and balance of these forces in all of our societies, striving to perfect it. This is our mission this year, and I sincerely trust that our dialog here will give birth to new ideas and realizations.



Opening night at Prague Crossroads



Delegate Profiles



Shahira Amin

Journalist, Egypt

Journalist and freelance contributor to CNN's Inside Africa. From 1989 to 2011, she worked for Egypt State TV. In 2009, she received a certificate of recognition from UNICEF for her efforts to improve the status of women and children in her country. Winner of Best News Report in the annual CNN World Report Competition (2008, 2004). Ms. Amin has produced feature stories on female genital mutilation, the plight of Sudanese refugees, discrimination against Copts in Egypt, the Nile water dispute and Wahhabi influence on Egyptian culture and the arts.



George Andreopoulos

Professor of Political Science, City University of New York, USA

Professor of Political Science at City University of New York and Columbia University. He is Founding Director of the Center for International Human Rights at John Jay College and Founding Associate Director of the Orville Schell Center for International Human Rights at Yale University. Mr. Andreopoulos has written extensively on international security, international human rights, and humanitarian law. He has participated in several human rights missions and been a consultant for international organizations and NGOs. He served as President of the Human Rights Section of the American Political Science Association (2003–2004). He holds a Ph. D. from the University of Cambridge and a B.A. from the University of Chicago.



Uzi Arad

Former National Security Advisor, Israel

Former Foreign Policy Advisor to Prime Minister Benjamin Netanyahu. Mr. Arad has also served as Mossad's Director of Intelligence and as Advisor to the Knesset Foreign Affairs and Defense Committee. He is the Founding Head and Professor of the Institute for Policy and Strategy at the Lauder School of Government, Diplomacy and Strategy. He worked at the Hudson Institute and was a Research Fellow at Tel Aviv University's Center for Strategic Studies. Mr. Arad holds M.A. and Ph.D. degrees in International Relations from Princeton University and graduated courses at Harvard University.



Anna Teresa Arco

Chief Feature Writer, The Catholic Herald, United Kingdom

Chief Feature Writer since 2008 for The Catholic Herald, a British Catholic newspaper. Before joining the Catholic Herald full-time, she was an associate editor with the paper and a freelance journalist writing for the Times, the Daily Telegraph and the Spectator. She received her M.Sc. from the Columbia School of Journalism and her B.A. Oxon in English Language and Literature from Oxford University.



José María Argueta

Former National Security Adviser, Guatemala

Former and first civilian National Security Adviser of Guatemala and former Ambassador to Japan and Peru. Currently heads the Institute for Central American Strategic Studies. Coauthored and implemented the ESTNA Methodology, a conflict resolution method that facilitated the peace processes of Guatemala and El Salvador. As Ambassador to Peru, he was among the lead negotiators who helped to free hostages captured in the Japanese Embassy (1996). He has served as a consultant to the Inter-American Development Bank, Harvard University's Center for Conflict Resolution, and the National Endowment for Democracy. He is the author of "Enlightened Dissent: A Leadership Methodology for Peace Building" (2008).



Shlomo Avineri

Professor of Political Science, The Hebrew University of Jerusalem, Israel

Professor of Political Science at The Hebrew University of Jerusalem. Served as Director-General of Israel's Foreign Ministry (1975–1977) and held visiting positions at, among others, Yale, University of California, Oxford and the Central European University in Budapest. Mr. Avineri is a recipient of the Israel Prize, the country's highest civilian decoration. His widely translated books include: "The Social and Political Thought of Karl Marx", "Hegel's Theory of the Modern State", "Israel and the Palestinians", "The Making of Modern Zionism" and "Herzl: An Intellectual Biography". He is a graduate of the Hebrew University and the London School of Economics.



Sultan Barakat

Director, Post-War Reconstruction and Development Unit, University of York, United Kingdom/Jordan

Founding Director of the Post-War Reconstruction and Development Unit at the University of York. He is currently leading a number of research programs for the UK's Department for International Development, the Economic and Social Research Council and Afghanistan's National Solidarity Program and is the co-moderator for the West Asia-North Africa Forum. Mr. Barakat pioneered both scholarships and practices in the field of conflict studies, post-conflict recovery and peacebuilding. He is a Senior Adviser to the United Nations, the World Bank, the European Union, DFID, the International Labor Organization and the International Federation of the Red Cross. Mr. Barakat holds an M.A. and a D.Phil from the University of York.



Ladislav Bartoš

EHSS Manager, Veolia Voda, Czech Republic

Manager responsible for environmental protection, health, safety and drinking water technology in Central and Eastern Europe and Russia. Mr. Bartoš was previously Drinking Water Technology Specialist and Manager of the Technological Department at Severočeské vodovody a kanalizace a.s. – the biggest Veolia Water subsidiary in the Czech Republic (1999–

2007). Prior to that he was Research Specialist in the environmental technology department of Spolchemie a.s. (1996–1999). He holds an MSc. degree in Environmental Technology from the Institute of Chemical Technology and a Ph.D. in Water Technology from Brno University of Technology.



Prince El Hassan bin Talal

Chairman, West Asia-North Africa Forum, Jordan

H.R.H. Prince Hassan recently served as a member of the Commission on Legal Empowerment of the Poor and chairs the Integrity Council for the Global Commons. He established the West Asia-North Africa Forum in 2009. In 1983, he co-chaired the Independent Commission on International Humanitarian Issues calling for a New International Humanitarian Order. Prince Hassan is Co-founder and President of the Foundation for Interfaith and Intercultural Research and Dialogue and President Emeritus of the World Conference of Religions for Peace. He is President and Patron of the Arab Thought Forum, Chairman of the Higher Council for Science and Technology, the Royal Scientific Society and the Royal Institute for Inter-Faith Studies. Prince Hassan is the author of nine books.



William Browder

Founder and CEO, Hermitage Capital Management, United Kingdom

Founder and CEO of Hermitage Capital Management. He also serves as Chairman of the Russian Task Force for the Institute of International Finance and as member of the OECD/World Bank Roundtable on Corporate Governance in Russia. In 2008, Mr. Browder uncovered a fraud perpetrated by Russian government officials. Since then, he has led a campaign to expose corruption and human rights' abuses in Russia. Prior to Hermitage, he served as Vice President at Salomon Brothers and as a management consultant with the Eastern European practice of the Boston Consulting Group in London. He holds an MBA from Stanford Business School.



Alan Brown

Group Chief Investment Officer, Schroder Investment Management, United Kingdom

Chief Investment Officer, working at Schroders since 2005. He has previously worked for Morgan Grenfell, Posthorn Global Asset Management and PanAgora Asset Management before joining State Street Global Advisors. Mr. Brown was Chief Investment Officer and Vice Chairman, and Executive Vice President of State Street Corporation. Amongst other external positions, he is a Trustee of the Carbon Disclosure Project, a Non-executive Director of Pool Reinsurance Company Limited and of the Investment Management Association. He holds an M.A. in Physics from Cambridge.



Jan Bubeník

Chairman, Corporate Council, Forum 2000 Foundation, Czech Republic

Founder of Bubenik Partners and Chairman of the Corporate Council of the Forum 2000 Foundation. During the Velvet Revolution in 1989, he was one of the student leaders and later served as the youngest member of the first Czech federal parliament. Mr. Bubeník also worked as a management consultant for McKinsey & Company. He studied Pediatrics at the Faculty of Medicine, Charles University in Prague and Economics at the University of Colorado.



Martin Bursík

Former Minister of Environment, Czech Republic

Former Deputy Prime Minister and Minister of Environment of the Czech Republic (1998 and 2007–2009) and former Chair of the Green Party (2005–2009). He worked as a consultant on energy and environmental protection and as Director of Ecoconsulting. He served as a member of Prague City Council (1994–1998), including the position of the Chairman of the Environmental Committee. As a member of the Czech National Council, he co-authored the law on the protection of nature and landscape. He was one of the founding members of the Civic Forum (1989) and holds a doctoral degree in Environmental Protection from Charles University.



Natalia Churikova

Ukrainian Service, RFE/RL, Czech Republic/Ukraine

Reporting at Radio Free Europe / Radio Liberty for more than 16 years. Ms. Churikova has reported from Brussels and Frankfurt and she has launched a radio program, focused on Ukraine-EU relations. She also works as journalist trainer, having trained dozens of radio journalists in a number of RFE/RL broadcast areas. Ms. Churikova is the first winner of the Financial Times' Sander Thoenis prize. She holds an M.A. degree in Economics from the Central European University and a B.A. degree in philology from Kyiv State University.



Ivan Chvatík

Director, Jan Patočka Archive, Czech Republic

Founder and Director of Jan Patočka Archive, a special department at the Institute of Philosophy of the Czechoslovak Academy of Sciences. Served as governmental liaison in founding the Central European University and as the Secretary to the Board of Trustees of the Prague CEU Foundation. Co-director of the Center for Theoretical Study, the Institute for Advanced Study at Charles University and the Czech Academy of Sciences. Mr. Chvatík has edited over a dozen books by Jan Patočka and 4 volumes of his Collected Works. He also Received the Prize of Czechoslovak Academy of Sciences for the 27 volumes of the "Jan Patočka Archive Collection", published in underground, 1977–1989. Mr. Chvatík holds a degree from the Faculty of Nuclear Physics of the Czech Technical University.



Hassane Cisse

Deputy General Counsel, Knowledge and Research, The World Bank, Senegal

Deputy General Counsel, Knowledge and Research, for the World Bank. Previously he served as Chief Counsel for Operations Policy. He has been a member of the World Bank's Sanctions Board since 2007. Before joining the World Bank in 1997, Mr. Cisse served as Counsel at the International Monetary Fund. He is a member of the World Economic Forum Global Agenda Council on the Rule of Law and has authored reports and publications on international economic law topics. Mr. Cisse holds a LL.B from Dakar University; a LL.M from Harvard Law School as well as graduate degrees from the Panthéon-Sorbonne and Panthéon-Assas.



William Cook

Professor of History and Religion, State University of New York, USA

Distinguished Teaching Professor in the State University of New York at Geneseo with a Ph.D. degree in medieval history. He is the author of six books, mostly about the Franciscan movement, has won numerous awards for teaching excellence, and has lectured throughout the world, including Italy, China, and Kenya in 2010. He has been deeply involved with the issue of abandoned and abused children, has adopted three teenage boys and been legal guardian for eight others. He has made nine audio/video courses with The Great Courses. Dr. Cook is an avid student of democracy and especially of the works of Alexis de Tocqueville. He was a candidate for the US Congress in 1998.



Marcus Cornaro

Director, Development and Cooperation, European Commission, Belgium/Austria

Director of the Development and Cooperation Directorate General responsible for overall strategic orientation and management, with specific responsibilities for Directorate “Europe, Southern Mediterranean, Middle East and Neighborhood Policy” in EuropeAid Co-operation Office.



Kenneth W. Dam

Professor of Law Emeritus and Senior Lecturer, University of Chicago, USA

Professor of Law Emeritus and Senior Lecturer, University of Chicago and Senior Fellow at the Brookings Institute. He held the position of Deputy Secretary of the Treasury (2001–2003) and Deputy Secretary of State (1983–1985). Former President and CEO of United Way of America and former Corporate Vice President of IBM. He has served on numerous boards of public policy institutions including the Council on Foreign Relations, the Chicago Council on Foreign Relations, and the Brookings Institute. He holds a J.D. from the University of Chicago Law School.



Bohdan Danylyshyn

Former Minister of Economy, Czech Republic/Ukraine

Former Minister of Economy of Ukraine (2007–2010) during Yulia Tymoshenko's second term in office. Mr. Danylyshyn left Ukraine and obtained political asylum in the Czech Republic. He is currently President of the international NGO Ukrainian European Perspective. He served as President of the Expert Council in Economics of the Supreme Certification Commission of Ukraine. Mr. Danylyshyn graduated from Ternopil National Pedagogical University with a specialization in geography. He received a Doctorate in Economics, and became Academician of the National Academy of Sciences of Ukraine. He is the author of more than 150 scientific publications.



Francis Deng

Special Advisor on the Prevention of Genocide, United Nations, USA/Sudan

Special Adviser of the United Nations Secretary-General on the Prevention of Genocide. Mr. Deng previously served as the Representative of the United Nations Secretary-General on Internally Displaced Persons (1992–2004); as a Senior Fellow at the United States Institute of Peace (1986–1989) and (2002–2003); as a Senior Fellow at the Brookings Institution, where he founded and directed the Africa Project (1989–2000) and co-founded and co-directed, with Roberta Cohen, the Brookings Project on Internal Displacement. He also served as the Ambassador of the Sudan to Canada, Denmark, Finland, Norway, Sweden and the United States; and as Sudan's Minister of State for Foreign Affairs. Holds an LL.B (Honours) from Khartoum University and LL.M and JSD from Yale University School of Law. He has published over forty books in a wide variety of subjects.



Hernando de Soto

President, Institute for Liberty and Democracy, Peru

President of the Institute for Liberty and Democracy and also serves on the Advisory Board of the Trickle Up Program. Mr. de Soto has served as an economist for the General Agreement on Tariffs and Trade, as President of the Executive Committee of the Copper Exporting Countries Organization, and as CEO of Universal Engineering Corporation. He co-chairs the commission on Legal Empowerment for the Poor and currently serves as honorary co-chair on various boards and organizations, including the World Justice Project.



Geshe Tenzin Dhargye

Buddhist Scholar, Austria/Tibet

Spiritual master in the tradition of Tibetan Buddhism and a renowned scholar of Buddhist science, philosophy and religion. He serves as Director of the Tibet Center – I.I.H.T.S. and is the spiritual director of TDC Buddhist Center in Salzburg. In 2005, he was nominated by His Holiness the 14th Dalai Lama to be in charge of setting up and running the Tibet Center project in Hüttenberg, Austria. He also served as a visiting professor at the University of Virginia (1999–2000). He has extensive education and training in all five divisions of the Buddhist science, philosophy and religion: “Logic”, “Perfection of Wisdom”, “the Middle View”, “Metaphysics” and “Ethical Discipline”.



Avi Dichter

Former Minister of Internal Security, Israel

Currently member of the Knesset for Kadima party. Mr. Dichter served as Minister of Internal Security (2005–2009) and Director of Shin Bet, Israel’s internal security service (2000–2005). In his position as minister, he created a national crime-fighting unit, the Lahav 433, similar to the United States’ FBI and introduced a Witness Protection Program. Mr. Dichter holds a B.A. degree in Social Science from Bar-Ilan University and an Executive MBA degree from Tel Aviv University.



Mou-Shih Ding

Senior Advisor to the President, Taiwan

Currently Senior Advisor to the President of Taiwan. Mr. Ding has previously served as Minister of Foreign Affairs (1987–1988), Secretary General of the National Security Council and as Representative to the United States. His other previous positions included Ambassador Plenipotentiary to the Republic of South Korea, Director-General, Department of African Affairs, Ambassador to the Republic of Rwanda and Zaire. Mr. Ding holds a diploma from the University of Paris.



Vladimír Dlouhý

Economist, International Advisor, Goldman Sachs, Czech Republic

Czechoslovak Minister of Economy (1989–1992) and Czech Minister of Industry and Trade (1992–1997). Since 1997, he is the International Advisor for Central and Eastern Europe at Goldman Sachs. He is also Chairman of Chayton Capital Group, non-executive director of Hyderabad-based KSK Power Venture and Chairman of the Advisory Board of Meridium Infrastructure. He is a member of the Supervisory Board of Telefonica in the Czech Republic and Associate Professor of Macroeconomics and Economic Policy at Charles University in Prague. He is a member of the Board of Overseers of the Illinois Institute of Technology, Deputy Chairman, European Group of the Trilateral Commission and a member of the European Regional Advisory Group of the IMF.



Luboš Dobrovský

Former Ambassador to Russia, Czech Republic

Former Czech Ambassador to Russia. Mr. Dobrovský has also served as Minister of Defense of the federal Czechoslovakia (1990–1992) and Chancellor of the Office of the President, Václav Havel. He was also a Spokesperson of the Civic Forum, Deputy Minister of Foreign Affairs, and worked as a journalist and translator. He was a signatory of Charter 77 and published underground newspapers. His expertise includes security policy, defense and foreign affairs. Mr. Dobrovský studied Czech and Russian Philology at Charles University.



Jiří Drahoš

President, Academy of Sciences, Czech Republic

Chairman of the Czech Society of Chemical Engineering, Chairman of the Board of Governors of ICTP, and a member of the Board of Directors of the Czech Association of Chemical Industry. President of the Executive Board of the European Federation of Chemical Engineering. Since 2002, he has chaired the International Congress of Chemical and Process Engineering CHISA. Editor of Chemical Engineering Research and Design. Professor Drahoš' principal research interest is multiphase chemical reactors. Mr. Drahoš holds a Doctorate from the Slovak Technical University in Bratislava.



Jan Dusík

Deputy Director and Officer-in-Charge, UNEP Regional Officer for Europe, Switzerland/Czech Republic

Deputy Director of the Regional Office for Europe, United Nations Environment Program since 2011. Mr. Dusík has also served as Minister of Environment (2009–2010) in the caretaker Government of Jan Fisher, in the Environment Directorate-General of the European Commission in Brussels and in various positions in the Czech Ministry of Environment and at UNEP. He co-founded the NGO Environmental Law Service. Mr. Dusík is a graduate of the Law School of Charles University and holds an MSc in Environmental Change and Management from the University of Oxford.



Vladimíra Dvořáková

Head of Department of Political Sciences, University of Economics Prague, Czech Republic

Professor of Political Science and Head of the Department of Political Science at the University of Economics in Prague. Ms. Dvořáková also serves as the Chairwoman of the Czech Accreditation Commission (since 2006). She was president of the Czech Political Science Association and vice-president of the International Political Science Association. Her research focuses on comparative politics, transitions and consolidation of democracy, and civil society issues.



Mustafa Dzhemiliev

Chairman, Mejlis of the Crimean Tatar People, Member of Parliament, Ukraine

Chairman of the Mejlis of the Crimean Tatar People and a member of the Ukrainian Parliament since 1998. He is a recognized leader of the Crimean Tatar National Movement and a former Soviet dissident. He grew up in exile in Uzbekistan. At the age of 18, he co-founded the Union of Young Crimean Tatars. The High Commissioner for Refugees awarded him the Nansen Medal for his efforts to secure the right of return of the Crimean Tatars.



Peter Eigen

Founder and Chairman of the Advisory Council, Transparency International, Germany

Founder of Transparency International (1993), a non-governmental organization promoting transparency and accountability. He was Chair of Transparency International (1993–2005) and is now Chair of its Advisory Council. In 2005, Mr. Eigen chaired the International Advisory Group of the Extractive Industries Transparency Initiative (EITI), was Chair of EITI (2006–2011) and, since 2011 is EITI Special Representative. In 2007 he founded the Berlin Civil Society Center. He was the Director of the Regional Mission for Eastern Africa of the World Bank (1988–1991). He has worked as a World Bank manager of programs in Africa and Latin America. Mr. Eigen has taught law and political science at the universities of Frankfurt and Harvard, Johns Hopkins University, University of Washington, Bruges College of Europe and at Freie Universität Berlin.



Norman L. Eisen

Ambassador to the Czech Republic, USA

U.S. Ambassador to the Czech Republic since 2011. Ambassador Eisen previously served as Special Counsel to the President for Ethics and Government Reform in the White House. Prior to that he was the Deputy General Counsel to the Obama-Biden Presidential Transition. Before entering the Administration, Ambassador Eisen was a partner in the Washington D.C. law firm Zuckerman Spaeder. Mr. Eisen is the Co-founder of Citizens for Responsibility and Ethics in Washington, a government watchdog group. Ambassador Eisen received his J.D. from Harvard Law School and his B.A. from Brown University.



Gareth Evans

Former Minister of Foreign Affairs, Chancellor, Australian National University, Australia

Former Minister of Foreign Affairs of Australia (1988–1996); former Cabinet Minister (1983–1996); currently Chancellor of the Australian National University; and member of the Editorial Advisory Board of the Cambridge Review of International Affairs. Former President of the Brussels-based International Crisis Group (2000–2009). Former member of the Blix Commission on Weapons of Mass Destruction. Author of “Cooperating for Peace” (1993), “Australia’s Foreign Relations” (1995) and “The Responsibility to Protect: Ending Mass Atrocity Crimes Once and For All” (2009).



Gregory Feifer

Senior Correspondent, RFE/RL, Czech Republic/USA

Editor and senior correspondent for Radio Free Europe / Radio Liberty (RFE/RL) with expertise in Russia, security and foreign policy. He was Moscow correspondent for National Public Radio (NPR). Before joining NPR in 2005, Mr. Feifer lived in Paris and New York, and wrote for outlets including Agence France Presse and World Policy Journal. He is the author of “The Great Gamble”, a history of the Soviet war in Afghanistan, and he co-wrote “Spy Handler” with former KGB Colonel Victor Cherkashin. He is currently writing a book about Russian behavior and society to be published in 2013. Mr. Feifer received his B.A. and M.A. degrees from Harvard University.



Randall K. Filer

President, CERGE-EI Foundation, Professor of Economics, CUNY, Czech Republic/USA

Professor of Economics at City University of New York and Visiting Professor of Economics and Senior Scholar at CERGE-EI in Prague. He is President and member of the Executive and Supervisory Committee of the CERGE-EI Foundation. Mr. Filer serves as the Eastern European Coordinator of the Global Development Network, and the Chair of the International Faculty Committee at the International School of Economics in Tbilisi, Georgia. He is a research Fellow of the William Da-

vidson Institute and the Manhattan Institute and author of several research studies in the fields of political economy. Mr. Filer holds a Ph.D. from Princeton University and a B.A. from Haverford College.



Kiichi Fujiwara

Professor of International Politics, University of Tokyo, Japan

Professor at the Institute of Social Science and the Graduate Schools for Law and Politics of the University of Tokyo where he teaches International Politics and Southeast Asian Studies. Previously Mr. Fujiwara held academic positions at the Faculty of Law and Economics of Chiba University, Woodrow Wilson American Institute of International Studies and the University of Johns Hopkins. He has edited many books, including "The 20th Century Global System", "Political Conditions for Ethnic Coexistence", and "After the Terror". He holds a law degree from the University of Tokyo.



Mariko Gakiya

Advisor, Harvard International Negotiation Program, USA/Japan

Senior academic advisor at the Harvard International Negotiation Program and Global Chair and Visiting Scholar for Harvard Learning Innovation Laboratory. Ms. Gakiya is also the faculty director of the Global Health Leadership Program at Tokyo University. She was previously Executive Director of the Institute for Environment, Civilization and Ethics at the Inamori Foundation. Her cross-cultural research focuses on psycho-social impacts of identity development applied in nation and peace building strategies, with a particular interest in gender and minority issues. Ms. Gakiya holds a doctorate degree in Administration and Social Policy from Harvard University after postgraduate work at the University of Oxford.



Vladimír Galuška

Deputy Minister, Ministry of Foreign Affairs, Czech Republic
Deputy Minister of Foreign Affairs, previously Director General of the Consular Section and of the section of Bilateral Relations, Director of the Department of American States and the Personal Department. Mr. Galuška has served as Ambassador of the Embassy of the Czech Republic in Bratislava, and Washington. Was Acting Permanent Representative of the Czech Republic to the United Nations. Mr. Galuška holds a Law degree from Charles University.



Steven Gan

Editor, Malaysiakini, Malaysia
Founder and Editor of the online magazine Malaysiakini.com (since 1999). He previously worked for The Nation, a newspaper in Bangkok, and as special issues editor and columnist for the Sun in Malaysia. After reporting on protests during the 1996 Asia Pacific Conference on East Timor, he was arrested and jailed for five days. Amnesty International named Mr. Gan a prisoner of conscience. Malaysiakini received the Free Media Pioneer 2001 award from the International Press Institute, and Gan was a recipient of the Committee to Protect Journalists' International Press Freedom Award 2000.



Mohammad Gawdat

Managing Director for Emerging Markets, Google, Egypt
Managing Director for Emerging Markets, managing Google's sales and business operations in the emerging markets within South East Europe, the Middle East, and Africa. He previously worked in different areas of Microsoft, most recently as head of the Communications Sector across Emerging Markets worldwide. Before Microsoft, Mr. Gawdat worked in the sales sector of the government and in NCR Abu Dhabi to cover the non-finance sector. He previously also worked as a Systems Engineer at IBM Egypt. He holds an MBA degree from Maastricht School of Management in the Netherlands.



Jared Genser

President, Freedom Now, USA

President of Freedom Now and a partner in the government affairs group of DLA Piper LLP. Former Visiting Fellow with the National Endowment for Democracy and former lecturer on the UN Security Council at the University of Michigan and University of Pennsylvania law schools. He has counseled and represented human rights clients including former President Václav Havel, and Nobel Peace Prize Laureates Aung San Suu Kyi, Desmond Tutu, and Elie Wiesel. He is a term member of the Council on Foreign Relations.



Yakov Gilinsky

Professor of Criminology, Herzen State Pedagogical University, Russia

Head of Department of Criminal Law, Herzen State Pedagogical University and Professor at St. Petersburg's Juridical Institute of the General Prosecutor's Office. He was Head of Department at the Sociological Institute of the Russian Academy of Sciences (1989–2009). Mr. Gilinsky is a member of the International Sociological Association, European Society of Criminology and New York Academy of Science. As a criminologist, he focuses on social deviance and social control of organized crime. He has written more than 450 scientific works including 18 monographs. He is a graduate of Leningrad State University.



André Glucksmann

Philosopher, France

Regarded as a member of the French New Philosophers who supported the 1960s protest movement and opposed the Communist regimes in Eastern Europe. Author of "The Master Thinkers" (*Les Maîtres Penseurs*, 1977) and "Dostoevsky in Manhattan" (*Dostoïevski à Manhattan*, 2002). His most recent book, "The Two Ways of Philosophy" opposes dissident Socratism and post-modern Heideggerianism. Throughout recent crises, he has been a consistently outspoken advocate of the "devoir d'ingérence" or the "duty to interfere". He sustained the democratic anti-integrism in Afghanistan and Algeria. From their outset, he wrote against the wars of Yeltsin and Putin in Chechnya and Georgia.



Vartan Gregorian

President, Carnegie Corporation of New York, USA

President of Carnegie Corporation of New York (since 1997), and former President of the New York Public Library (1981–1989) and Brown University (1989–1997). Mr. Gregorian is the author of “The Road to Home: My Life and Times”, “Islam: A Mosaic, not a Monolith”, and “The Emergence of Modern Afghanistan 1880–1946”. Recipient of the National Humanities Medal from President Bill Clinton and the nation’s highest civilian honor, the Medal of Freedom, from President George W. Bush. Born to Armenian parents in Iran, Mr. Gregorian holds a Ph.D. in history and humanities from Stanford University.



Robert Hahn

Director of Economics, Smith School of Enterprise and the Environment, Oxford University, United Kingdom

Director of Economics at the Smith School of Enterprise and the Environment at Oxford University, Professor of Economics at Manchester University, and Senior Fellow at the Georgetown Center for Business and Public Policy. Professor Hahn served as the Director of the AEI-Brookings Joint Center (1999–2008). Previously, he worked for the President’s Council of Economic Advisers, where he worked on approaches to reduce acid rain. He has served on the faculties of Harvard University and Carnegie Mellon University. Professor Hahn publishes in the *American Economic Review*, *Science*, the *Yale Law Journal*, the *New York Times* and *Forbes.com*. He is Co-founder of Regulation2point0.org.



Tomáš Halík

Sociologist, President, Czech Christian Academy, Czech Republic

Professor of Philosophy at Charles University in Prague, Pastor of the Academic Parish in Prague and President of the Czech Christian Academy. He is also a writer and a member of the European Academy of Science and Art. He has lectured at various universities around the world and has been involved in international efforts to promote dialogue and understanding between religions and cultures. In 1992, Pope John Paul II appointed him Advisor to the Pontifical Council for Dialogue with Non-Believers and in 2008, Pope Benedict XVI granted him the

title of Monsignor – Honorary Prelate of His Holiness. In 2009 he received the “Truth and Justice” prize for his defense of human rights and justice and in 2010, the Romano Guardini Prize.



Jiro Hanyu

Chairman, Board of Directors, The Sasakawa Peace Foundation, Japan

Mr. Hanyu is Chairman of The Sasakawa Peace Foundation since 2008. He played a leading role in adopting the International Committee for Establishment of Maritime Safety System in Micronesia. He was a Japanese government official for over 33 years, where he held various positions, including Vice-Minister for Transport and International Affairs. Mr. Hanyu graduated from Tokyo University in 1969 with a bachelor’s degree in Economics.



Václav Havel

In Memoriam

Former President of Czechoslovakia (1989–1992) and the first President of the Czech Republic (1993–2003). Founder of the Forum 2000 Foundation. He was a founding member and one of the first three spokespersons for the Czechoslovak human rights movement, Charter 77 and was a prominent figure in the Czechoslovak dissident movement, as well as a famous leader of the Velvet Revolution (1989). He was also the author of a number of essays and plays. In 2010, he directed a feature film adaptation of his latest play called “Leaving” (Odcházení, 2007). President Havel was a recipient of many awards and honorary doctorates. Together with his wife, Dagmar Havlová, he co-founded the Vize 97 Foundation. In December 2011, Václav Havel passed away.



Howard Hensel

Professor of Politico-Military Affairs, Air War College, USA

Professor at the Department of Strategy and International Security of the Air War College. Mr. Hensel previously served as Visiting Professor of National Security Affairs at the Air Command and Staff College. He has also served as the Academic Director of the Air War College’s Electives Program, Director of Strategy, International Security Studies, and of Soviet Studies. He has taught at the Monterey Institute of International Stud-

ies, the Naval Postgraduate School, the University of Virginia, and the Marine Command and Staff College. He publishes extensively on various aspects of international relations, political philosophy, the law of armed conflict, and military policy and strategy. Mr. Hensel has a M.A. in Foreign Affairs from the University of Virginia and a Ph.D. in Government from the University of Virginia.



Jerry Hirsch

Philanthropist, Chairman and Founder, The Lodestar Foundation, USA

Chairman of The Lodestar Foundation which expands philanthropy by encouraging NGOs to collaborate and employ other business practices. Lodestar's projects include programs encouraging philanthropy in former communist countries; the Lodestar Center for Philanthropy and Nonprofit Innovation at Arizona State University; and The Collaboration Prize, a contest to recognize the best NGO collaborations in the U.S. Lodestar has also facilitated numerous NGO collaborations. Mr. Hirsch was recognized in 2010 by Barron's Magazine as one of the world's 25 most effective philanthropists. He holds a J.D. from Arizona State University.



Mikuláš Huba

Environmentalist, Deputy Director, Institute of Geography, Slovak Academy of Sciences, Slovakia

Professor and Deputy Director of the Institute of Geography of the Slovak Academy of Sciences. Mr. Huba is focusing on physical geography and geoecology. He is the Co-founder of Spoločnosť pro trvale udržateľný život (The Society for Sustainable Living). Mr. Huba served as member of the National Council of the Slovak Republic and chaired the committee on environmental protection (1990–1992). He is a recipient of the 1996 Josef Vavroušek award. He graduated from Comenius University in Bratislava.



Motoshige Itoh

Dean, Graduate School of Economics and Faculty of Economics, University of Tokyo, Japan

Professor at the Graduate School of Economics and President of the National Institute for Research Advancement, one of the leading think tanks in Japan. Mr. Itoh has been on various committees for the Prime Minister and various ministries in Japan. He has conducted research on international trade, Japanese industrial policies, and industrial organization. Mr. Itoh holds a B.A. in Economics from the University of Tokyo and a Ph.D. in Economics from the University of Rochester.



Maria Ivanova

Professor of Policy Studies, University of Massachusetts, USA/ Bulgaria

Assistant Professor at the McCormack Graduate School of Policy and Global Studies and Co-director of the Center for Governance and Sustainability at the University of Massachusetts. Her work focuses on global environmental governance, international organizations, the role of the United States in international environmental affairs and sustainability. She was on the faculty at William and Mary, was a fellow at the Woodrow Wilson International Center for Scholars, on the staff of the OECD in Paris and at the Swedish Environmental Protection Agency in Stockholm. Dr. Ivanova holds a Ph.D. and two M.A. degrees from Yale University.



Atifete Jahjaga

President, Kosovo

President of the Republic of Kosovo from 2011. Ms. Jahjaga was Deputy General Director of the Police of Kosovo (2009–2011). She has previously served on various positions within the police as Assistant of the Deputy Director of the Kosovo Police, Assistant of the Head of Human Resources, Special Executive Assistant of the Deputy Commissary for the Administration of the Kosovo Police, Deputy Commander of the Border Police, Assistant of the Deputy Commissary of the Kosovo Police for Personnel and Training. Ms. Jahjaga graduated from the Faculty of Law of the University of Prishtina, She attended postgraduate programs at the University of Leicester and the University of Virginia.



Karel Janeček

Mathematician, CEO, RSJ Algorithmic Trading, Czech Republic
 CEO of RSJ Algorithmic Trading, a joint-stock company that is the largest proprietary trader in the Czech Republic. He is the founder of the Anticorruption Endowment. Via the Karel Janeček Endowment, he supports basic research in the areas of mathematics, economics, and medicine. He also teaches advanced courses in financial mathematics at the Faculty of Mathematics and Physics of Charles University in Prague. Previously, he worked as a research scientist in Financial Mathematics at the Johann Radon Institute for Computational and Applied Mathematics, Austrian Academy of Sciences. He holds a Ph.D. in Financial Mathematics from Carnegie Mellon University.



Ayşe Kadioğlu

Professor of Political Science, Sabanci University, Turkey
 Professor of Political Science, Executive Committee Member at the Istanbul Policy Center, and member of the Group of Eminent Persons of the Council of Europe. Former Sabanci Fellow at the University of Oxford (2009–2010). Her main areas of interest are Citizenship Studies, Political Ideologies in Europe and Turkey, and Women in Muslim Societies. She is the author of various articles in Middle East Journal; International Migration; Middle East Law and Governance, Philosophy and Social Criticism. Authored “Republican Will-Democratic Reason: Search for a Democratic Disclosure in Turkey” (1999).



Martin Kameník

Project Coordinator, Oživení, Czech Republic
 Coordinator of anticorruption projects in the Czech NGO Oživení. Mr. Kameník specializes in issues of corruption in public procurement. Currently represents Oživení on the Platform for Transparent Public Procurement and on the advisory council of the Government Committee for Coordination of the Fight against Corruption. He focuses on the creation and implementation of local anti-corruption strategies and monitors major cases of corruption. Mr. Kameník holds an M.A. degree in public and social policy from Charles University.



Vadim Klyuvgant

Lawyer, Russia

Lead trial lawyer on the defense team for Mikhail Khodorkovsky in Russia. He previously served as executive in various Russian companies, including NOSTA, TNK, and SIDANKO. He also served as member of the upper House of the Russian Parliament, in the Constitutional Commission and the Constitutional Council of the Russian Federation and as Mayor of Magnitogorsk. Mr. Klyuvgant has been the Executive Secretary of the Committee for Issues of Legality, Law and Order, and Fighting Crime. He participated directly in the development of laws on the investigative committee, police and public prosecution and in the preparation of judicial reforms.



Jiří Knitl

Manager, Transparency and Public Responsibility Program, Open Society Fund Prague, Czech Republic

Transparency and Public Accountability Program Manager at the Open Society Fund Prague since 2011. Mr. Knitl has previously worked as Program Manager at People in Need, coordinating activities for Cuba and on missions in Afghanistan and Iran. He was Director of the Association for Integration and Migration and worked in the Czech Development agency of the Ministry of Foreign Affairs. He holds a master degree in Ethnology from Charles University in Prague.



Yakov Kostyukovsky

Criminologist, Sociological Institute, Academy of Sciences, Russia

Member of the Institute of Sociology in St. Petersburg, focusing on the areas of deviance and social control. In 2002 he defended his thesis on "The Sociology of Organized Crime on the example of St. Petersburg". Mr. Kostyukovsky published some 40 scientific publications on the topics of organized crime and forms of deviant behavior. He has been participating in numerous projects in sociology and marketing, including scientific work in projects with The Committee against Torture, the MacArthur Foundation and the Ford Foundation. He graduated in Sociology from State University of Culture in St. Petersburg.



Karel Kovanda

Former Deputy Director-General, DG External Relations, European Commission, Belgium/Czech Republic

Ambassador Kovanda retired in 2011 after a distinguished career in the European Commission and the Czech Foreign Service. He now divides his time between consulting, lecturing, and teaching, and is active as Governor of the Asia-Europe Foundation, which is headquartered in Singapore. He served as Deputy Director-General for External Relations (2005-2010). Prior to that, he served as the Czech Ambassador to NATO (1998–2005), Deputy Minister of Foreign Affairs (1997–1998) and Ambassador to the UN, where his tour included membership on the UN Security Council (1994–1995). He holds a Ph.D. in political science from MIT and an MBA from Pepperdine University, California.



Sai Felcia Krishna-Hensel

Professor of Anthropology, Auburn Montgomery, USA

Director of the Interdisciplinary Global Studies Research Initiative at the Center for Business and Economic Development and President and Program Chair of the Comparative Interdisciplinary Studies Section of the International Studies Association. She was a Fulbright fellow and is a Life Fellow of the Royal Geographic Society for her study of colonial urbanization. She has taught at the University of Delhi and the University of Virginia. Professor Krishna-Hensel was honored with the Millennium Distinguished Service and Scholar Award in 2007. She is the author of several volumes and is widely published in the fields of urbanization and globalization. She completed her B.A. and M.A. at the University of Delhi and her post-graduate degrees at the University of Virginia.



Zdeněk Kudrna

Economist, Institut für europäische Integrationsforschung, Austria/Czech Republic

Research Fellow at the Institute for European Integration Research at the Austrian Academy of Sciences. Served as Advisor of the Minister of Finance and Consultant to the World Bank and the United Nations Development Program. He graduated in International Relations and European Studies at Central European University and in Theoretical Economics at the Institute of Economic Studies, Charles University.



John Agyekum Kufuor

Former President, Ghana

Former President of the 4th Republic of Ghana (2001–2009). Former Chairperson of the African Union (2007–2008); National Secretary for Local Government (1982–2000); and Deputy Minister of Foreign Affairs (1969–1972). His election as President marked the first peaceful democratic transition of power since Ghana's independence in 1957. President Kufuor's governance policy and pursuit of socio-economic transformation led to Ghana obtaining a USD 500 million grant from the U.S. Millennium Challenge Account. He holds B.A. and M.A. degrees in Politics, Philosophy, and Economics from the University of Oxford.



Monika Ladmanová

Chair of the Board, Open Society Fund Prague, Czech Republic

Chair of the Board of the Open Society Fund Prague, founder and Chairwomen of the Slovak-Czech Women's Fund and currently Corporate Citizenship and Corporate Affairs Specialist in IBM. Ms. Ladmanová has previously served as executive director of the Open Society Foundation and worked as human rights lawyer at the Czech Helsinki Committee and in the Center for Refugees and Asylum Seekers. She studied law at Charles University and Columbia University in New York.



Hana Lešnarová

Member, Corporate Council, Forum 2000 Foundation, Associate

Director, Control Risks Deutschland, Germany/Czech Republic

Practice Leader for the region of Central and Eastern Europe in the London office of Control Risks, an international risk consultancy. Prior to joining Control Risks Ms. Lešnarová worked as news editor for the English-language newspaper *Prognosis*, published in Prague (1991–1995), the business investigative weekly, *Prague Business Journal* (1996–2002) and business editor of Czech daily *Mladá fronta Dnes* (2002–2004). She also contributed to *Business Week*, *Los Angeles Times*, *Emerging Markets* and to the *Economist Intelligence Unit's* publications. In 2004, she spent one year in Brussels and throughout the European Union as the EU correspondent for the daily.



Pierre Lévy

Ambassador to the Czech Republic, France

French Ambassador to the Czech Republic. Served as Director of the Policy Planning Staff of the French Ministry of Foreign Affairs. He was Secretary General of the Commission of the White Paper on France's Foreign and European Policy and Head of the Service for Common Foreign and Security Policy (2002–2005). Mr. Lévy was Deputy Director in the cabinet of Pierre Moscovici, Minister for European Affairs (1997–2002). Mr. Lévy taught at the École Nationale d'Administration and at the Institut d'Études Politiques de Paris. He holds degrees from the European School of Management, the Paris Institute of Political Studies, and an M.A. in Economics from University of Paris-Dauphine.



Ondřej Liška

Chairman, Green Party, Czech Republic

Chairman of the Green Party since 2009. Served as Minister of Education, Youth and Sport (2007–2009) and as Member of the Parliament of the Czech Republic. He worked with the Forum 2000 Foundation and between 2003 and 2004, he served as Chairman of the Czech-Austrian Discussion Forum. He was a member of the local municipal assembly in Brno for the Green Party and worked as an advisor on the Cohesion Policy and Structural Funds to the Green Group in the European Parliament. Mr. Liška graduated in Religion and Politics from Masaryk University.



Bobo Lo

Independent Scholar and Consultant on Russia and China, United Kingdom/Australia

Independent Scholar and Consultant on Russia and China. Formerly Director of the Russia and China Programs at the Centre for European Reform; Head of the Russia and Eurasia Program at Chatham House; and Deputy Head of Mission at the Australian Embassy in Moscow. Dr. Lo has written on Russian foreign and security policy, with a focus on Sino-Russian relations. He has authored books including "Axis of Convenience: Moscow, Beijing and the New Geopolitics" (2008) and "Vladimir Putin and the Evolution of Russian Foreign Policy" (2003). He holds a M.A. from Oxford and a Ph.D. from the University of Melbourne.



Jan Macháček

Journalist, Czech Republic

Journalist, musician and economic commentator of the daily *Hospodářské noviny* and the weekly *Respekt*. In 2000 he served as Deputy Editor-in-Chief of *Respekt* and was awarded The Ferdinand Peroutka Award in 2009 for his writing. Mr. Macháček was a Fellow of the National Forum Foundation in Washington and of the William Davidson Institute at the University of Michigan. He lectured on the Politics and Economics of Transformation at the Anglo American College in Prague and at New York University in Prague. He also serves as a board member of Transparency International, Czech Republic. Mr. Macháček was a member of the underground music band The Plastic People of the Universe and is now guitarist in the band Garage.



Václav Malý

Titular Bishop of Marcelliana and Auxiliary Bishop of Prague, Czech Republic

Titular Bishop of Marcelliana and Auxiliary Bishop of Prague (since 1997). From 1990, he administered several parishes in Prague. He was spokesman of Charter 77 (1981–1982) and of the Civic Forum (1989). Mr. Malý was also member of the Committee for the Defense of the Unjustly Prosecuted. He was ordained in 1976 and served briefly in Vlašim and Plzeň. Due to his activities prior to 1989, he was prohibited from serving as a priest by the communist regime and worked as a geodetic helper and boiler man. He studied at the Ss Cyril and Methodius' Faculty in Litoměřice.



James Mancham

Founding President, Republic of Seychelles

The first President of the Republic of Seychelles (1976–1977) after gaining independence from the UK in 1976, founder and leader of Seychelles Democratic Party. In 1977, he was overthrown in a coup, his party was banned, and he was forced to live in exile in Great Britain. After the dissolution of the Soviet-sponsored one party political system in 1991, he returned to his country and became politically active again.



Michael Melchior

Politician, Chief Rabbi of Norway, Israel

Former Chief Rabbi of Norway, presently the rabbi of an orthodox synagogue in Jerusalem and one of Israel's leading social activists in the fields of social justice, human rights, Jewish-Arab relations, inter-religious peace, education and the environment. In 1999, he was elected to the Knesset and appointed Minister for Israeli Society and the World Jewish Community. Later he served as Deputy Foreign Minister, Deputy Minister of Education, and Deputy Minister in the Prime Minister's office. He chaired the Knesset Committee for Education, Culture and Sports (2006–2009). He has initiated and completed legislative reforms in the areas of education, children's rights, the environment, and social justice.



Ales Michalevic

Politician, Former Presidential Candidate, Belarus

2010 presidential candidate in the Republic of Belarus. During the election Mr. Michalevic was imprisoned by the KGB. He was released and fled to the Czech Republic where he obtained political asylum. He served as deputy chairman of the Belarusian Popular Front party (2004–2008) and as deputy to the Pukhavichy district council. He worked as legal consultant at the Association of Disabled Veterans of the War in Afghanistan, as a lawyer at the Belarusian Independent Trade Union and prior to that as Director General of Arkadia a joint venture specializing in tourism. Mr. Michalevic holds a degree in Political Science and Law from the Belarusian State University, Faculty of Law.



Wolfgang Michalski

Managing Director, WM International, Former Chief Advisor to the Secretary General of the OECD, Germany

Currently Managing Director of WM International, a company providing strategic intelligence and policy advice to business, governments and international organizations. From 1980 until 2001, he served as Chief Advisor to the Secretary-General of the OECD responsible for the analysis and evaluation of emerging economic and social policy issues. Mr. Michalski has published 13 books and more than 150 papers which have been translated into more than ten languages. He be-

came Doctor Honoris Causa at Warsaw School of Economics. He holds a Ph.D. in Economics and has been Professor of Economics at the University of Hamburg since 1972.



Adam Michnik

Editor-in-Chief, Gazeta Wyborcza, Poland

Editor-in-Chief, *Gazeta Wyborcza*, Historian, and Co-founder of the Committee for the Defense of Workers. Former Member of Parliament (1989–1991) and former member of the Round Table Talks (1989). One of the leaders of the pre-1989 democratic opposition in Poland. He is the author of several books including “In Search of Lost Meaning: The New Eastern Europe” (2011) and “The Lord of the Manor and the Vicar” (1995). Laureate of prizes and titles include the Robert F. Kennedy Human Rights Award, The Erasmus Prize, and The Francisco Cerecedo Journalist Prize as the first non-Spanish author. He is currently a member of the Association of Polish Writers and the Council on Foreign Relations.



Bedřich Moldan

Director, Environment Center, Charles University, Czech Republic

Czech geochemist, environmentalist, publicist and politician. Mr. Moldan played a major role in the introduction of environmental legislation in the Czech Republic after 1989. He served as the first Czech Minister of Environment (1990–1991), and has since then served in many national and international public policy positions (including the Senate of the Czech Republic, 2004–2010). Founder and director of the Charles University Environment Center and author of hundreds of publications and articles. His publications include “Geology and Environment” (1974), “Ecology, Democracy, Market” (1992), “(Un)Sustainable Development – Ecology, Threat and Hope” (2001) and his latest “Subdued Planet” (2009).



Mark L. Movsesian

Director, Center for Law and Religion, St. John's University, USA
 Professor Movsesian holds the Frederick A. Whitney chair and is Director of the Center for Law and Religion at St. John's University in New York. He has served as an attorney-advisor in the Office of Legal Counsel at the United States Department of Justice, as an attorney in the Office of Legal Counsel at the United States Department of Justice and as a law clerk to Justice David H. Souter of the Supreme Court of the United States. His writings have appeared in the American Journal of International Law, the Harvard Law Review, The North Carolina Law Review and other journals. He received his A.B. and J.D. from Harvard University.



Surendra Munshi

Sociologist, India
 Professor of Sociology and Fellow at the Bertelsmann Foundation. Professor Munshi served at the Indian Institute of Management Calcutta as a faculty member until his retirement in 2006. He has published and spoken on various subjects in India and abroad, with a focus on good governance. He was the academic leader of an international project on good governance that was supported by the European Commission. Author of the theme paper of Trilogue Salzburg under the title: "Global Crises and the Human Potential" (2009). He holds a Ph.D. in Sociology from Bielefeld University, Germany.



Aryeh Neier

President, Open Society Foundations, USA
 President of Open Society Foundations since 1993. He was previously founder and executive director of Human Rights Watch and worked as national executive director at the American Civil Liberties Union. He writes a column on human rights for The Nation, is a frequent contributor to the New York Review of Books, and has published in the New York Times Magazine, the Washington Post, the Boston Globe, the International Herald Tribune and Foreign Policy. Mr. Neier has lectured at many of the USA's leading universities. He is the recipient of six honorary degrees and the American Bar Association's Gavel Award and the International Bar Association's Rule of Law Award.



Boris Nemtsov

Politician and Opposition Leader, Russia

One of the leaders of “Solidarity”, a new pro-democracy opposition movement and co-chairman of People’s Freedom Party, established in 2010. Co-founder of the Russian political party Union of Right Forces. Former Deputy Prime Minister of Russia (1997–1998), Governor of the Nizhny Novgorod region (1995), and member of the Federation Council of the Federal Assembly of the Russian Federation. He remains a member of the Federal Political Council of the Union of Right Forces and Co-chairman of the “2008 Committee”.



Olusegun Obasanjo

Former President, Nigeria

Former President of Nigeria (1976–1979 and 1999–2007). Former Chief of Staff of Supreme Headquarters in the Nigerian Army. He became President (1976–1979) after the death of President Murtala Mohammed and was the first military head of state in Nigeria to peacefully transfer power to a democratically elected government. In 1999 he ran as candidate of the People’s Democratic Party (PDP) and was reelected in 2003. Later he was Chairman of the Board of Trustees of the PDP. Currently he is a member of the Africa Progress Panel and United Nation’s Special Envoy to the Democratic Republic of Congo.



Cem Özdemir

Co-chair, Alliance 90/The Greens, Germany

Co-chairman of the German Party Alliance 90/The Greens and founding member of the European Council on Foreign Relations. Former member of the European Parliament (2004–2009), of the Parliament of the German Bundestag (1994–2002), and former transatlantic fellow at the German Marshall Fund (2003). His areas of concentration include EU-Turkey relations, the Cyprus conflict, migration and integration, and Islam in Europe. He holds a Diploma in Social Pedagogy from the Evangelical Technical College in Reutlingen, Germany.



Šimon Pánek

Co-founder and Director, People in Need, Czech Republic

Executive Director of the humanitarian organization People in Need, which he co-founded in 1992. Mr. Pánek previously worked on various positions related to development aid. He chaired the Czech Forum for Development Co-operation, co-founded the news agency Epicentrum, served as foreign policy specialist on the Balkan region and human rights issues in the presidential administration of Vaclav Havel. Mr. Pánek was one of the “student leaders” during the Velvet Revolution. In 1988 he co-organized Czech humanitarian assistance in Armenia.



Oswaldo Payá Sardiñas

Political Activist and Dissident, Cuba

Oswaldo Payá Sardiñas has repeatedly accepted the invitation to the Forum 2000 Conference but has been denied permission to travel by the Cuban government.

Cuban political activist and dissident. He was a founding member of the Christian Liberation Movement in 1988. Created by secular Catholics, it is a non-denominational political organization seeking to further the civic and human rights of Cubans. In 1998, together with other members of the Christian Liberation Movement, he founded the Varela Project and remains its most prominent member. The National Dialogue, a process in which thousands of Cubans discuss their visions for Cuba’s future, remains his latest effort to bring democracy to Cuba.



Josef Pazderka

Journalist, Czech Television, Czech Republic

Moscow Correspondent for Czech Television (2006–2010). Worked for People in Need (1999–2004), a Czech relief aid and developmental assistance organization. For two years, he was head of the People in Need humanitarian mission in Chechnya. He is the author of a book of interviews with Petra Procházková, “Journalist in the Wild East” (2008) and is a regular contributor to Respekt magazine and the daily Hospodářské noviny. He studied history at the Philosophical Faculty of Charles University and development studies at Oxford Brookes University.



Jiří Pehe

Director, New York University, Prague, Czech Republic

Director of New York University in Prague. Mr. Pehe has previously served as Director of the Political Department of Czech President Václav Havel (1997–1999), Director of Analysis and Research Department at the Open Media Research Institute, Director of Central European Research at the Research Institute of Radio Free Europe / Radio Liberty and as Director of East European Studies at Freedom House in New York. He studied Law and Philosophy at Charles University and International Affairs at Columbia University in New York.



Thomas Pogge

Leitner Professor of Philosophy and International Affairs, Yale University, USA

Leitner Professor of Philosophy and International Affairs at Yale, Research Director at the Oslo University Centre for the Study of Mind in Nature, Adjunct Professor at the University of Central Lancashire and a member of the Norwegian Academy of Science. Mr. Pogge's current work focuses on team efforts towards developing a complement to the pharmaceutical patent regime that would improve access to advanced medicines for the poor worldwide. He has published widely on Kant and in moral and political philosophy. He received his Ph.D. in Philosophy from Harvard.



Karel Randák

Former Director General, Office for Foreign Relations and Information, Czech Republic

Former Director of the Office for Foreign Relations and Information, Czech Republic's Foreign Intelligence Service. Mr. Randák is currently member of the Board of Trustees of the Anticorruption Endowment. He served in the Czech Security Information Service specializing on economic affairs and organized crime and also in the Czechoslovak military. He is a graduate of the Faculty of Physical Education and Sport of Charles University.



Tatsiana Reviaka

Human Rights Activist, Belarus

President of the Belarusian Human Rights House in exile in Vilnius since 2010 and Board Member at the Human Rights Center Viasna. Ms. Reviaka has been working in the Human Rights Center “Viasna” since 1998 as the coordinator of the Belarusian Human Rights School, as well as author and editor of the annual reports on the human rights situation in Belarus, and participant of monitoring election campaigns at various levels. She also worked as research associate at Maksim Bogdanovich Literature Museum. She graduated in Philology from the Belarusian State University. In 2006 she was awarded the Anna Lind International Prize.



Omar Rifai

Executive Director, West Asia-North Africa Forum, Jordan

President of the Jordan Institute of Diplomacy, previous Director-General of the Jordan Media Institute, and Secretary-General of the Jordanian Foreign Ministry. He has served as Ambassador of Jordan to Egypt, Italy, Israel, (non resident) to Bosnia-Herzegovina, San Marion, and Croatia. He was coordinator for the Middle East Peace Process and Member of the Delegation to the Jordan-Israel Peace Talks (1994). Mr. Rifai has lectured Political Science at the University of Jordan. Mr. Rifai holds a B.A. in Government from Harvard University, an M.A. from Georgetown University and a Postgraduate degree from Oxford University.



Gérard Roland

Professor of Economics, University of California, Berkeley, USA

Professor of Economics at University of California, Berkeley, Dr. Roland is also a member of the supervisory committee for CERGE-EI. He is considered a leader in the field of transition economics and is co-author of “Democratic Politics in the European Parliament” and “Built to Last: A Political Architecture for Europe.” He is Belgian-born and obtained his Ph.D. from the Free University of Brussels (1988).



Jacques Rupnik

Political Scientist, France

Director of Research at the Centre for International Studies and Research at Sciences-Po, Paris and Professor at the College of Europe in Bruges. He has been Visiting Professor at several European universities and at Harvard, and was Executive Director of the International Commission on the Balkans. He was consultant to the European Commission (2007–2010), member of the Independent International Commission on Kosovo (1999–2000) and is a Member of the Institute for Historical Justice and Reconciliation in The Hague since 2010. He has focused on democratization and European integration of East and Central European countries and nationalism and post-conflict reconciliation in the Balkans and has published several books on this topic. Mr. Rupnik completed his M.A. in Soviet studies at Harvard University (1974), and his Ph.D. at Université de Paris – Sorbonne (1978).



Pavel Rychetský

President, Constitutional Court, Czech Republic

President of the Constitutional Court of the Czech Republic since 2003. Mr. Rychetský is Co-founder of Charter 77 as well as one of the leading lawyers in modern Czech history. He was a Senator (1996–2003), Deputy Prime Minister and Minister of Justice (2002–2003), Deputy Prime Minister and President of the Government Legislative Council (1998–2002), Deputy Prime Minister of the Federal Czechoslovak Cabinet (1990–1992), and one of the founders of Občanské fórum in 1989. He was appointed Officer of the Legion of Honor in 2005.



Mikheil Saakashvili

President, Georgia

President of Georgia since 2004 after leading the Rose Revolution. He previously served as Minister of Justice (2000–2003) and Member of Parliament (1995–2000). Mr. Saakashvili was member of the Human Rights Committee of Georgia. He worked as a lawyer at Patterson, Belknap, Webb and Tyler in New York. He is a graduate of Kiev University's Institute of International Relations, holds an M.A. degree from Columbia University and a diploma in Comparative Law of Human Rights from Strasbourg Human Rights International Institute.



Yohei Sasakawa

Chairman, The Nippon Foundation, Japan

Chairman of The Nippon Foundation, one of the largest private foundations in Asia. A renowned Japanese leader in the philanthropic and NGO fields, he has initiated projects and worked on a global scale in such areas as public health, agricultural development, education and social welfare. He serves as the World Health Organization Goodwill Ambassador for Leprosy Elimination, as well as Japan's Goodwill Ambassador for the Human Rights of People Affected by Leprosy. Together with Václav Havel and Elie Wiesel, Mr. Sasakawa cofounded the Forum 2000 Project.



Jiří Schneider

First Deputy Minister, Ministry of Foreign Affairs, Czech Republic

First Deputy Minister of the Ministry of Foreign Affairs of the Czech Republic and Secretary of State for the European Union. Previously Program Director at the Prague Security Studies Institute (2005–2010) and Partner at Keynote Inc. (2007–2010). Former Political Director and Director of the Policy Planning Department of the Ministry of Foreign Affairs (1993–1994, 1999–2001, 2003), Ambassador of the Czech Republic to Israel (1995–1998). He served as an International Policy Fellow at the Open Society Institute in Budapest (2002) and as Member of the Czechoslovak Federal Assembly (1990–1992). Prior to 1989 and his entry into public service, he was employed as a forestry surveyor. Jiří Schneider holds a Diploma in Religious Studies from the University of Cambridge.



Uri Shamir

Professor Emeritus, Faculty of Civil and Environmental

Engineering, Technion – Israel Institute of Technology, Israel

Consultant to the Israeli Water Authority on policy and planning. He is a member of the Israeli Water Negotiating Team. He served as President of the International Association of Hydrological Sciences (1991–1995) and as president of the International Union of Geodesy and Geophysics (2003–2007). Mr. Shamir was a member of the Executive Board of the International Council of Science (2005–2011) and Chair of the Technical Advisory Committee of the UN World Water Assessment Program. He is a recipient of the 2000 International Hydrology Prize and the 2003 Julian Hinds Award for significant contributions to water resources management.



Stephanie Shirley

British Government's Founding Ambassador for Philanthropy, United Kingdom

Entrepreneur turned philanthropist, Dame Shirley is currently the British Government's Founding Ambassador for Philanthropy. She founded and was Chief Executive of Xansa, a technology group, pioneering new work practices and changing the position of professional women. She has served on Corporate Boards such as Tandem Computers Inc., the John Lewis Partnership and the European Advisory Board of Korn/Ferry International. She was appointed Officer of the Order of the British Empire in 1980 and promoted to Dame Commander (DBE) in 2000.



Jiřina Šiklová

Sociologist, Czech Republic

Founder of the Department of Social Work at Charles University and its head until 2000. Ms. Šiklová also founded the Gender Studies Center and Library in Prague (in 1991). She was a candidate for the European Parliament for the Green Party in 2009. Prior to 1989 she had been imprisoned in 1981 for illegal dissemination of samizdat literature, signed the 77 Charter and was actively involved in the opposition movement. Ms. Šiklová serves on the boards of various Czech non-profit organizations Charta 77 Foundation, Vize 97, Civil Society Development Foundation and Gender Studies Center Praha.



Ivo Šilhavý

Head of the Representative Office in Ramallah, Czech Republic

Head of the Representative Office of the Czech Republic in Ramallah, former Ambassador-at-Large for migration issues, former advisor to the Deputy Minister of Foreign Affairs for bilateral relations and former Director of the Middle East Department of the Czech Ministry of Foreign Affairs. In the past, he served as Executive Director of Greenpeace Czechoslovakia (1991–1995) and Foreign Policy Advisor to President Václav Havel (1996–2003). He worked at the Czech Embassy in London (1998–1999), and from 2000–2001, he acted as an expert for the British Foreign and Commonwealth Office.



Tetsushi Sonobe

Program Director, National Graduate Institute for Policy Studies, Japan

Professor and Director of the International Development Studies Program at the National Graduate Institute for Policy Studies (GRIPS), Japan. His focus is on economic development in Asia and Africa. Co-author of *Cluster-Based Industrial Development: An East Asian Model*, *Cluster-Based Industrial Development: A Comparative Study of Asia and Africa*, and three books in Japanese on economic development. He has received honors and prizes including the Alfred P. Sloan Foundation Fellowship, the 47th Nikkei Prize for Outstanding Book Publication, and the 23rd Masayoshi Ohira Memorial Prize. Professor Sonobe received a Ph.D. in economics from Yale University in 1992.



Joseph Stiglitz

Nobel Prize Laureate in Economic Sciences, Professor, Columbia University, USA

Professor at Columbia University, recipient of Nobel Prize Laureate in Economic Sciences (2001) and of the John Bates Clark Medal (1979); Founder of the Initiative for Policy Dialogue (2000). Chief Economist and Senior Vice President of the World Bank (1997–2000); Chairman of the U.S. Council of Economic Advisors under President Bill Clinton (1995–1997); and author of the Intergovernmental Panel on Climate Change report (1995) which shared the 2007 Nobel Peace Prize. He was a Fulbright Scholar at Cambridge University and held the Drummond Professorship at All Souls College, Oxford. He has taught at M.I.T., Yale, Stanford and Princeton.



Aung San Suu Kyi

Opposition Leader, Nobel Peace Prize Laureate, Burma

Due to other commitments, Ms. Aung San Suu Kyi was not free to travel to the Forum 2000 Conference in 2011, but has kindly sent a video message that was screened during the conference. Pro-democracy political activist and dissident, she is the leader of the National League for Democracy in Myanmar (Burma) and a noted prisoner of conscience and advocate of non-violent resistance. She won the Rafto Prize and the Sakharov Prize for Freedom of Thought in 1990 and in 1991, she was awarded the Nobel Peace Prize for her peaceful and non-violent struggle under a military dictatorship.



Jan Švejnar

Chairman, CERGE-EI, USA/Czech Republic

Founder and Chairman of the Executive and Supervisory Committee of CERGE-EI – a joint project of Charles University in Prague and the Academy of Sciences of the Czech Republic. In 2005, he became Director of the International Policy Center at the University of Michigan, where he has been a Professor of Business, Economics and Public Policy since 1996. He served as Economic Advisor to President Václav Havel as well as the Founding Director of the Economics Institute of the Academy of Sciences of the Czech Republic (1992–1999). He received his B.S. from Cornell University and his M.A. and Ph.D. in Economics from Princeton University.



Erik Tabery

Editor-in-Chief, Respekt, Czech Republic

Editor-in-Chief of the weekly magazine Respekt since 2009. Mr. Tabery has previously served as Deputy Editor-in-Chief of Respekt, where he also started his journalistic career (since 1997). He focuses mainly on Czech politics and has authored several books on it, for example “Opoziční smlouva a její dědictví (2006)” on the so-called opposition agreement of the Miloš Zeman government and “Hledá se prezident – Zákulisí voleb hlavy státu (2008)” on the Czech presidential elections of 2008. He is a recipient of the Ferdinand Peroutka Award. Mr. Tabery studied Journalism and Politics at Charles University.



Frans Timmermans

Politician, Diplomat, The Netherlands

Dutch politician and former diplomat. Mr. Timmermans serves as Member of the Dutch House of Representatives (since 1998) and foreign affairs spokesperson for the Labour Party. He was previously State Secretary for European Affairs in the Balkenende cabinet and prior to that worked as advisor and private secretary to the High Commissioner on National Minorities for the Organization for Security and Co-operation in Europe. He worked at the Dutch Ministry of Foreign Affairs and at the Dutch embassy in Moscow. Mr. Timmermans also acted as guest lecturer at the Netherlands Institute of International Relations Clingendael and at the Netherlands Defense College. He studied French Literature at Radboud University in Nijmegen.



Zdeněk Tůma

Former Governor, Czech National Bank, KPMG, Czech Republic
 Czech economist and a former Governor of the Czech National Bank (2000–2010). Mr. Tůma previously served as Vice Governor of the Bank, as Head of Department of the Institute for Forecasting of the Czechoslovak Academy of Sciences, advisor to the Minister of Industry and Trade, Chief Economist for Patria Finance and in the European Bank for Reconstruction and Development. In 2010, he was TOP 09 party nominee for the office of Mayor of Prague. Mr. Tůma is a graduate of the Faculty of Trade at the University of Economics in Prague.



Jan Urban

Journalist, Czech Republic

Journalist, university teacher and one of the leading dissidents during the communist regime. Presently Professor at New York University in Prague. He was a member of the International Independent Commission on Kosovo. Mr. Urban worked in Iraq training journalists and on heritage preservation projects (2003–2006). He served as a war correspondent in Bosnia and Herzegovina (1993–1996) and was the publisher of Transitions magazine (1997–1999). He made two documentary films on the Kosovo conflict. In November 1989, he helped to found the Civic Forum, was its spokesman and led it to its victory in the first free elections in June 1990. He studied History and Philosophy at Charles University.



Magdaléna Vášáryová

Politician, Diplomat, Slovakia

Member of the National Council for the Slovak Democratic and Christian Union – Democratic Party (since 2006). Ms. Vášáryová served as State Secretary at the Ministry of Foreign Affairs (2005–2006), as Czechoslovak Ambassador to Austria (1990–1993) and Slovak Ambassador to Poland (2000–2005). She was a candidate in the 1999 presidential election. She is the founder and director of the Slovak Foreign Policy Association and of the journals “Zahraničná politika” and “Slovak Foreign Policy Affairs”. She has written five books related to diplomacy and etiquette.



Günther Virt

Professor of Theology, University of Vienna, Austria

Professor for Moral Theology at the University of Vienna and, since 2001, member of the European Group on Ethics in Science and New Technologies for the European Commission. He was previously a member of the Austrian National Ethics Committee. Mr. Virt has taught at universities in Salzburg, Paderborn and Tübingen. He is the founder and first Director of the interfaculty Institute for Ethics and Law in Medicine at the University of Vienna. For his achievements in ethical research and policy advice in June 2010, the Federal President awarded him the Austrian Honorary Cross for Science and Art, First Class.



Marites Vitug

Journalist, Chair, Advisory Board, Newsbreak, Philippines

Chair of the advisory board and author at Newsbreak magazine. Ms. Vitug is published in, amongst others, the International Herald Tribune, Christian Science Monitor, Newsday, and Asahi Shimbun. In 2006, Eurasia Group ranked Ms. Vitug as 45th amongst 50 Global Leaders for her work in Newsbreak. Author of several books, including "Shadow of Doubt: Probing the Supreme Court", "Power from the Forest: the Politics of Logging" (winner of the National Nook Award in 1994) and "Jalan-Jalan: A Journey through EAGA". Ms. Vitug was a Nieman Fellow at Harvard University, holds a postgraduate degree in international relations from the London School of Economics and a B.A. in Broadcast Communication from the University of the Philippines.



Tomáš Vrba

Chairman, Board of Directors, Forum 2000 Foundation, Czech Republic

Chairman of the Board of Forum 2000 Foundation and President of the Board of Directors at Theater Archa. Professor at New York University in Prague. Founder and former President of the Czech section of the Association of European Journalists. He was the Editor-in-Chief of the monthly magazine Nová Přítomnost (1997–2000) and of the Czech and Slovak edition of Lettre Internationale Quarterly (1990–1995), International Vice President of the Association of European Journalists (2002–2004) and Chair of the Czech News Agency Council (ČTK, 2004–2007). Mr. Vrba

was a member of the Civic Forum and a signatory of Charter 77. He holds a Ph.D. in philosophy from Charles University.



Christopher Walker

Director of Studies, Freedom House, USA

Director of Studies at Freedom House, where he oversees a team of analysts devising strategies for Freedom House's analytical projects, including "Nations in Transit", "Freedom of the Press" and "Freedom on the Net". Mr. Walker is also responsible for generating special studies, conducting briefings, and responding to news issues through statements and op-eds. Before joining Freedom House, he worked as senior associate at the EastWest Institute and was Adjunct Professor of Global Affairs at New York University. Mr. Walker holds degrees from Binghamton University and Columbia University.



Susan E. Walton

Board Member, CERGE-EI Foundation, USA

Principal at Frost Consulting in London and Director of Research and Senior Editor at the BR Johnson Group. Ms. Walton served as Global Head of Electronic Commerce of ABN AMRO Bank as Deputy to both the Global Head of Research and Chief Operating Officer of Baring Securities and is the Founder and Chairman of the Brokerage Information Group of BIGAsia. She pioneered many internet-based equity research applications that are now commonplace. Ms. Walton studied at Harvard University and at London Business School and London University.



Laurent Weill

Professor of Economics, University of Strasbourg, France

Professor of Economics at the University of Strasbourg and at EM Strasbourg Business School. Visiting researcher at the Bank of Finland Institute of Transition Economies (BOFIT) since 2008. Visiting researcher at the Université Libre de Bruxelles. Mr. Weill has been working with the Czech National Bank's economists on several research projects since 2005. He is the author of several works about institutions and banks in emerging countries, with a particular focus on former socialist countries and on corruption. He received his Ph.D. from the University of Strasbourg and obtained his masters degree from Sciences Po Strasbourg.



Mai Yamani

Author, Broadcaster and Lecturer, United Kingdom

Dr. Yamani was a research fellow in the Middle East Program at Chatham House, the Centre of Islamic and Middle Eastern Law at the School of Oriental and African Studies in London and at the Centre for Cross Cultural Research on Women in Oxford. She held the position of academic adviser at the Center for Contemporary Arab Studies at Georgetown University and was a lecturer at King Abdul Aziz University, Jeddah. She is an expert in social, political and human rights issues in Arab States, particularly in Saudi Arabia. Dr. Yamani is the author of books “Cradle of Islam: The Hijazi Quest for an Arabian Identity” (2004), “Changed Identities: The Challenge of the New Generation in Saudi Arabia” (2000), “Feminism and Islam: Legal and Literary Perspectives” (1996). Dr. Yamani completed her B.A. in Anthropology from Bryn Mawr College, Pennsylvania and her M.St. and D.Phil. in Social Anthropology from Oxford University.



Grigory Yavlinsky

Economist and Politician, Russia

Professor of Economics at the State University – Higher School of Economics in Moscow. Co-founder and former Chairman of the Russian Democratic Party Yabloko (1993–2008). In 1996 and 2000 Mr. Yavlinsky was Yabloko’s official candidate for the Russian presidency. He served as a member of the Russian State Duma (1993–2003). He is Chairman of the Board of the Centre for Economic and Political Research. Since the mid-1990s, he has focused his efforts on tax and budget reforms. He studied at the Plekhanov Institute of the National Economy in Moscow.



Michael Žantovský

Ambassador to the United Kingdom, Czech Republic

Czech Ambassador to the United Kingdom, he was previously member of the Senate of the Parliament of the Czech Republic (1997–2003), Chairman of the Committee on Foreign Affairs, Defense and Security and President of the Civic Democratic Alliance. Mr. Žantovský has also served as Czech Ambassador in the USA and in Israel and as spokesman and political director of the President’s office for President Václav

Havel. He is a founding member of the Civic Forum and of the Czech P.E.N. He has taught American Studies at Charles University and Euro-American relations at New York University in Prague. Ambassador Žantovský studied Psychology at Charles University in Prague and at McGill University in Montreal, Canada.



Philip Zimbardo

Psychologist, USA

Psychologist, Professor at the Pacific Graduate School of Psychology (since 2006). Mr. Zimbardo is also Distinguished Senior Fellow at the Center for Homeland Defense and Security at the Naval Postgraduate School in Monterey and Executive Director of the Center for Interdisciplinary Policy, Education, and Research on Terrorism, Stanford Medical School. He served as President of the American Psychological Association. He has been a Stanford University professor since 1968, having taught previously at Yale, NYU and Columbia. He is known for his Stanford prison study.



Forum 2000 volunteers hard at work





Selected Transcripts

Opening Ceremony

Sunday, October 9, 2011, Prague Crossroads

Welcome:

Václav Havel, Former President, Czech Republic

Yohei Sasakawa, Chairman, The Nippon Foundation, Japan

Introduction:

Jan Švejnar, Chairman, CERGE-EI, Czech Republic

Jiří Drahoš, President, Academy of Sciences, Czech Republic

Remarks:

Joseph Stiglitz, Nobel Prize Laureate in Economic Sciences, Professor,
Columbia University, USA

Moderator:

Oldřich Černý, Executive Director, Forum 2000 Foundation, Czech
Republic

Oldřich Černý: President Havel, Mr. Sasakawa, ladies and gentlemen and dear friends: There are institutions and organizations that burst on the scene with ambitious long-term projects and plans, but in a few years they peter out into thin air. Forum 2000 was not a long-term project. Rather it was supposed to be a single meeting in 1997. Václav Havel, Yohei Sasakawa and Elie Wiesel invited interesting people to Prague from all over the world to talk about the issues that humankind was facing on the threshold of the new millennium. Although the intention was to meet once, this was not the outcome. Let me invite President Václav Havel to the floor to open the 15th anniversary Forum 2000 Conference.

Václav Havel: Ladies and gentlemen and distinguished guests: Allow me to cordially welcome you to the 15th Forum 2000. Many of you have already attended multiple times, so you know what the Forum is all about. But some of you are here for the first time and you know very little about our forum, therefore I should say a few words about the origin and the history of the Forum 2000 conferences. When I became president of this country, I received a passport and started travelling. It was something I had not been allowed to do before. I visited dozens and dozens of countries and always tried to touch the original culture of those places. I thought how interesting it would be if people from different civilizations, with different professions or theologies, who rarely find themselves in the same discussion, could meet and discuss global issues. At the same time, I thought it might be interesting to let people from different corners of the world talk about the civilized world in the era of globalization, speak about their problems and learn of the problems of other societies.

Elie Wiesel and I shared a similar idea to organize a major conference on civilization here in Prague and we decided to organize Forum 2000. The forum usually lasts two or three days and various people from various corners of the world are attending. The first forum was so successful that the participants themselves asked for more, and that is one of the reasons why we are meeting here for the 15th time. Once again, there is a new accent, perspective or view of the contemporary world. We reflect on the sense of the meaning of life and the diversity of humankind in the universe. We reflect on the most fundamental questions and issues. Each person takes home interesting experiences, not only from the discussions we plan for at each of these conferences, but also experience from informal

meetings and encounters. The participants usually take home very pleasant memories and insist on having more discussion in another forum.

Thank you very much for your attention. I would like to wish you all very interesting discussions. I hope you find them not only interesting but entertaining and pleasant as well. If you feel tired after listening to all the learned speeches, let me remind you that Prague is filled with very nice pubs and wine shops. Thank you.

Oldřich Černý: Thank you, President Havel, for the summary of the stance and purpose of Forum 2000 conferences. Also, thank you for your directions when it comes to Prague and its new possibilities. Let me now invite to the floor Mr. Yohei Sasakawa, without whose generosity, inspiration, and support the Forum 2000 would not have lived as long as it has. Thank you.

Yohei Sasakawa: Good evening ladies and gentlemen. It is my great pleasure to welcome you to the 15th conference of Forum 2000. First of all, I would like to convey my deep gratitude on behalf of the people of Japan for all of your heartfelt sympathy and support toward the victims of the tsunami and earthquake that devastated northern Japan in March 2011. Thanks to your warm support and the support from people around the world, northern Japan is quickly getting back on the road to recovery.

Forum 2000 was inaugurated in 1997 under the strong leadership of President Havel. Our founding objective was to host discussions concerning the many challenges faced by humanity and to build a civil society in accordance with the will of the people. At today's conference we reach another milestone, a milestone made possible by the passion and the strong convictions of the many individuals participating in past conferences.

Today, our world is undergoing remarkable changes. Some countries are developing rapidly into economic powers, but their social development continues to lag behind. The human rights of their citizens remain suppressed and injustice and corruption are rampant. In some countries, the people have risen up and removed their oppressive regimes, but democracy and the rule of law remain elusive. Society continues to be in turmoil and poverty. Corruption and crime are widespread. These cultural challenges thus remain. And yet, the citizens of these countries have clearly taken the first steps towards achieving democracy and the rule of law to enable the for-

mation of societies based on the people's will. Our underlying goal this year is to seek ways in which people, who are now engaged in these struggles, can successfully create societies based on democracy and the rule of law. I hope participants in this conference will apply their vast experiences and abandoned knowledge of others towards finding solutions to these complex problems.

However, success even when achieved is often not enough. Even after democratic systems are put in place and societies mature, people who live in them cannot simply sit back and let history take its course. Once the rule of law is established, citizens become protected by the legal structure. It may give the impression that citizens are safe and secure. But when highly complex laws become guardians of the people, they can impede the healthy growth of society. Open-mindedness, sense of ownership, and diversity may be lost. This social regression is what Alexis de Tocqueville called "*peaceful and gentle enslavement*." In this respect, it is very important for leaders from different fields, such as politics, science, and religion, to meet on occasions like the Forum 2000 to discuss issues relating to democracy and rule of law. I hope your discussions will be of significance and benefit to people around the world, including those who are struggling to create societies that conform to the people's will as well as those already in matured societies who are susceptible to peaceful and gentle enslavement. In this way societies around the world may continue their path of healthy growth. Thank you very much.

Oldřich Černý: Thank you Mr. Sasakawa. You touched on a number of difficult questions, and hopefully in the next two days we will be able to come up with solutions, or at the very least answers. Now I would like to invite Professor Švejnar to introduce our main speaker, Professor Stiglitz.

Jan Švejnar: Good evening ladies and gentlemen. As many of you know, Joe Stiglitz is endearingly known in the profession of economics. He needs no introduction, but a few words are in order to give you a sense of his lifetime achievements. He is one of the most prolific and original economists alive today. He has, for a number of years, contributed to virtually all areas of economics. There is a joke saying that there is no area of economics which escaped Joe Stiglitz. It is true. You see his influence virtually everywhere, from information economics, all areas of microeconomics, and various insights on how government can intelligently intervene in an imperfect economy.

For a number of years, Joe Stiglitz has been the most widely cited academic economist. That is very difficult in the highly competitive field. He has taught at numerous universities. When he was at Yale University and was considered for promotion, a very interesting story occurred. At that time in the 1950s, 1960s, and 1970s, the lead expert in economics was Paul Samuelson. Everybody was trying to be as good as Samuelson, but nobody could quite do it. Samuelson was also a mentor to Stiglitz. When Stiglitz was considered for promotion, Samuelson wrote in the recommendation letter that Stiglitz was the best economist from Gary, Indiana. The committee who reviewed the application sat and pondered for a while because Gary is not Boston, Chicago, or New York. Then somebody finally found out that Samuelson was also from Gary, Indiana. Joe earned the incredible accolades that allowed him to excel early in his life.

Apart from working at universities, he was chairman of the Council of Economic Advisors to President Clinton and the senior vice-president and chief economist at the World Bank. Important for us in Prague, he served on the International Executive and Supervising Committee of CERGE-EI.

With the help of Joseph Stiglitz and other members of CERGE-EI, the American-style economics Ph.D. and master's program here at the Academy of Sciences of Charles University is thriving. As well as Forum 2000 is celebrating 15th anniversary today, CERGE-EI will celebrate its 20th anniversary this weekend. It is appropriate that Joe Stiglitz receive a medal named after Karel Engliš, an important figure of Czech economics between the wars and after World War II. Joe, thank you for coming. It is really great to have you in Prague again, and it is wonderful that we can do it on the occasion of the 15th Forum.

Joseph Stiglitz: Thank you very much for that introduction. It is a real pleasure to be back in Prague. As Jan mentioned, I have been involved with CERGE-EI for a number of years. Maybe I should explain why. I first came to Czechoslovakia, as it was known at the time, right after the Velvet Revolution. There was a kind of power and a sense of excitement over the country. It was very clear to me that if there was going to be a transition to a market economy, it would have to be through the education of young people. It was very important to establish institutions providing university Ph.D. programs for young people who wanted to study market economics. When I went to the World Bank, we made a number of efforts to try

to create these kinds of institutions. It proved to be extraordinarily difficult. CERGE-EI is the most successful of all the institutions that have been created to provide economic education. The big lesson, as I walk around Prague today and visit the other former countries of Eastern Europe, is how far the transition has come. The liveliness here is very impressive.

I have to believe that institutions like CERGE- EI have played a vital role in transforming the country by providing education for young people. Twenty years is almost a generation, and with a new generation there is a new beginning. You really feel it in the vibrancy of the country. If I was giving a talk like this in the United States, I would issue some words of warning about economics education because I think the economists have played a very bad role in helping to bring about the global crisis. Ideas can be powerful and not all ideas are good ideas. I think what is an important point that Forum 2000 emphasizes is discussing a variety and diversity of ideas. What happened in the United States was that there was too much focus on a single set of ideas and they happened to be flawed. Just like it was only a single set of ideas before the Velvet Revolution here and in the Soviet Union. I think it is important that universities and open forums like Forum 2000 try to bring out a diversity of ideas and criticisms of various approaches of different issues. What I want to do in the time I have this evening is talk a little bit about the rule of law, a little bit about democracy, and about their links with economics.

I think the theme, the rule of Law, is really important, apropos of a country that has gone through a transition like the Czech Republic. I want to emphasize that the expression 'rule of law' is often used a little too glibly. The essential question in my mind is what kind of rule of law. There are many different kinds of rule of law. The law can be used as a mechanism for oppression as well as a mechanism of justice. As we look around the world we can see many examples of oppression. In the United States, for instance, we had a set of laws called the Jim Crow Laws, which were used to preserve segregation and to continue the oppression that had existed under slavery. Even in areas with democracy, the rule of law can affect the nature of this democracy. Libel laws are used in many countries to suppress freedom of press and freedom of speech. When an individual criticizes a government official, he is put in jail because he slandered the government person. Some countries, like the United States, have a good rule of law regarding libel. US law states that if you are a public official you cannot sue for anything said in the press. You are completely

open to criticism. Sometimes the law is used irresponsibly, but the alternative can be seen in a country like Singapore, where the rule of law is used to suppress freedom of speech.

Another example is from Wall Street during the current protest. I was not allowed to use a megaphone when I wanted to speak to the young people gathered there, because there is a law that bans the use of a megaphone. However, the innovativeness of the young people took an interesting form. I would say something and then the first set of rows would repeat it. It was going through the rows of people like an echo chamber. It was something like old-fashioned pedagogy where the teacher said something, and the students repeated it. Although their new method was innovative, the ban on megaphones was clearly an attempt to suppress the ability of people to have an assembly to discuss some of the important issues facing the country. As that remark shows, we were regulating democracy too much at the same time that we were under-regulating our banks. It is that balance that we need to think about. The question is not what rule of law but what kind of rule of law. The question is not whether there are too many or too few regulations. It is what we regulate and how we do it.

In the past, we thought we could recognize a good legal system even if we could not easily define it. This year, we are beginning to question that. The United States has presented itself to the world as a model of rule of law, but increasingly we have come to question various aspects of that system. Let me just mention a couple of examples. I talked about the limited ability that I had to give my voice because they would not allow a megaphone, but American corporations can spend their money to amplify their voice. The Supreme Court decided, as a matter of law, that corporations were people. That is a peculiar idea in my mind because people have unlimited rights to contribute to political parties and political actions. The court decided that corporations should also have unlimited rights as well. Today, many people think the United States has the best government that money can buy. Well, if we restrict the rights of individuals to express themselves, but amplify the rights of corporations, we will get unbalanced outcomes.

That is precisely what has happened, for instance, in the area of banking regulation. The vast majority of Americans in the aftermath of the global crisis recognized that we needed much stronger banking regulations, but the mega-banks did not want it. Consequently, we had a balance of power with 300 million Americans on

one side and about 10 banks on the other, and it was basically level and a stalemate. A bill called Dodd-Frank did something, but did not do enough. For instance, one of the things that it did not do was stopping the banks from engaging in over the counter, non-transparent CDS speculative activities that tried to bring down one government or one country. That failure is at risk of causing another global financial crisis. If the bonds of one country have some difficulty or have to be restructured, no one knows where the risks ultimately lie. Those risks can be amplified and spread around the world by these non-transparent CDSs that capital markets cannot see. And we decided, because of the influence of banks, not to allow people to see what was going on inside the banks.

Let me give you another example, again drawn from the United States. In the US we have been throwing people out of their houses even if they do not owe money. The question is who you trust and what documentation, what kind of legal system you need. We have a set of laws in some sense, but unless you can prove that you do not owe money, the banks can throw you out. You can call that a rule of law, but it is an unfair rule of law. It does not happen all the time, but during a crisis like the current one, a number of people have been thrown out of their homes that actually did not owe any money at all. There are also some cases where the rule of laws worked in a way that it should, but has been very contentious.

We have a very important law that I think is absolutely essential for democracy. It is a right to know. The government is supposed to work for the people, and the people should know what the government is doing. We call it the Freedom of Information Act. When the government provided a large amount of money to AIG, Bloomberg News wanted to know where the money had gone. The government actually provided a back-stop that eventually amounted to \$150 billion. I do not know about the Czech Republic, but in America \$150 billion is a lot of money, especially when it goes to one company. To put it into context, during his term President Bush vetoed a bill to provide healthcare to American children in poor households. Unlike most European countries, Americans do not have a fundamental right – the right of life, a right of access to medicine. If an individual happens to make the mistake of choosing the wrong parents that do not have money, if this child gets sick, then he or she may not get adequate healthcare. Congress said we ought to give children, poor children, the right to healthcare so they are not scarred for life. President Bush vetoed that initiative saying we could not afford it. The

bill cost a few billion dollars. Yet, just a few weeks later, he found \$80 billion for one company – AIG.

Americans rightly wanted to know where that money was going, and the Federal Reserve said the public did not have the right to know, because they were not part of the government. Everybody thought they were, but they appeared to be above the law. Bloomberg took the Federal Reserve to court and, this is an important point, even an institution like the Federal Reserve can be brought to court. They brought it to court, and the court ruled they are not above the law. They had to tell the American people where the money went. The Federal Reserve's response was that the public was wrong, and they are above the law. The Federal Reserve then decided to appeal to the Appellate Court. The Appellate Court ruled the case the same. Then the Federal Reserve decided to appeal to the Supreme Court. The Supreme Court maintained the ruling, and the Federal Reserve was forced to reveal the information. Of course after they revealed it, we understood why they did not want to. Goldman Sachs received the largest amount of the money, and much of that money went to foreign banks. It left some of the American public confused because there is a notion that the French have to take care of French banks. Well, we live in a globally integrated world and have to consider that problems in one part of the world can have consequences for the others. The point I have been trying to stress is we often use the words rule of law a little too loosely. We do not put enough emphasis on what kind of rule of law and the use of the rule of law.

Under the guise of the rule of law, Russia has been using bankruptcy law to take property from people. You buy a judge and go to court with a document saying another person owes you money. At the time, the supposed debtor is a long distance away where he cannot be contacted. The judge gives them 24 hours to prove they do not owe you money. The debtor does not show up to court and you are allowed to auction his property to people who were trying to steal the debtor's property. This happens all under the guise of rule of law. One has to think very deeply about the kind of legal frameworks that we create. Even the principles of an independent judiciary sometimes have to be questioned. That is particularly the case when economies and societies are undergoing transition. There are judges that were appointed in Spain by the fascist government. Should they be independent? Or should they be replaced when there is a regime change?

Finally, we have to recognize the difference between *de jure* and *de facto* justice. If an individual cannot afford access to the law, then no matter how good the laws are the system is going to be unfair. In many countries, we have made the legal system so expensive that it is only the rich that can really avail themselves of it. We have created it, and made the law part of our economic system. And we know our economic system is an un-level playing-field with 1 percent of Americans now getting more than 20 percent of the income and controlling more than 40 percent of the wealth. It is not a level playing-field. If success in the legal system is an arms race of lawyers, then those with more money are going to win no matter what the *de jure* system says. *De facto* is not fair. That is why it is important for governments to have programs of legal assistance for people who cannot afford lawyers.

We also know the expression that justice delayed is justice denied. This identifies a tension between the orderly procedure of the law and the fact that it can take a very long time. My emphasis is that the rule of law is essential, but the real question is what kind of rule of law we have. How do we go about ensuring a fair *de facto* as well as a *de jure* rule of law system? Even with good rule of law there are multiple trade-offs, keying into the idea that rule of law needs to be imbedded in society. We must focus on how different societies make those trade-offs in order to understand their rule of law.

All human systems are fallible whether it is economists who talk about equity-efficiency trade-offs or legal scholars who talk about errors of type 1 and type 2, the error of convicting an innocent one or letting off a guilty person. While establishing and maintaining a just rule of law is not easy, ensuring that it adapts to society's changes is one of the principles I want to come to towards the end. Now I want to return to the young protestors on Wall Street. I want to draw a parallel between their issues and the issues I discussed when I visited the *Indignados*, the young people in Spain this past July. That name, the Indignant Ones, is a very telling for Spain, because I think there are a number of reasons why they ought to be indignant. An economic system is supposed to be judged by how well it does for most citizens. Many people before the crisis looked to the United States and saw an economy that was doing well. The GDP per capita was going up every year and the performance was strong. There were some problems behind that rosy scenario and one was obvious: It was not sustainable, and it was based on a bubble. The bubble eventually broke because it was based on debt, and, as one of

my predecessors as chairman of the Council of Economic Advisors once put it: *“What is not sustainable will not be sustained.”*

There was a deeper problem with what was going on: the fruits of that growth were not being shared. I mentioned before that the upper 1% of the United States now gets between 20 and 25% of all the income. You might think that is OK. We are not jealous people. If a rising tide lifts all boats and trickle-down economics works, then everybody is doing better. People think that when the top does well, everybody else is benefiting. The fact of the matter is that in the United States and many other countries, it is just not true. The data that just came out a few weeks ago for the United States paints a very bleak picture. Most Americans today are worse off than they were in 1997 or 1998. They have had almost a decade and a half of complete stagnation. These are GDP numbers that do not include the increasing sense of insecurity, laws of access to healthcare, or other important dimensions of life. The notion of working longer and receiving less is captured by another number that is even more dramatic. A full-time male worker, a typical median person, has today an income comparable to what it was in 1978. That is three decades of stagnation. All growth is going to the people at the top. When people look at different economic models and decide what is successful and what is not, I want to urge not to look at GDP, or GDP per capita. It is important, you cannot succeed without a high GDP, but it is not enough if it is not sustainable and based on debt. If it is not widely shared it will not be sustainable. An economic system that does not bring benefits to most citizens is not an economic system that is working well.

I want to conclude by reiterating that the question is not just the rule of law but what kind of rule of law? Many questions stem from this initial question. Are not all these regulations we face intruding on our liberty and what can we do? Are we not becoming an oppressive society? The issue is not always the question of too much or too little, but the right regulations and the right rules. The fundamental principle that one has to keep in mind is that we live in an interactive society. One person's liberty can take away another person's liberty, and that is the fundamental point that those on the right often miss. If I have the right to take a baseball club and hit you, you lose your right not to be hit. A corporation that has a right to exercise monopoly power abuses the rights of other companies to be able to operate in a free marketplace. Therefore, the issues of one's right or another's right are always in conflict. That is why there are issues

in defining regulations. Rights have to be decided through a democratic political process. What a person does affects others and can affect them either for the positive or for the negative. These complex tradeoffs are seen most clearly in the case of the banks. Their right to be un-regulated amounted to a right to destroy the global economy because they exerted enormous negative externalities on the rest of society. The government and tax payers had to shovel out huge amounts of money and the economy was facing a large decline. These externalities contributed to the fiscal problems in Europe and the United States. Inevitably, we are going to have to make decisions about whose rights we are going to protect. We need to recognize the fact that we live in a community where what one person does has very strong effects on others.

How do we create better prospects of a good and just rule of law? There are three things that I want to call your attention to. The first is transparency, because you cannot have good rule of law if you do not know what is going on. The government is supposed to work for the people. Freedom of information acts, right to work laws, right to information, and the right to know laws are absolutely essential. Transparency is necessary, but it is not sufficient. Secondly, there has to be some form of democratic accountability. This conference is about the rule of law and democracy, but in the way the rule of law is complex, so is democracy. It is more than going to the polls and voting. It is our campaign contributions, our rules about lobbyists, and our rules about revolving doors. They all shape the way our democracies work. We have imperfect democracies, and the struggle is to make them more perfect. Fortunately, there is an active debate of how to try to make it more democratic. In one party there are people who are working very hard to make it more difficult for people to register to vote, and the other party is trying to make it easier for people to vote. The part of democratic debate is a conflict over the ease of voting. There has to be democratic accountability to increase the likelihood of a just rule of law. The final aspect of creating a good rule of law is something that has been brought up very strongly in the discussions about the Arab Spring: We must ensure certain basic rights for all. Today, I think there is a broad consensus of what those rights entail. They were embodied in the Universal Declaration of Human Rights, which incorporates economic, social, and civil rights.

I look forward to the discussions of the Forum. I hope they will help to clarify these concepts. It is important to flesh out these no-

tions of the rule of law and democracy. Then we do not read them just as cold words but we try to discover what it means to create a just rule of law and a truly effective democracy. Thank you.

Oldřich Černý: I would like to invite Professor Jiří Drahoš to bestow a medal on Professor Stiglitz for his contribution to this country.

Jiří Drahoš: Mr. President, honorable guests, ladies and gentlemen. I am very delighted to be here and use this opportunity to present an honorary medal, named after Karel Engliš, to Professor Stiglitz. This medal has been awarded by the Academy of Sciences of the Czech Republic since 1997 for outstanding contributions in the field of social and economic sciences. Karel Engliš was a minister of finance in the former Czechoslovak Republic, a governor of the National Bank, a rector of Charles University, and a member of the Czech Academy of Sciences and Arts. Let me stress that he viewed economics as a science about order where individuals and nations work for the maintenance and improvement of life. I believe this description fits Professor Joseph Stiglitz's work very well. For his accomplishments, please allow me to present this honorary medal to Professor Stiglitz.

Oldřich Černý: We now have a performance by Zuzana Lapčíková and Magda Topferová. Thank you very much, and enjoy the rest of the evening.



Breakfast: Transforming Evil Into Heroism

Monday, October 10, 2011, Žofín Palace

Introduction:

Jakub Klepal, Deputy Executive Director, Forum 2000 Foundation, Czech Republic

Remarks:

Philip Zimbardo, Psychologist, USA

Jakub Klepal: Good morning, and welcome to the first day of the 15th Forum 2000 Conference. My name is Jakub Klepal and I am the Deputy Director of Forum 2000. It is my pleasure to introduce today's breakfast speaker, Professor Phillip Zimbardo. This morning he will deliver a fascinating speech on the subject of transforming evil into heroism. Professor Zimbardo is known for organizing the famous Stanford Prison Experiment, which he will speak about as well. I would also like to mention that Professor Zimbardo received the Vize 97 award from President Havel and Madame Dagmar Havel.

Philip Zimbardo: It's very exciting to be here, to open this wonderful Forum. This is an incredible exchange of ideas which started last night with very interesting presentations. My topic is transforming evil into heroism, and it is going to be serious but also with some humor. I will discuss how I was transformed from studying and creating evil in the laboratory to my new mission, which is creating heroes, especially among the youth everywhere.

The question of evil – what makes people go wrong, is really a question that has been asked for centuries by theologians, by philosophers, by poets, by dramatists. Psychologists tend not to ask those kinds of big questions. We try to ask more precise questions for which we have experimental methods for answering, but I was asking questions like that when I was a little child. I wanted to know why do good people turn evil because if we know how and why, then maybe we can develop interventions to minimize it or prevent it.

I grew up in poverty in a ghetto in New York called the South Bronx. You would think it was a Third-World country rather than part of one of the major cities in the universe. I had friends – good kids who ended up doing very bad things and went to prison. Other kids, like myself, were somehow able to resist. In a ghetto what you see is what is missing. There is no nature, no trees, no grass, and no earth. There is just concrete and asphalt. Every inner city in the world breeds evil because there are constant temptations for people to do anything for money. Today we are establishing new ghettos around the world as immigrants move from the South to the North, from the East to the West. There is an incredible migration across Europe, and very few nations are prepared to deal with the immigrant problem, even in an advanced country like the Czech Republic.

I am going to be talking about different kinds of evil: The evil of people, the evil of situations, and systemic evil. Poverty is a sys-

temic evil, it is growing throughout the world. The most recent statistics are that in the United States, 20% of all children live in poverty. If you live in poverty you die in poverty and you die sooner than you should.

The other thing that influenced me as a child was reading Robert Louis Stevenson's *Dr. Jekyll and Mr. Hyde*. In that story, the good Dr. Jekyll invents a chemical that transforms him into evil Mr. Hyde. When the drug wears off, he goes back across the line between good and evil to be the good Dr. Jekyll. For me, the story questions the belief that the line between the good and evil is fixed and impermeable. As a child, I was taught that good people like us were safe and bad people were on the other side. The story, even though it was fictional, forced me to entertain the possibility that the line is permeable. Maybe good people could be seduced to the bad side and perhaps bad people could be rescued to the good side as well. Alexander Solzhenitsyn, a Russian poet who was imprisoned in Stalin's "*Gulag Archipelago*," illustrates this.

He says, "*If only it was so simple. If only there were evil people somewhere insidiously committing evil deeds, and it was necessary only to separate them from the rest of us and then destroy them*". But the line dividing good and evil cuts through the heart of every human being and this line shifts inside of us. Good and evil are part of human nature; our yin and yang. We are born with this incredible brain which gives us mental templates to do anything that is imaginable, and our mind can imagine anything. It is not that we are born evil and become good or are born good and become evil. We are born with the potential for good and evil. Of course, there are people who, because of their evil deeds over an extended period of time, can be labeled as having an evil disposition. There is something about them. For people from the older generation it was Stalin and Hitler. I just noticed in my visit to the Prague Castle that there are some early Czech heroes who were not compassionate towards their enemies, and their message to the world was that it is better to be feared than loved. Essentially, each nation has a culture of violence. Certainly America has a culture of violence with slavery and with taking the West away from the Indians. For the younger generation, it is Darth Vader, and here I am trying to resist the lure of the Dark Side.

Recently I was in Oslo, and they experienced a terrible event on July 22, 2011. This handsome young man says, "*I am a laid back type, quite tolerant on most issues. All my friends can attest that I would not be willing to hurt a fly, and I never used violence against others*". He

killed, point-blank, 69 innocent children swimming in a camp. He was against the three I's – immigration, integration and Islamism. It turns out his anti-Muslim point of view is not exceptional either in Norway or in the rest of the world. There are many definitions of evil. My psychological definition is: Evil is the exercise and abuse of power to intentionally harm people psychologically through prejudice, to hurt physically through torture, and to destroy morally.

But most crime is not done by people. It is done by systems. When governments practice evil they use their power to create genocide. I recently discovered, with the advice of my colleague Martina, that there is something called “*democide*”. Democide is the destruction of citizens by their own government. There are estimates of the number of people killed by their own governments in the last century, certainly including Chairman Mao in China but also throughout the world. Estimates are that 262 million citizens have been killed by their own government in the last century, and that compares to 36 million killed in combat.

If you go to China, in many schools, in the schoolyard there is this big slogan: “*Genius comes from hard work. Tobacco helps you become talented.*” What does that mean? It is a systemic evil. The Chinese government owns the cigarette industry and they promote cigarette smoking, 53% of all men in China smoke. That is 320 million regular smokers. The statistics released by China report 1 million die every year. Why do they do it? Because they make \$600 billion and \$499 billion in taxes. It is a government knowingly killing a million of its own people every year and preventing anti-smoking campaigns. There are also evil places. Those of you who are from Prague know that number 4 Bartolomějská Street was a center for the Communist secret police and maybe the Nazis. This becomes a place of evil. I wrote a book recently, called *The Lucifer Effect*. It says it is possible to seduce good people to do bad things when you put them in an unfamiliar situation, and either give them total power or no power.

Evil operates at three levels. Dispositional evil is evil that people bring into a situation, and we could call these people bad apples when they do bad things. However, more evil is created by situations, and we are going to call that the bad barrel. My question is, when you put good people in a bad barrel, does the goodness of people surface, or are they corrupted by the bad barrel? The components are both social and physical. Again, the real power is in the system, and this is where we find the bad barrel makers. These factors are political, economic, cultural, and legal, and they create situations

that corrupt people. My *“Lucifer Effect”* book is really a celebration of the human mind’s infinite capacity to make any of us kind or cruel, caring or indifferent – to make some of us do wonderfully creative things while others do destructive things. The mind pushes some of us to be villains, to be perpetrators of evil, and at the same exact time human mind makes some of us heroes. There is a wonderful cartoon in *“The New Yorker”* which summarizes my lecture. It is two policemen talking, and one says, *“I am neither a good cop nor a bad cop Jerome, like yourself I am a complex amalgam of positive and negative personality traits that emerge, or not, depending on the circumstances”*.

In 1948, a classmate of mine in the Bronx named Stanley Milgram was concerned that the Holocaust could happen in America. People said, *“No, that was Nazi Germany we would never do that, we are not that kind of people”*. He said, *“I bet if you had asked German students before the Holocaust they would have said the same thing, we are not that kind of people”*. He believed you do not really know what you would do until you are in a situation, and the situation enables you to say whether you are a good or a bad person. So this is the moral reason he conducted the famous study that shocked the world. The problem he wanted to study was a little bit different and went a little bit further. It was the issue of authority. Under what conditions will a person obey an authority who commanded actions that went against conscience?

He did that study at Yale University back in the 1960s, but he did not use any students. He used 1,000 men and one group of women to play the role of teacher or learner. The learner is a person who is supposed to learn material that the teacher gives him, and when the learner makes a mistake the teacher gives him an electric shock. In front of the men is the experimenter in a lab-coat and an apparatus that has 30 switches. Each switch increases by 15 volts: 15, 30, 45. At the low levels, the learner who is in the other room does not respond, but when it gets up to 100 volts, he begins to complain. When it gets higher, he starts to scream. Most people, good people, they turn to the experimenter and say: *“Sir, he doesn’t want to continue, I think we should end the experiment”*. The experimenter says, *“I’m sorry, you have a contract, you must continue”*. When it gets up to 350 volts, the man screams and there is a thud and silence. He is probably unconscious. The last switch is 450 volts. Who would go that far? When asked this question, psychiatrists said only 1%, because that is sadistic behavior and only a sadist would do it. Well, could it be 5%? Could it be 33%? Could it be one out of every two? In fact, the research showed two of

every three American citizens aged 20 to 50, ordinary people from two towns in Connecticut, went all the way to 450 volts. The majority went all the way, and a basic message seen from this experiment is that all evil begins with 15 volts – that is crossing that line between good and evil. That is the first lie, the first cheating, the first time the accountants warm up the books before they cook the books. Vigilance begins at 15 volts. You should not allow it in your business, in your corporation – that first step down the slippery slope.

The Stanford Prison Experiment, which I did many years ago, was an attempt to ask, “*What happens when you put good people in a bad place?*” Milgram’s study was one on one power, but we live in institutions, families, schools, teams, and jobs. Nobody tells you to do bad things, but there are rules. We play roles. There are group dynamics. I tried to reflect that in my experiment. We put an ad in a local city newspaper in Stanford. Seventy-four people answered the ad, and we gave them personality tests and interviews because we wanted to be sure when we began that all the people in the study were good apples. But we put them in a bad barrel, which simulated what is worst in American prisons. We randomly divided the students into prisoners and guards, and the prisoners were going to live in the prison 24/7. The guards were going to work eight-hour shifts. We took away the prisoners’ identities. They became numbers. They became insignificant and anonymous. The guards, on the other hand, had various symbols of power: fancy uniforms, billy clubs, and whistles. The first thing the guards said was, “*We need rules.*” The rules limit the freedom of the prisoners. The guards made 16 rules, and the 17th rule was, which I call after last night “*The Law Rule.*” The Law Rule stated that if the prisoners violated any of the first 16 rules, the guards had the power to determine whether it was a violation and determine what their punishment should be. Democracies must not only have the rule of the law. Who has the power to distribute that rule or enforce the rule has to do it in an equitable and fair manner.

The experiment began with push-ups and jumping jacks, routine things. But one of the major motivations for evil is boredom. Guards worked 8 hour shifts, and in the middle of the night they got bored. To alleviate their boredom, they used the prisoners as their play-things, as their puppets. They made the prisoners do humiliating things like cleaning toilet bowls out with their bare hands and stripping naked. One prisoner broke down in 36 hours, and he became a model of how you got out of the prison, because it was a psychological prison. The prison was in their minds. The prisoners

all knew it was an experiment at some level. On the other hand, it became in their minds a prison run by psychologists not by the state. The study, which was going to go for two weeks, had to end after six days. Five of the prisoners, who we picked because they were normal and healthy, had emotional breakdowns in response to the sadistic brutality of the guards who we chosen because they were normal and healthy. This is 1971. The guards were anti-war activists, civil rights activists, and hippies. Before they put on the guard uniform, they were against authority and against the police. But when they put on the uniform, they became brutal and sadistic. Guards were putting bags over the prisoners' heads and chaining their feet together when they went to the parole board.

Now we go to a real world parallel. At Abu Ghraib there were bigger bags and much bigger guns. We all saw back in 2004 the horrific pictures of American soldiers, men and women, not only torturing and humiliating prisoners but enjoying it, giving high fives with big smiles. The Bush administration and the military said, "*This is the work of few bad apples. The army is really good.*". I said, "*No, no. I want to assume that those American soldiers are good apples, and somebody put them in a bad barrel.*" I became an expert witness for the guard in charge of the night shift where all the abuses took place, so I could understand more fully what was going on. Secretary of Defense Donald Rumsfeld came to Abu Ghraib and wanted to know who were the bad apples. When he expressed his sorrow for the incident, he voiced his belief that 99.99% of armed US forces behave admirably at all times. But actually he was the one person responsible for the things that happened in Abu Ghraib.

Prior to the Abu Ghraib scandal, Donald Rumsfeld had personally approved a menu of interrogation techniques including dogs, stress positions and nudity that violated longstanding military rules. General Miller, who was in charge of prisoners in Guantanamo Bay, received the list of seven tactics that Rumsfeld sent down. He went to General Janis Karpinski who was in charge of Abu Ghraib and said, "*This is what you must do to get actual intelligence against the insurgency*". Then he said to her, "*The Arab prisoners are like dogs, and if you allow them to believe at any point that they are more than a dog, you have lost control of them*".

This is dehumanization. I think of it as a cortical cataract. If you have a cataract on your eyes it blurs your vision. A cortical cataract prevents you from seeing other people as similar to yourself. You see them as less than human, more like animals. It is the most

basic process in genocide, in gang rapes or in mass murders and operates at individual levels, situational levels, and systemic levels.

In Rwanda, the Hutu government went on the radio and said, *“Your neighbors, the Tutsis, are cockroaches, nothing more than cockroaches, and we are going to help you to eliminate the cockroaches from your homes. We are going to give the men a machete and the women a club”*. We all know what happened. In 100 days, they massacred 800,000 of their neighbors. Here is what demonization can do. Here is what metaphors can do as agents of destruction.

Why do ordinary people turn evil? We have a recipe. In one hour, I could get the average person, whether student or not, to begin to step across that line. We have a whole body of research on each of these topics: dehumanization, diffusion of responsibility, obedience to authority, group pressure, power, and control. But how can we get good people to turn into heroes? We don’t have a clue. There is no body of research on heroism. The words hero and heroism do not exist in any psychology book. It is not even in the positive psychology agenda, because positive psychology deals with virtues like compassion and empathy, and heroism is an action. I recently had a dialogue with His Holiness the Dalai Lama who believes if everyone was compassionate, evil would cease to exist. I said, *“Your Holiness, while we are waiting for that to happen, shouldn’t compassion be transformed into socially engaged heroic action?”* It is not enough that you feel good about yourself or that you care about me. You have to act when I am in need. Heroism is an action, a behavior that you engage in voluntarily. It is conducted in the service of one or more people in the community or in defense of a moral cause. It involves risking physical comfort, social stature, or quality of life. Altruism is heroism light, no real risk. And lastly, you act heroically without expectation of reward. The main thing that we are promoting is that heroism is learned. It can be modeled and taught and is not an in-born special quality.

What does it take to be a hero? We have always assumed heroes are a special kind of people. I want to say, *“No.”* Most heroes are ordinary people. It is the heroic act that is extraordinary. In fact, ordinary people become extraordinary when they commit a heroic deed. One of our team members at my Heroic Imagination Project interviewed Barack Obama before he was president and asked him what it takes to be a hero. He talked about the importance of simply standing up and speaking out and taking a small action that can have a ripple effect that can influence many other people without your awareness.

He expressed his belief that what is remarkable about history is ordinary people doing extraordinary things. We never know how our actions are going to ripple over time. But each of us can take some responsibility for making sure that we are pushing a little bit in the direction of justice, of equality and tolerance. He said that when we do that, we surprise ourselves with the amount of influence we have just by standing up or speaking out.

He is really talking about people power, about personal and civic responsibility, and in a funny way he is echoing what Václav Havel said many decades ago. Rosa Parks, the first lady of Civil Rights. She was a seamstress, which meant she sewed rich women's dresses in her town, and she became a prisoner because she did not want to give her seat to a white person on the bus that she paid the same fare to ride. There she was as a prisoner. People asked, "*Did you not get up because you were tired?*". She said, "*No no no. The only tired that I was, was tired of giving in. I was tired of having them control what I did in what I felt was a legal way even though there was a law*". She helped to change the law on bus segregation in the South.

Heroes come in all forms. For instance, a 9-year-old boy Lin How, who I call a dutiful hero. Just before the Olympics in 2008, there was a massive earthquake in Szechuan province, and he was in a school where the ceiling collapsed. This happened in many schools because of corruption in the construction industry. He escaped, and as he was running away he looked back and saw two friends struggling to get out so he ran back to save them. People asked him why he risked his life, and he said, "*Why? I was the hall-monitor. It was my job to look after my classmates.*" This is putting the heroic imagination into action. He felt it was his duty to save his classmates. He had been given a responsibility, and when the time came he was able to enact it.

The man who stopped Abu Ghraib was a private, the lowest level army reserve and not a real soldier – when his friend showed him a CD with all those terrible images. He gave those images to a senior investigating officer knowing he was going to get in trouble with his buddies, who were all going to be punished for taking and distributing the photographs. In fact, he had to be put in hiding for three years, because people wanted to kill him. He is what we call a proactive hero, a whistleblower.

William Browder, who also participated in this year's Forum 2000 Conference, is another heroic whistleblower. He is the founder and CEO of Hermitage Capital Management and is now in the UK.

He was a Stanford Master of Business and wisely stumbled into financial fortune. He made billions investing in the privatization of Russian and other Eastern European companies. He was one of the very first people to understand how to make a fortune cashing in on privatization in Eastern Europe, but he discovered that in Russia was this huge fraud created by criminals and supported by many officials almost at the very top. He has spent a number of years since then valiantly campaigning to expose corruption and human rights abuses at every level in Russia. Who is the enemy? The enemy is Russian people. Their tax money is being stolen and scandals have worsened the quality of life of the average person in Russia. Professors I know in St. Petersburg and Moscow now have to work two or three jobs in order to simply survive because of these gangster millionaires. Corruption is a cancer of every nation's economy, every nation's politics, and the well-being of every nation's citizens. Corruption undermines a democracy by mocking the rule of the law for all, because corruption implies rule of law is actually the rule of power of the privileged few. Corruption creates citizen cynicism instead of civic responsibility. My background is Sicilian, so we know about corruption. We have had it for a very long time. The worst thing people say when I go to Italy is something like, *"I have a foundation trying to send high school kids to college, and it does not matter. It does not matter what you know, it only matters who you know"*. Once you have that mentality, you stop working hard because you say, *"I can work hard and the son of this guy or the cousin of this guy is going to get the job and not me"*.

Daniel Ellsberg was one of my early heroes. He almost single-handedly stopped the Vietnam War. People do not realize he was previously a hawk; he was in favor of the war. Therefore he had a high level security clearance for working with Robert McNamara. One day he discovered that every year all the generals would give a report to the President about the war. The reports said the war could not be won, but they did not know how to exit from Vietnam. Every year, the President went on television and told the American people, *"We are winning the war."* Ellsberg realized that hypocrisy, printed the 7,000 pages of these reports called the Pentagon Papers, and distributed them to all the American newspapers. He was a traitor; Kissinger said he is the most dangerous man in America. He was put on trial, and he could have gotten 100 years in prison. Instead, the court threw out the ruling. Ellsberg brought down the Nixon Administration and helped to end the Vietnam War.

Our own Václav Havel created a psychological revolution. He is a different kind of hero; not a whistleblower, not a reactive hero that responds to an emergency. He created a revolution in the minds of ordinary people in Czechoslovakia. He told the Czech people that they are responsible for what they are experiencing because they co-created communist domination by passively resigning themselves to the Communist regime as an unchangeable fact. Havel would not accept this. He said, “*You can collectively oppose the regime with love, with truth, with understanding, and with the moral courage to act heroically.*” He developed communal heroes. I would like to announce, along with Martin Huml who is Co-founder of Heroic Imagination Project, that both Daniel Ellsberg and Václav Havel have agreed to be honorary trustees of our Heroic Imagination Project and the first on our Board of Directors.

We have seen recently in Cairo, in a sense, the extension of Václav Havel’s ideas. Young protesters in Cairo risked their lives to collectively challenge injustice and create a democracy in Egypt. The Arab Spring has now spread throughout the Middle East. It is a righteous protest created by a heroic network. We are trying to move away from the notion of the solitary hero; heroes are most effective within a network of similar minded people. This network revolted against tyranny and the dictatorships that have misgoverned most of the countries in the Middle East in favor of democracy and the rule of law.

There are at least fifty Japanese engineers called the “*Fukushima Fifty*” who have remained on duty trying to repair the damaged Fukushima nuclear reactor. The levels of radiation were so high that surely they will die of cancer. They were willing to die to save the lives of other people around the world. One of my favorite heroes is a Polish woman named Irena Sendler. The Nazis hated the Poles more than anyone and leveled all of Warsaw. They created a ghetto where they put all the Jews. They were going to ship the adults to concentration camps, and the children were going to be killed. Disease and hunger broke out in this ghetto.

Irena Sendler was a social worker who heard about this. She got a nurse’s certificate from a friend, went in to the ghetto, found out the situation was terrible, and persuaded Jewish parents to give her their children. One by one, she and a network of 19 other women and one man smuggled the children out and hid them throughout Poland. She saved the lives, as documented, of 2,500 children. Those children have had children and grandchildren, so at least 10,000 peo-

ple owe their lives to her. During the war, somebody spying turned her in and she was imprisoned. Even when the Nazis broke her ankles, she refused to tell any information. It was not until recently that Israel identified her as one of the righteous among the gentiles.

My conception of heroism is democratic, meaning anyone can be a hero. It includes a move away of ordinary everyday people from the notion of solitary heroes to ensembles hero networks. We want young people to make a public declaration online saying they want to become a hero in training. Two years ago, Martin Huml and I started something we called the Heroic Imagination Project, a non-profit association in San Francisco. We have a small team and hope to expand, certainly in your nations. Our main focus is empowering ordinary people to take heroic action in challenging moments of their life. Starting in the family, starting in schools, starting in business places and, ultimately, starting in neighborhoods. We hope you will visit us on heroicimagination.org. We have been conducting research and want to get money to support research of graduate students around the world in order to understand the nature of heroism, because there is almost no research. We are developing educational courses in high schools, in middle schools, and hopefully in colleges.

No matter what we do, this program is research based, and we always ask ourselves if it works. We have pre-measures about attitudes and values and assess whether they change after our course. When we know the course does create positive change, we are going to put it on cell phones, hero apps, so people around the world, even poor people, can do hero exercises every day. And now we are working in corporations. How do we replace cultures of corruption? We must replace cultures of complicity with cultures of integrity, with transparency. How do we get corporations to promote internal whistle-blowing? The most important thing in corporations is not profit, it is reputation. Corporations really want to know if there are frauds, if something is wrong, and they want to be told immediately by their own employees. They can make a public statement: *"We will reward employees for making us aware of problems in our institution rather than waiting for outside people"*.

Lastly, we are trying to create a public engagement website, an interactive website, with people from around the world. There is one cartoon where Superman's father is telling Superman, *"Flying around all day just won't cut it. Sooner or later you are going to have to fight some evil."* At the Heroic Imagination Project, we provide the toolkit for

Superman and his father, strategies, tactics, and things you can do every day to build your moral muscle. We have a picture of Superman who instead of wearing his S is wearing our logo. He is now becoming hip, and the question is how about you. The world needs more heroes, and it really needs you. It needs all of us.

I am trying to change the dialogue about heroes as special people. The problem has been with people like Joseph Campbell who popularized the notion of heroes as male warriors: Agamemnon, Achilles, and Odysseus. In fact, they are the exception. It is not only the generals who are heroes. They just send young men to kill other young men. They are really not heroes in any sense. It's the teachers who have inspired you, who have changed your lives. It is the single mother in a ghetto who sacrifices her life for her kids. These are real heroes. We would like to develop a "*Heropedia*," where people from around the world submit heroes in their lives who we promote to other people. Yoda says, "*Do or do not! There is no try.*" If you are a hero, it is not about trying. It is about doing. It is about acting. The important thing is to find the hero in you, and we want to give voice to all of the quiet heroes all over the world. I would like you to help me create Heroic Imagination Project Centers in every nation, and all we need is a little sponsor and much love. Thank you very much.

Jakub Klepal: Thank you very much, Professor Zimbardo. We will take two very quick questions.

Prince El Hassan bin Talal (from the audience): My name is Hassan, and I come from Jordan. I attended the first session in Boston after 9/11 as a Muslim with a large swathe of American organizations working abroad in promoting humanitarian activities including Peace Corps and Fulbright, of which I am a patron in our region. My question is to them and to you and to all of you. Why is it that we see heroes in military uniform and we do not yet envisage an international, non-denominational peace corps? And appended to that, when will we see an international, non-denominational media peace corps, where you rely on the knowledge of scholars who are embedded rather than bringing journalists to prop-up hotel bars in prominent cities where protests are taking place and they are not aware of the realm? I was just commenting that your altruism is not without pain, and I think that altruism should be with pain of that kind.

Philip Zimbardo: No, but I said altruism with pain equals heroism, so I could not agree more. I was one of the first people to oppose the basic notion of the “*War on Terrorism*” that Bush and his administration proposed. America lost the war on poverty and we lost the war on drugs. You cannot win a war on nouns because there is always a verb that will get around. Instead of the War on Terrorism, there is a global challenge that terrorism presents to every nation. By labeling it the War on Terrorism it was Bush’s war. Other nations did not feel they had to join America. The Bush administration said, “*If you are not with us, you are against us*”, and Germany and France, our long-term allies, said they could not support this.

I agree entirely with the question of how we get away from notion that heroes are generals, and that heroes have to have a uniform. That’s our whole point. Heroes are ordinary people, and we want to begin with children. We want to make children feel responsible, for example, for the health of their family and for the health of their environment. We want to empower children to think of themselves as heroes in training, so I agree with you entirely.

Prince El Hassan bin Talal (from the audience): I would just add that Yehudi Menuhin and Walter Sisulu, people from two different hemispheres, said “*When we are going to start working for something, struggling for something?*” We all work against anti-Semitism and against Islamophobia, but is it not the time that we work for something? This impulse has to enter school curricula or pre-school value training.

Philip Zimbardo: Absolutely. Again, our program is about how to promote the basic value of respect for the other. To overcome the old notion that heroes are egocentric people doing Superman things. Heroes are social-centric. Heroes transform the “me” into the “we”. We have a problem throughout the world of young people becoming totally egocentric. One of the terrible things in China is not just the government supporting smoking, but also the one-child families that are developing a generation of totally egocentric kids. Their success is critical for every family. When a Chinese child goes to the university, their mother often goes with them. There is a new concept called “*mother’s sitting*,” when mother goes to class with her child because it is too risky for the child not to succeed. The mother is on the phone to be sure that the child is working hard. This promotes egocentrism and a lack of self-reliance. Our Heroic Imagination Project is trying to turn it around to exactly the opposite.

Francis Deng (from the audience): I was struck by what you said about smoking in China and basically killing one's citizens by promoting tobacco. I was also struck by a word you said about generals sending young people to die. Can you give an analysis of the difference between those who, presumably in the interest of the economy, are endangering the lives of their people through tobacco and those who, also presumably in defense of the security of the country, are sending young people to go and die? I assume you would say there are alternatives to promoting the economy of a country different to smoking. There could also be an alternative for ensuring the security of the country by negotiating problems rather than going to war and killing young people. Can you see whether there is a difference between the two or are they basically overlapping strategies?

Philip Zimbardo: That is a wonderful question. I think they are overlapping strategies. I used China only because it is such an extreme example. It is the same in Afghanistan, where the government supports farmers who grow poppies – cocaine. It is the same in the South America with farmers who grow tobacco. But the culprits aren't the farmers in the field who need the money, because you could give them alternative crops. The problem is a whole network of politicians in congress who benefit from supporting farmers working for them and have blocked laws against anti-smoking for years.

How do we break through these old structures? Mexico is being destroyed as a country by the drug cartels. Thirty-five people were dumped, beheaded in a shopping mall. The government has been helpless to make a change. The first thing that happens is tourism dies off in Mexico. It is affecting the country. In Mexico they say the problem is America. "*You are the demand, we are simply the supply.*" There has to be a whole new way of dealing with drugs and cigarette smoking is one of them. Hard drugs, are a problem around the world. If you remember the story from *The Godfather* Don Corleone didn't mind prostitution and he didn't mind gambling, but he said, "*No, the family is not going to get into drugs.*" But that is where the real money is.

How do we rethink alternative ways of making money for farmers and ordinary people, that does not impair the health of citizens? And how do we think of other ways to compromise, to negotiate, where war is not conceivable? Not as a last option, where war is taken off the agenda. The UN has been trying to do this for years, but how do we do it? And hopefully these are the ideas that will come out of the Forum in the next three days. Thank you very much.



Perspectives of Democracy and the Rule of Law in the 21st Century

Monday, October 10, 2011, Žofín Palace, Forum Hall

Moderator:

Jacques Rupnik, Political Scientist, France

Participants:

Adam Michnik, Editor-in-Chief, Gazeta Wyborcza, Poland

John Agyekum Kufuor, Former President, Ghana

Michael Žantovský, Ambassador to the United Kingdom, Czech Republic

Marites Vitug, Journalist, Chair, Advisory Board, Newsbreak, Philippines

Vartan Gregorian, President, Carnegie Corporation of New York, USA

Video Message from Aung San Suu Kyi: It is truly providential that the topic for this year's Forum 2000 is rule of law. The National League for Democracy, and I myself personally, have been insisting on the importance of rule of law as a necessary first step towards true democratization. Without rule of law no change that is undertaken will be sustained; unless there is rule of law our people will not know security. It is not enough to say that we are interested in democracy, we have to show that we intend to establish democracy firmly in our country and to do that we need rule of law. It is under rule of law that all people enjoy the security of just and balanced treatment from those that are in authority.

For many years the people of Burma have suffered from lack of rule of law. A lot of our people do not know where they stand – they do not even know that there are rules that are laws that will defend their rights; they have no idea that there is such a thing as recourse to justice, because without rule of law there can be no justice.

I would like to thank Forum 2000 for making this issue a really significant one in our century, the 21st Century. With your help we shall be able to go forward in our process of democratization, with your help the world will know how important rule of law is and how much it is lacking, still, in Burma and many other countries. I would also like to take this opportunity to thank Václav Havel and all our friends who have stood by us so steadfastly, not just over the years but over decades, as we struggle for a world where our people can be free and secure.

I have said repeatedly that both freedom and security can co-exist in healthy balance only under the rule of law and we are hoping that, before too long, the whole world will understand why this is so important – the right balance between freedom and security, assured by the Rule of law. I look forward to the time when our people, the peoples of Burma, will be united under laws that ensure all of us equal treatment. We are a country of many peoples and to be a true union we need to know, we need to see, that there is such a thing as justice, as equality, as fairness for everybody who lives in this country. Justice must not only be done but be seen to be done. Rule of law must not only be said to exist, it must be known to exist; we must all feel and understand the effects of rule of law.

It is some years since we started on our road towards democracy. We have still not reached our goal but, as we proceed towards it, we are strengthened by the support of friends like you. So, once again, may I thank all of you and ask you to stay by our side and to

help us as we continue with our struggle and we, in turn, will always be prepared to stand by the side of those who themselves are struggling for the right to enjoy basic human rights and democratic institutions under the rule of law. Thank you.

Jacques Rupnik: Ladies and Gentlemen, welcome to the Forum 2000 debate on “Democracy and the Rule of law.” I couldn’t think of a better introduction to the subject than hearing what we just heard. Aung San Suu Kyi and Václav Havel, both symbolize something that is familiar in this part of the world – the idea that you cannot have democratic change without the Rule of law. Those who prepared the democratic change 20 years ago, started as dissidents reclaiming rights. This is not an entirely new idea. The French political philosopher Montesquieu in his famous 18th Century book entitled *The Spirit of Law – L’Ésprit de Loi* – had this to say to why we need the rule of law: “*Constant experience shows us that every person invested with power is capable of abusing it and to carry that power as far as it will go.*” This is why we need constitutional constraints. This is why we need the separation of powers. This is in short why we need the rule of law. This is the classic idea of the rule of law as a prerequisite for democracy. Civic rights preceded democratic rights, the rights to vote. To do it the other way is to embark on something that Fareed Zakaria called “*illiberal democracy*”. You have the rule of law and the state, but you do not have democratic foundations. You have electocracies – elected governments without the rule of law.

We have seen recently in different parts of the world another approach. Not rule of law as a prerequisite for democracy, but the rule of law as a substitute for democracy. I heard that argument in China. Vladimir Putin memorably called for what he described as the dictatorship of the rule of law. Some people were pleased to hear the rule of law part, but others were worried about the dictatorship part. The Arab Spring brings about big changes now. What kind of relationship will develop between democratic change and the idea of the rule of law in that part of the world? In short, this relationship, the rule of law and democracy, means different things to different people and in different parts of the world. This is by no means just an academic discussion. This has very practical, very concrete consequences. Not only for people who fight to defend and to promote rights, like Aung San Suu Kyi, but also for people, living citizens of our democracies.

Further the question of corruption, organized crime, individual and minority rights; all these issues are crucially important to our discussion in the next two days. The first one to open our discussion is Adam Michnik. He needs no introduction in this country.

Adam Michnik: I think that it was in March, when I was in Rangoon and I met Ms. Aung San Suu Kyi. I interviewed her for *Gazeta Wyborcza*. My biggest impression made was her conviction that she is speaking about the same values that were upheld in our own fight for democracy in Central Europe. There is a kind of cultural relativism, which points to the fact that in certain cultures, for example in Western Europe or the United States, democracy and the rule of law is something necessary, but it is something that is incomprehensible for barbarians who appeared on the stage at different times of history. We used to say that democracy for Poles is something that cannot be achieved, that it has no sense. The same has been said about the Ukrainians, about the Russians. Nobel Peace Prize laureates were referred to in the same way – the Burmese, Chinese and others. So I asked myself how is it that China, a large, powerful country with a magnificent economic growth, achieving success, is afraid of one single man who wrote a couple of articles that were posted on the Web. This powerful state was so afraid of this man that it sentenced him to many years in prison. His wife is not even allowed to go to Oslo to receive his Peace Prize. In Russia the situation is similar. The reasons why Mikhail Khodorkovsky is still in prison have nothing to do with rights or law.

Today we are speaking about the rule of law and the future of democracy. I feel that we should remember an experience that is 20 years old. A Japanese experience. During an international conference, I spoke with one of my Japanese friends and he told me: “*We have a democracy here, we have all the necessary democratic institutions, but we are not free people. Our thinking is affected by our loyalty to our state and this is the only way in which we communicate with foreigners. We do have democracy but not freedom.*” And I said, “*Well it’s exactly the other way round then in Poland – we have freedom but we do not have democracy, because democracy means freedom within the framework of the rule of law.*” Where there is no Rule of law, democracy is rather chaotic. This is a direct path to demagogy.

Today, during the economic crisis, we can observe a wave of populism, the result of a globalization shock. At the very basis of this is our feeling that we are living in a corrupted state. Corrup-

tion is like cancer that destroys what I call democratic tissue. In Europe, there are two classical models; one of these models, which was mentioned by Jacques Rupnik, is Putinism. Putin himself speaks of sovereign democracy and I have reflected on this and I asked myself what is this sovereign democracy? In Russia this means, “I, the President of Russia can send to prison any opponent at my own will and no Strasbourg or any other institution, no court, no Brussels can prevent me from doing that.”

On the other hand we have Italy and the philosophy of Prime Minister Berlusconi who believes that rule of law is something that prevents him from ruling the country. I heard Silvio Berlusconi myself in Russia, in the presence of President Medvedev, explaining that, “*In Russia there is democracy, I am convinced of that. Mr. Putin told me last night that this was the case and in Italy we also have democracy but it is not perfect. We have judges, we have courts that prevent us from ruling but we have been elected, not the courts.*” If Prime Minister Berlusconi is in Russia explaining that independent justice is harmful for democracy then we are truly approaching absurdity.

Looking at Central and Eastern Europe, we have reasons for concern. Belarus is remote from any democratic principles, from the rule of law. An individual there is considered to be the property of the president. He, or she, can be traded by Lukashenko to Brussels: “If you give me some more money I can release a couple more prisoners; if you want me to release more prisoners, fine, but give me more money.” In Ukraine, we can see the main opposition candidate, for the presidency in prison, because she had allegedly carried out a wrong political transaction with Russia. What has this got to do with the rule of law? Budapest and the government of Prime Minister Orbán are taking steps that are a reason for concern. Hungary has abandoned the democratic path. Perhaps I am under the influence of what happened in Poland yesterday because it was there where the representative of populism was rejected.

What is the rule of law? What are the basic principles behind this concept?

First of all, independently of different political proclamations the government declares itself to be on the left or the right in any case. Prisons cannot be considered to be right or left. When democratic media are replaced by other types of media, when religion is an instrument of political struggle, when there is a complete depoliticization of society, when everything is rather theatrical, what can we do? How can we defend ourselves? I would like to go back to the times of

Andrei Sakharov and to his experience or the time of Václav Havel, Ms. Yelena Bonner or Jacek Kuroń. *Of course we can respond* to the new situation. We need their power of the powerless. Perhaps we need new dissidents who will promote the rule of law today. Thank you.

Jacques Rupnik: Thank you very much, Adam, for this *tour de raison* of the state of the rule of law, or the absence of the rule of law in countries that have made that transition to democracy only 20 years ago. You mentioned a great variety of situations and maybe in the discussion we can return to them. The next speaker is John Agyekum Kufuor who is a former president of Ghana and the former chairperson of the African Union.

John Agyekum Kufuor: I am honored to have been asked to join in your discussions today. The Forum continues to bring together experts and practitioners from around the world to discuss the many challenges that humanity faces. This is certainly the case this year with the focus on democracy and the rule of law, which are central to our hopes for a fairer, peaceful and prosperous future. I'm here to learn and not to lecture. So I will be brief. I want, from the perspective of Africa, to touch on some questions, and in particular I want to stress the importance of constitutions, which must respect human rights and offer responsive leaders who are accountable to their citizens.

A constitution is the basic law defining the framework and legitimacy of the polity that gives meaning to the concept of the rule of law, before which everybody must be equal. I want to challenge leaders around the world to rise to the advocacy of the institution of freedom through democratic constitutions. Common humanity must supersede race, culture, religion, wealth and gender in such a constitution. For the bravery of the protesters in North Africa and the Middle East has shown that the desire for freedom and democracy is universal. Humanity must deliberately institute democracies for social governance. There is this continuous outbreak of people power that must be guided to democracy. This is a challenge of enlightened and committed leadership. Forums such as this should be addressing this issue critically, taking into account such hitherto stumbling blocks as religion, culture, tradition, race, education, ethnicity and wealth. In country after country we have seen people risking their lives to have a say over the futures of their families and countries and to be treated with respect under the law. I know this is the case in Sub-Saharan Africa as well. There are many countries

in Africa today where democracy is progressively getting embedded and governments strive to improve life for all their citizens. But there are some too, sadly, where this is not the case yet – I'll stress yet. But everywhere people have the same ambitions. They want to be free from poverty and hunger, from fear and conflicts. They want the opportunity to build a better life for their children and to shape their own future.

What has been called the Arab Spring? It is a warning to dictators and autocrats everywhere, that their citizens will not allow them to ignore their interests or plunder their countries wealth forever. It is also a rebuke to the rest of the world, where these protections and freedoms are already enjoyed that not enough is being done to support democracy and human rights everywhere. I fear that we have, on too many occasions, in too many countries, put the focus on stability or economic performance and turned a blind eye to human rights abuses. There has been a tendency not to rock the boat or upset those in power, because of the rich natural resources contained within their country. This is, I believe, a false trade-off for both countries and companies. It is the mistake of putting short-term interests before the long-term good. As we have seen in North Africa; there can be no long term stability without democracy and respect for the human individual. Countries which would never ignore the rights of their own citizens now rightly find themselves embarrassed for dealing with those guilty of the worst breaches of human rights. And companies too can pay a heavy price both reputationally and commercially for dealing with repressive regimes.

Into the 21st Century I believe in a strong streak of conscience. I do not believe that in today's globalized world we will see a sustained economic growth without the rule of law. Rule of law is not just crucial to protect individuals. It is also vital to create the conditions for investments and commercial activity. It is the absence of fair and functioning legal systems which has proved the major brake on economic growth in many parts of the world. Why would a company want to invest its shareholders' money in a country, without confidence that the assets will be protected? How can corruption be tackled without an independent judiciary and laws being enforced? The rule of law is one of the great civilizing forces on our planet. Without it, social, political and economic progress is impossible. We must support those countries that want to transform their legal systems with extra resources and knowledge transfer. We need to give help to those countries drawing up constitutions, to ensure human

rights are at their heart. We must be ready to speak out for democracy and human rights where they are denied but we also have to find the courage to drive through reforms at an international level. For in a world where our fate and fortunes are linked as never before, our multilateral systems are failing us. It is not true democracy if only the voices of the powerful and the wealthy carry weight within our international institutions – political and financial.

There are five continents but only three have permanent members of the Security Council of the United Nations organization. We need to find the courage to widen and modernize our decision making bodies to new countries and continents. Unless they are fully involved in finding solutions, whether in tackling the economic crisis or climate change, the solutions will neither be effective nor will it seem to be legitimate nor can we demand individual leaders to respect the rule of law within their borders when they see powerful nations ignoring international law. International rules and standards must apply to everyone, wherever they are. Above all we need a much greater emphasis in our deliberations and decisions on fairness, partnership and on common values. Whether we live in the first world, the emerging world or the developing world, we must realize that we stand and fall together. Climate change cannot, for example, be tackled by any one country, no matter how well intentioned or strong. The global financial crisis showed how mistakes in one part of one economy could cause devastation on every continent. Our multilateral systems and institutions have not yet caught up with this reality, nor can we see outside the narrow and short-term interests of individual countries. Yet if we work together and put social justice at the heart of what we do, we can make extraordinary progress for the benefit of all.

Look, for example, at the global challenge of hunger and food security. One in seven of the world's population, the majority in Africa, already is hungry. With the population set to increase to 9 billion by the year 2050, the risk is that hundreds of millions more will end up without food. The effect of mass migrations and the anger and despair fuelling extremism will be felt in every continent. We already have plenty of evidence of the impact of failed states on not just our close neighbors but the wider world. It is a huge challenge. Africa has the potential to increase its land use and bringing uncultivated arable land into production, not only to feed itself but to feed the hungry across the globe. Africa has as much as 60% of the uncultivated arable land of the whole world – crying for cultivation.

But this can only be achieved if African farmers share in the latest scientific knowledge and techniques. This calls for sincere partnerships and enlightened self-interest across the board. There are, ladies and gentlemen, many more challenges to overcome. But if we put fairness and partnership, democracy and human rights at the heart of solutions, I believe progress will be rapid and the benefits will be shared by all. I believe that the 21st Century must be the era of this transformation.

Jacques Rupnik: Adam Michnik told us about the fate of rule of law in new democracies, you President reminded us of the question of the rule of law in relatively new states on the African continent and I am sure that in the discussion the changes happening in the northern part of Africa will come up. Our next speaker is from Prague and therefore I will be very brief in introducing him. He is known as a former spokesman for President Havel. He is currently ambassador to the United Kingdom and in days when there was no democracy, no rule of law in this country, he was also a translator of Woody Allen into Czech.

Michael Žantovský: We often like to reminisce of the heady times more than 20 years ago when democracy was on the march, totalitarian and authoritarian regimes were crumbling in Central and Eastern Europe, in Latin America, in the Balkans. The number of free countries in the Freedom House index was growing and liberal democracy and free markets were victorious everywhere – history in the provocative wag of Francis Fukuyama.

The mood this year is more somber. Although we have just witnessed the series of popular revolts leading to the fall of established autocracies in the Middle East, the jury is still out on what the ultimate result of that process will be. The number of free and partly-free countries in the index of freedom has decreased slightly but perceptibly. There has been a certain degree of popular unrest in the long-established democracies of the West, due in part to financial crises, stagnant economies and social problems. At the same time we are witnessing a massive shift of the economic power to emerging countries, some of them very big and not all of them very free. This phenomenon alone may lead to new challenges to our understanding of democracy as the optimal political system conducive to both human and economic growth. Its enemies make no secret of their wish to replace it with various ancient or modern forms of tyranny.

So what has happened? Is this one of the cyclical dips in the generally upward direction of human progress, as the vague understanding of history would have us believe? Is it a genuine crisis, challenging us to adapt and reform in order to survive as a political system and as a civilization? Or is it a beginning of the end?

Personally I somewhat fear it is not the first and I keenly hope it is not the last. It will have to be the second. It is illustrative to note how the complex developments of the last 20 years mark the thinking of the man I have already referred to, Francis Fukuyama. Whereas the *“End of History”* is largely a thesis about linear political development and progress, in his latest work the magisterial *“Origins of Political Order,”* Fukuyama recognizes political decay as the other mechanism affecting social processes, acknowledging in fact that political processes are subject to similar regularities as any living organism. In Fukuyama’s thinking, there are two main causes of political decay. One – the incapability of a political system and its institutions to adapt to changing conditions and two – the efforts of participants in the political process at patrimonialization or re-patrimonialization, thus subverting the very system they are benefiting from. The decay process works against the three pillars of a free society: A strong state, rule of law and accountability of the powers.

On the first count it is hard to speak of a radical change of conditions in the historically negligible period of one generation. Yet some things have changed in that shorter time and it is hardly surprising that the institutions which have gradually developed over centuries find them hard to cope with. We have certainly been slow to react to the threat of global terrorism. But later, after the shock of September 11, we may have over-reacted and today we are still searching for a balance. The same, without going into details, could be said about climate change. Globalization brought about unprecedented levels of migration, which threatened the social cohesion of our societies. The financial crisis may have served as an omen of how little we understand the dynamics of economic processes and how quickly and disastrously things can change.

However, it is the second type of decay that seems to me to be more threatening. As Fukuyama shows on examples of political systems from ancient China to modern times, apart from factors of political development, which gradually lead to the strengthening of the state, rule of law and greater accountability, there are – in every political system – factors at work which operate in the opposite direction, weakening the state, the rule of law and obscuring accountabili-

ty. These are activities of various rent-seeking groups which work the rules of the political game to monopolize or at least maximize their control of the process and their share of the spoils. These may take a number of forms, from a tyranny of a majority, which the founders of the American Constitution sought to prevent through a system of checks and balances; through the emergence of family, clan or tribe dynasties; various forms of managed or, as Adam Michnik mentioned, sovereign democracies in which the state bureaucracy assumes the control of all the levers of the system, while leaving its outside shell intact; to the subversion and exploitation of the system by powerful business or economic interests or, even worse, organized crime. Invariably this leads to the erosion first of accountability, then of the rule of law, and ultimately of the state itself. The threat is so insidious, mainly because it doesn't come from outside the system, from the enemies of democracy, but from within. Its main weapon is corruption, whether we are speaking of blatant corruption, outside the law, or the more subtle processes which exploit opportunities to attach every new mandatory expenses to public spending in order to satisfy the needs of rent-seeking interest groups.

It is perhaps not an accident that the current financial crisis in many European countries has taken the form of budget deficits, which had grown though a disproportionate rise of expenditures during a period of economic growth and became unsustainable in a period of economic stagnation. When these processes become endemic they are not merely deplorable side effects of what in Europe we call the social market system, but present a threat to the very foundations of state and accountable democracy. In one of my favorite quotes from Edmund Burke, and I quote: "*Corrupt influence is itself the perennial spring of all prodigality and of all this order. It loads us more than millions of debts, takes away vigor from our arms, wisdom from our counsels and every shadow of authority and credit from the most venerable parts of our constitution.*" Well, what to do about it? Accountability is the first line of defense but even that, as we have heard, can be corrupted. Transparency, of which Joseph Stiglitz spoke last night, is another line of defense and it's no accident that the people who have something to hide loathe it so much. I am proud to say that more than 10 years ago I initiated and co-drafted the Czech version of the Freedom of Information Act. Now in the 10 years since it has undergone several amendments and I am afraid they have not all been an improvement.

The last line of defense is an appeal to the power at the root of the system and that is the people. It is not enough that this power is

exercised through elections at regular intervals, at the same time it cannot be delegated to any unelected body. That would be spilling out the baby with the bath water. It can only be attained through an active involvement of all concerned and through a vigorous and continuous public debate, in which the citizens, the media, the experts, the politicians cooperate in a process of dynamic equilibrium to keep the issues in perspective and balance. Simply said, democracy is not a spectator sport.

Jacques Rupnik: Thank you Michal, I am sure we all agree. Thank you for showing how the erosion of accountability and of the rule of law means the hollowing out of democracy itself at the end, and also for suggesting some of the lines of defense, because at the end of the day this is, maybe the discussion, where we want to get – what are the lines of defense against this phenomenon? Our next speaker is Marites Vitug, who is a journalist from the Philippines. I note among her publications one entitled “*Shadow of Doubt: Probing the Supreme Court,*” well, that is very close to our subject today.

Marites Vitug: I would like to share with you the perspective from the Philippines, a developing country in Southeast Asia where poverty and inequity are pressing problems and they greatly impact on the rule of law. We are a very young democracy. It has only been 65 years since we gained our independence from two colonizers, Spain and the US. As one writer said: “*We stayed too long in the convent. Three-hundred years under Spain. And then moved on to an opposite place, 50 years in Hollywood.*” That leaves the Philippines a legacy of mixed cultures, a very colorful democracy, marked by a strong Catholic influence. We are the only Catholic country in the world without divorce and, in the 21st Century, we are still debating whether we need contraceptives or not, despite our growing 90 million population. Visitors to Southeast Asia say that the Philippines seems out-of-place in the region. They say that we belong more to Latin America than to Southeast Asia, because they say that we don’t have the discipline of our Singaporean and Vietnamese neighbors. Others say we are lagging behind the economies of Malaysia and even Thailand. So apart from the Catholic faith we have inherited from Spain, there were American style institutions, such as a bi-cameral congress, a judiciary that extensively uses American jurisprudence; but we can only imagine seeing swift justice in the Philippines. Cases take very long to resolve

even for as long as two decades. Our courts last year, for example, handled over a million cases, but only resolved 30% of these.

In Southeast Asia, the Philippines is acknowledged as having the most robust democracy. This was interrupted, however, for 14 years when an authoritarian ruler Ferdinand Marcos declared martial law in the 1970s. We restored democracy in 1986, through what is now known as the People Power Revolt, that deposed Marcos and sent him out of the country. We like to think that this popular rebellion helped inspire the Velvet Revolution here in 1989. Our democracy icon Corazon Aquino, mother of our current President Benigno Aquino III, led us afterwards in a difficult six-year transition.

As it is today, the Philippines have all the trappings of a democracy. We hold regular elections for our president, down to our local officials. We enjoy freedom of religion, we are a vibrant civil society where NGOs strive and engage government and the private sector. But sadly our institutions are weak. The right to know is enshrined in our constitution. But there are obstacles to the full enjoyment of this right. We don't have a Freedom of Information Act that would allow citizens and journalists access to official documents. Our press is free but we have to live with the consequences of what we write, such as libel suits that are meant to intimidate, death-threats and even killings of journalists in the provinces. Thus there are very serious challenges to strengthening our democracy and rule of law and I would like to cite three of these major challenges.

First, inequity breeds a structure that makes the rich dominate our politics and policies. The very wealthy finance the campaigns of our politicians enabling these vested interests to protect their selfish agenda. Most of our people are poor, of a very slim middle-class and 10 million of our professionals and laborers are overseas working from Macao to Madrid from Palau to Prague, because there are not enough jobs at home.

The second challenge is the culture of impunity. Our judicial institutions are weak. The big fish who steal from the public coffers are not behind bars. Our former president, who was convicted of plunder, was pardoned by his successor the day after he was convicted of plunder. Very few corrupt officials are sanctioned, our personalistic culture trumps merit. It's who you know that counts in many instances.

The third challenge; there is a crying need to strengthen our institutions. The Philippine human development report of 2009 said it quite well and I quote: "*Deeper than policies and larger than individuals*

it is the institutions, the structure behavior.” In the Philippines, patronage politics and personality-based culture contribute to the eroding of our institutions. I leave you with these thoughts and I look forward a spirited discussion with you.

Jacques Rupnik: I liked your formula about moving from the convent to Hollywood to become the largest democracy in Southeast Asia. That’s a very original path, but not without problems as you mentioned at the end and the issues you mentioned including the cultural impunity that is I think a subject that unites many of the countries represented here in their dealing with the rule of law.

Vartan Gregorian: As you know, I was born in Tabriz, Iran, so I first saw the concept of freedom and rights there during the Soviet occupation. Subsequently, the Iranian government returned. I saw rise of an abstract of that actual rise in Lebanon, where a national pact had formed a state, in which president had to be – by habit – Maronite, the prime minister Sunni Muslim, the speaker of the house Shiite, the defense minister Druze and even the Communist Party ran a slate of candidates along the same line and none of them returned. Naturally I also thought about freedom and the constitution in the United States, but I also was privileged to study in France. Therefore I’d like to discuss a person whose tri-centenary it is this year, Jean Jacques Rousseau.

Jean Jacques Rousseau’s concept, particularly to the social contract, has played both a negative and a positive role. The idea is that sovereignty is with the people, but can be exercised through not the arithmetic will but the general will. A general will can be represented by their lead, be it party, be it their force, so I have seen how general will was exploited by communists, Nazis and fascists, who distorted Jean Jacques Rousseau’s concept. General will means that I, as a minority, can take power on behalf of you as majority. And everything I do is in your name, for you, in the long run. We saw the first instance of this during the French Revolution. When properties, by the will of individuals were nationalized and when for the first time you were either for us or against us, but you could not be neutral.

There is a famous line: “*Compel them to be free!*” The government, the party will compel you to be free, because freedom is in the state interest as well as in individual interest. That fascinates me because when I read Isaiah Berlin’s “*Two Concept of Liberty*” he traces this from

St. Augustine, St. Thomas Aquinas, all the way to the Renaissance, Reformation, to the Enlightenment and comes to the fact that the Bolshevik party which was a minority could be a majority and articulate itself as representing the voice of the people, the working class, on behalf of history. Ironically, socialists and communists did not agree to join forces to prevent the Nazi movement. They thought the Nazi movement would be a temporary evil, because the socialists and communists would be their permanent opponents. Therefore the Nazis also captured power, not in the name the current generation but for 1,000 years to come; on behalf of past generations and on behalf of future. They suppressed the existence of opposition, because opposition was not against their party alone, opposition was against the entire history of Germany and the Nazi party. The Druze in Lebanon also have a socialist party, the only major party in Lebanon. In Syria, Assad has a socialist party, Saddam Hussein had a socialist party. Parties adopt nomenclature in order to use and undermine the very concept of it.

Constitutional law is not enough. Ladies and gentlemen, the most beautiful constitution I have ever read is Stalin's 1936 Constitution of the Soviet Union. The Soviet Union was freely adhered to by peoples of the Russian Empire who joined the Soviet Union. The first right under the Soviet Constitution of 1936, was the right to secede from the Soviet Union. The first law, obligation, is the right to adhere to socialist discipline because the moment that you decide to secede you forfeit the right to secede. The first law of labor is the right to strike, but if you strike it means that you become a selfish, bourgeois, tendentious group, so therefore your right to strike is denied. It's almost a *Catch 22*. The rights are there but their exercise is interpreted constantly.

A constitution alone is not enough. Political parties have to evolve. They're important but they're not enough. You can end up with busloads of Pakistani landlords being bused into polls to vote and then taken home, or busloads of Shias in Iraq being taken to vote for Shia candidates, Sunnis voting for Sunni candidates. Sectarianism is not enough. Political parties have to have platforms so you don't vote for personalities, you vote for the platform. Unfortunately that's being eroded now in Europe as it has been eroded in the United States by a personality cult and individuality – What does his wife do? What kind of shoes do they wear there? In their childhood did they do anything bad? Did he smoke pot when he was 21? All these issues make the political situation too confused.

Another danger is the anti-scientific thinking in the Age of Science. I find that there are serious people who question a crisis of the climate. There are people who say “We have your facts, I have my facts.” Facts have become also relativistic. As a matter of fact, I just stumbled recently to a new word, mumcimles. This word comes from the 16th Century evidently, somebody mispronounces sumcimles as mumcimles, they correct him, he said “*I prefer my mumcimles to sumcimles.*” We find now two sets of facts, my facts and your facts. Science has become an unreliable thing to deny. The concept that René Descartes said – “*People who don’t understand should believe in the scientists’ books as progressive.*” – is being questioned now.

So what we need, actually, is something different. We need the constitution – yes – but we also need a bill of rights, under the constitution, that cannot be alienated. You can change the constitutions but you should not be able to change those laws that the constitution is there to protect permanently. That is the rights of the individual for life, liberty and property. Americans were too pure to use property, so they use “*pursuit of happiness.*” Once these rights are there, constitutions can be amended. As a matter of fact there’s a movement in the United States to abolish the 14th Amendment because of some aspects of it. You can amend it, but you cannot amend the Bill of Rights.

In the past we had political parties, but individual rights did not become sacrosanct or as elevated as now. As I read the intellectual history of Europe, I found, maybe I’m wrong, the first person to use power as an individual right was Machiavelli. Power was a sinful thing to seek by kings and others. In the age of globalization, individuals feel the need to be empowered as consumers and as a political force and that scares me because we now have a kind of language revolution. I ask you to re-read now George Orwell’s *1984*. We are in the middle of 1984: Words don’t mean what they used to anymore. You can twist every argument through advertising, subliminal advertising. You can build arguments to make people to be for things and really they are not. You can build slogans. This is really a very dangerous period.

We need educated, cultured journalists, otherwise journalists themselves can be manipulated. I can send you 10,000 documents on every issue. You have no time to read, so you are going to read my one page executive summary. I’m going to control the content and your publisher can say “*We don’t have time or space to fill this,*” they’ll use one paragraph for resubmission. We need journalists as guardians of our democracies. Yes, they’re a pain in the neck sometimes,

but they're necessary. They have to be educated and cannot be impoverished, otherwise they'll be hired by lobbyists for other causes.

We also need a campaign finance reform because money corrupts and absolute money corrupts absolutely. You can buy politicians cheap. A sociologist wrote in 1946 that the 21st Century is going to be the age of lobbyists and the age of finance capital. You don't have to be involved in politics, you can hire people to be involved on your behalf. Corruption is a dangerous phenomenon and we need to find a way to protect the integrity of the electoral system.

Last, but not least, people believe in justice but justice itself is administered in traditional cultures differently than in others. When we're dealing with a globalized age, a very diverse age, we have to understand not only universal values, but those local values, customs and others that distort, delay and affect the course of democratization. I'm talking about tribal laws in Afghanistan, where the Pashtun Valley has a law that sometimes trumps even Sharia law. I'm talking about Shia lawyers and then Sunni lawmakers, and interpreters. On the side of the legal, secular establishment, there is also the religious establishment that constantly issues *fatwas*, legal opinions, to do this or do that. You also need an educated clergy. One of the things that has always surprised me in the Renaissance and the Reformation; German princes were supporting Luther because he was saying that (and now I'm paraphrasing of course, and vulgarizing) earthly church is not as important as the heavenly church. The princes are lieutenants of God on earth, whoever rises against the prince rises against God. In his famous speech at the peasant rebellion he said "*Kill them all, men, children and women because they have revolted against God the Prince.*" Princes could appoint bishops, the prince could tax the church and so-forth. Catholics did the same, but in the process we had the wonderfully healthy, theological debate in Europe, which facilitated the course of the Renaissance and the Reformation.

We've not had that kind of debate in other societies. It is essential to have an open debate without fearing punishment because all religions believe, and in a democracy we face this, that God has given us two wings, one wing is faith and the other wing is reason. The two wings help us enjoy the gift of creation and the gift of God. So we need, in discussing democracy, to try and reconcile, understand differences in religion, custom and others. Then the most important concept is that power is delegated power, it's not inherent. John Locke's concept is that power is a contract. If the rulers break the contract people have the right to rise and overthrow them. That's a fundamen-

tal rule. One more sentence: Democracy without education is meaningless. Therefore we need education, great teachers, we need great lawyers, but above all, we need great cheerleaders to keep the systems honest, otherwise everything perfect can be undermined.

Jacques Rupnik: Thank you very much for this very comprehensive tour of Islam and stressing that ideals can be manipulated, such as Rousseau's ideal of the social contract can be used and abused by all sorts of people who have never read him. Of course, constitutions, however eloquent, can also be used and abused by all sorts of tyrants if there is no democratic check on them. Of course we have rule of law and constitutions, but then there is tribal law, religious law and other aspects. What is the relationship between the rule of law to these other aspects of social life in various societies and of course this shows a great variety of approaches to the subject?

Michael Žantovský I just want to make one remark on the rule of law. This is something that I would not entirely agree on with professor Stiglitz, from last night, I do not think that the basic distinction is between good rule of law and bad rule of law. I think basic distinction is between rule of law, any rule of law, and arbitrary rule. And the definitional aspect of the rule of law is that there is a source of law, source of legitimacy other than the ruling power at the moment. That gives the society, even with a bad rule of law, a certain kind of predictability in which people can adapt, work around the rule of law if need be, etc. In arbitrary rule there is no predictability and this is what we had experienced under the Communist regime and many other people experienced in other regimes, but this is the distinction to keep in mind.

Jacques Rupnik: Professor Stiglitz also mentioned another important point; we need Rule of law as a framework for the democratic process. But what about the Rule of law for the markets and for the financial markets, for the invisible hand of the market? There you need rules and norms and regulations and that is the other aspects.



The Rule of Law and Global Economic Performance

Monday, October 10, 2011, Žofín Palace, Forum Hall

In cooperation with CERGE-EI

Moderator:

Vladimír Dlouhý, Economist, International Advisor, Goldman Sachs, Czech Republic

Participants:

Joseph Stiglitz, Nobel Prize Laureate in Economic Sciences, Professor, Columbia University, USA

Hernando de Soto, President, Institute for Liberty and Democracy, Peru

Vladimír Dlouhý: Ladies and gentlemen, good afternoon. My name is Vladimír Dlouhý, and I'm the international adviser to Goldman Sachs, and former Minister of Economy and Industry and Trade of this country. I'm very pleased and honored that I have been invited by the organizers of Forum 2000 to chair this extraordinary panel on a topic which is very proper in today's world and which we tend to discuss all the time and which will probably not conclude successfully today. Nevertheless, we have two excellent and extraordinary speakers. The plan of the panel is as follows: after a short introduction I will give the floor to both panelists to have up to 15 minutes for the introductory remarks, then we have jointly agreed on a couple of points to discuss and obviously I will also allow for some discussion.

Without any further ado, let me go ahead and introduce Professor Joseph Stiglitz. There is extremely difficult to introduce not only Joe Stiglitz but both of our panelists. Both of them are well-known economists. Professor Stiglitz is a Nobel Prize holder for economics. He has very extensive academic research behind him and he is one of the most known and vocal economists in today's world. Not only that, Professor Stiglitz also has a very strong record of participation in the public sector, being chairman of the economic advisors to presidents of the United States, being chief economist for the World Bank and many other positions. You might disagree with Professor Stiglitz, but I would like to use this opportunity and to pay my deep respects, both for your academic achievement and also for the vigor with which you are pursuing your views, despite the fact that there might be a lot of disagreement between the two of us. Joe – the floor is yours. Thank you very much.

Joseph Stiglitz: Well thank you very much. What I want to do – this particular discussion is a continuation in some sense to a discussion we had last night. Everybody's in favor in some sense of a rule of law. The question is what kind of rule of law, how do we construct it, and how do we make sure that we actually have a just rule of law, because, as I pointed out last night, rules of law can be used to maintain injustice, inequities. In the case of the United States we had Jim Crow Laws. In the case of credit markets in the United States, the legal framework has been used to throw people out of their houses, even when they don't owe money. We've introduced in the United States a form of indentured servitude where, if people get too much debt they have to work the rest of their life, giving 25% of their income to banks, with no discharge. There is a really incredible possibility of using rule of law

as a mechanism of oppression. And so one has to understand that history – it's not an objection to the law, but an emphasis on what kind of rule of law, and how the rule of law was enforced.

I ended my talk by pointing out that if we're going to have an effective rule of law we have to have transparency, democratic accountability, and a recognition of certain basic rights. This discussion this morning focuses on one aspect of the rule of law which is property rights. We have to understand that all property rights are accompanied by restrictions; there ought to be responsibilities with rights and quite often we forget that kind of balance. Let me give you an example. In most societies there are rights of way – the ability to trespass under certain conditions – so property ownership is not an unfettered right. All rights are accompanied by restrictions and there are also responsibilities. For instance, if you own property you cannot make it a toxic waste-dump because, if you do, that will have effect on neighbors. That is the basic principle of all law. The reason we have regulations is because what one individual does can harm others, and so your rights have to be seen in light of the consequences to others. Your exercise of liberty can lead to the deprivation of liberty of others and the regulatory system is supposed to balance those various rights and responsibilities. The movement which Hernando has been very influential in, which is titling – making sure that people have these property rights – has been a very important one and I think, when done right, it really can help the well-being of those at the bottom. But I want to put that initiative in broader perspective, so I'm not criticizing it, I want to see it in a broader perspective concerning three objectives: how do we promote growth, poverty reduction, and access to credit as one of the mechanisms for both growth and poverty reduction.

In all three of these areas titling, giving better property rights, is neither necessary nor sufficient in accomplishing these ultimate or intermediate objectives. For instance, property rights in China are not clear, but China has had the strongest record in terms of economic growth and poverty alleviation. Hundreds of millions of people have been moved out of poverty. Maybe they would have done better if they had had better property rights, that's a good debatable question, but certainly they succeeded where other elements played a more important role and property rights played a less important role. In terms of access to credit there are alternative models for generating access to credit. One is based on what you might call the formal law system – the kind of initiative that Hernando has been pushing. The oth-

er one, also originating from the emerging markets and developing countries, is the micro-credit — the Grameen Bank example.

What's interesting is these are two very different models, based on a different set of principles that are seen as complementary, but I want to contrast: The Grameen model is not based on formal law but on social capital, on informal. There are not contracts, there's understanding, and there's no collateral. It's based on group lending where the group that you participate in enforces the contract, rather than collateral based on land. We've done a study at Columbia contrasting the success of the two models of generating credit, both in terms of the effectiveness in extending credit and equity, the extent to which it extends credit to the very poor, and the role that it has played in a whole variety of other social objectives. An important principle here is that what works in one context, what's important in one context, may not work in another. When we think about the problems of poverty alleviation, problems of extending credit, it is very important to be sensitive to the context in which these problems are being addressed and what might work in one country, may not work in another.

In Bangladesh, the micro-credit scheme has been enormously successful in extending credit. Interestingly, it has also been enormously successful in poverty alleviation; so successful, this almost never happens, that the impacts have been felt at the macro-economic level. We have lots of experiments where we have impacts on a few individuals. Almost never do they show up in the aggregate statistics. In the case of the initiatives — and it's not just Grameen, it's Brack, it's a whole set of micro-credit institutions which are spread around the whole country — they have had an enormous social and economic impact in that country. What is clear is that that model has worked well in Bangladesh. It has worked well not only for extending credit very extensively, but worked well for reducing poverty and for developing — this is a loose concept that we don't have time to develop but — social capital. In other words it has really changed the social dynamics.

It has been very important in extending the rights of women; it was conceived not just as a credit program but as a program aimed at the poorest of the poor and changing the nature of the society so that women would have more economic rights. The balance of economic powers would change. Like one aspect of it was that they decided that it was important that the old systems, where you could get divorced by the male saying "I divorce you" three times, were against the law. They changed the constitution, but they said we actually have to implement it. How do we change the culture? Well

what they did is they decided that you could get a mortgage but that it had to be in the name of the woman and when they did that, that changed society because then when he said, “I divorce thee” three times she said, “Leave the house.” That changed the balance of power and changed what happened. It was a very clear concept of what was involved in changing society. When that idea got transplanted, sometimes it worked and sometimes it didn’t, and it’s important to understand sometimes what was essential got lost.

One of the things about the success there was it was not for profit. It was a movement that was civil society. And when it got translated into other countries, like India for profit, the model got changed. What they had in India was what some people described their version of America’s sub-prime mortgage problem. The private sector discovered that you could exploit poor people. Micro-credit was a new instrument for exploitation, just like the sub-prime mortgage market in the United States. Rather than helping the poor, you wound up with the poor sinking lower, getting more in debt and with a result not of prosperity but impoverishment. It’s the same problem in a way with titling programs. When people have rights to land you can circumscribe those rights in a variety of ways. In some countries people have the right to collateralize the produce of the land but not to collateralize the land itself. Now why would you not do that? Because not collateralizing the land means that you can’t unleash as much credit. The argument is the following: If people can collateralize the land, borrow against it, and there’s a bad harvest or something untoward happens, their parents get sick or they have to borrow, they can lose their land. And if they lose their land they lose their means of livelihood and they become landless laborers.

The landless in all societies are the worst off, and from an economic point of view it actually introduces inefficiency because landless workers in many countries engage in what is called share-cropping. It’s a system in which you share the proceeds of the land with the workers. The people working are getting 50 percent of the proceeds. It’s like a 50 percent tax and it squashes incentives and leads to impoverishment. It introduces an agency problem, it introduces an important inefficiency, and the result is the economy is less productive. So the bottom line is that in very poor countries — without adequate social protections, where weather is variable — unfettered property rights, unlimited collateralization, can lead to impoverishment. Therefore, one has to be very careful about extending the use of collateral in these markets.

There are a couple of other prefatory remarks that I want to make. The first is that every society has a rule of law, and when we say it doesn't it often means that we do not understand the implicit laws that they have. Quite often what goes on is what we want to do is to formalize, and clarify, and for the most part that's a good idea, but one has to again be very careful about the downside risks and measure the benefits with the costs. Let me just give you one example that highlights the difficulties. In one African country that I know of, there were traditional land-rights – they were called customary land-rights – and the land was controlled in a matrilineal society, so it would go through the woman. But when they went to formalize it, to have land-registration, it was the tradition that the man interacted with the state, so the process of formalization was done by the males, so the registration system was a male-dominated registration system. Then you had a conflict between a customary matrilineal law and a patrilineal formal law, and the system turned out to not work well at all. But there's a general point here: every system of formalization, if it actually is introducing clarity, is a redistribution, because even the reduction of uncertainty and elimination of ambiguity is, in effect, a redistribution. The process of formalization itself redistributes and we have to be very sensitive to whom and from whom that redistribution occurs. Quite often that formalization goes in the wrong way. Now some of the initiatives, particularly in Peru, it was an attempt to make sure that the landless, the squatters, had rights and that was very important; but in other countries the formalization is a formalization to give the elites the rights. If you go back to the enclosure movement in the UK, in Scotland, which you can say was a formalization, it was formalizing the rights of the elites and throwing out ordinary people from the common use of the land. The result of that was a slight increase in efficiency, but at the cost of an enormous increase in inequality.

Vladimír Dlouhý: Thank you very much for your introductory remarks. Let me turn to our second panelist, Mr. Hernando de Soto. Professor Hernando de Soto is a Peruvian economist who is known for his work on the informal economy, also the importance of business and property rights, which links us to our topics very strongly. He is the president of the Institute for Liberty and Democracy, located in Lima, Peru. Mr. de Soto also has a very strong record in working for international institutions, being adviser to former Presidents of his country, and he is another very well-known economist who we are all pleased accepted the invitation for being with us today. Mr. de Soto, please.

Hernando de Soto: Thank you very much. I'm delighted to be here and again with Joe. We worked together in Switzerland, so we know each other. Well I thought that yesterday you were superb when you gave your very formal speech. It was fascinating because you went directly into the problems that we face today. I don't know how much you agree but I think we're going into a very strong, very dangerous recession time. I want to talk a little about that, follow-up what you said, and follow-up your division of the issues of the rule of law.

You said under rule of law, context is everything. But you said there, concretely, that transparency was an important part of the rule of law, inclusiveness was an important part — that it had to be embedded in society — and thirdly you talked about democratic accountability and I couldn't agree more. Now what I'd like to do — you've talked about developing countries, I'd like to talk about your country and property rights in your country. It always interesting, from the window, outside looking in. Now let me tell you why I'm really concerned about property rights in your country as opposed to in my country. It all started for me, as a personal experience in September 2008. In September 2008, I don't know where I was, Addis Ababa say, I turn on the television and I see the secretary of your Treasury, at that time Hank Paulson, go out and in front of Nancy Pelosi get on his knee and say I need \$780 billion, because we've got a little property-right problem. The sub-prime mortgages have non-performed. So I said, *“Well, terrible, 7%—all these people, the destitute people you're talking about—but what's that got to do with Hank Paulson?”* He says, *“The thing is that all of these property rights have been mortgaged, and these mortgages have been turned into mortgage-backed securities, and these mortgage-backed securities have in turn been traded for credit-debt obligations”* — and so on. He shows a generation of about 16 steps and it ends up in something called the derivatives and he continues, *“Because we don't know where these troubled assets — the toxic assets — are, obviously if they stay there they will toxify the whole area, so I want to take them out. I've established a program for that called the Troubled Assets Relief Program. I'm going after them, I've got to buy them and surgically remove them so that everybody stops thinking of a run on the banks.”*

Good, I move on. I'm in Cairo, turn on the television three weeks later, and the same man announces to the American public, *“You know, we're going to do something else with that money. We're not going to get those toxic assets. What we're going to do — it's a Gordon Brown idea — is, we're going to put in preferred shares into different banks and we're going to start buying and filling up Fannie Mae and Freddie Mac.”*

I said, “*No – you borrow money for one thing and you use the money the next day and you don’t even consult, you just go out and do it. What happened here?*”

As you know Joe, I’ve got good contacts in Washington, not necessarily on your side of the block, but on the other side of the block, for historical reasons. People talk to me. Being a Peruvian, they can tell me a whole bunch of things that they can’t tell you because they’d get into a fight. With me – “It’s a Peruvian – who cares?” So I went in, and went to the White House, and I said, “Why didn’t you go through Plan A, which was to surgically remove those assets? And the reply I got was, “We couldn’t find them. We couldn’t price them. It was complicated, it was better to shore up the banks.” But talk about the rule of law, what does the rule of law say? It was the troubled assets program. Assets, in my vocabulary, are property. It’s not just a contract – somebody owns the risk and somebody owns the land, and they couldn’t find it. How much was it all? Well, about one week or two weeks later, Chris Cox writes an article in the Wall Street Journal and says: “With the assets we’re talking about, a new form of financing and securitizing of financing called derivatives, we think there’s about \$700 trillion of these things floating out there.”

Now here’s what this means. If the GNP of the United States is \$15 trillion and there are 700 trillion unknown factors which you don’t know which bank owns it; your property rights system makes ours in developing countries look like piddle. You really don’t know where things are. The story goes on. When you’re trying to shore up Greece – what is the debt of Greece? They’ve used the derivatives market to take debts in euros, changed them into dollars, they’ve come back, and that’s been registered in the balance of payments as an income instead of the fact that it went out and in. And so, every day we start finding out that Greece is in more debt that it looked; and that’s probably peanuts compared to the Italian debt, according to Gustavo Piga, who has been looking at all this up and down. Moreover, you don’t really know how many French banks are involved in Greece and so, if Greece goes, does France go? And if France goes, does Italy go? What happens to Germany? So the issue is that the rule of law on property which was established during the 19th and 20th centuries between the United States and Europe, includes transparency – all assets are recorded. Every automobile, piece of land, debt, bond, and everything tangible and intangible is recorded with one exception: \$700 trillion.

When you said yesterday, “We have a problem,” you were absolutely right. I think we are in front of an immense crisis where the most developed countries in the world have forgotten that you have to have transparency, but it’s not even transparency. It is really about something else. It’s about truth. A property right does not give you a piece of paper that says you own something, that’s a small part of any deed. It tells you what the relationships are between different people regarding an issue. So it is like Ludwig Wittgenstein who established the Universe is composed of things in relationship to each other. Really, the property right gives you the narrative of how we all link up together and today the highest amount of notional value on paper cannot be traced back. That is why you’re heading to a recession that you just can’t avoid, because the biggest problem you have is knowing where the debt is. OK. Now, that is the first point.

The second point regarding that, we value that and I think it is absolutely crucial, is that back home in the United States, all of a sudden we find out that 60% of your mortgages are not under the names of the people who own the mortgages, nor the people who own the houses, because you’ve taken a software system called Mers and you’ve done robo-signing and it’s no longer signed by the owner. Then, when you have gone to the courts, and the banks have gone to the courts to collect, you can’t collect in 60% of the cases. In Peru, we know more about who the owners are today than Americans do from a legal stance. Locally everybody knows, but locally. In Nigeria, everybody knows locally. In Ghana, everybody knows. The question is: Do you know in central information where it’s accessible and actionable? The question here becomes that we are in a very big problem, regarding recession, and I think it is a property rights problem. I don’t think it’s a financial problem. I think that the trick that has occurred is that the world is governed according to identification. You know, I travel around the world like you do, Joe, and if they ask me who I am, it’s in a document. There is no way they are going to say, “Hernando, who’s Hernando?” This is what does it. We have come to this conference. This is what does it. Capitalism travels in documents and Western documents are making less sense every day. They don’t give you all the information. Then, the question, you say, is inclusiveness.

Here is maybe one point: I agree with you that politicians are enormously responsible for this. The only thing I would add is on the right, which you’re right about, and on the left. And how is the part on the left? Let me explain. You talked yesterday of the Arab Spring. What happened in the Arab Spring? First time we hear about the

Arab Spring is December 17, 2010. A young man of 26 years old, Mohamed Bouazizi, lights up in the 38,000 person city of Sidi Bouzid and he puts on lighter fluid and lights up. He is not a proletariat, he doesn't have a mortgage. He's a business man — a street vendor. He's an informal fellow without any property rights. Because he has no property rights, he's got no credit. Microcredit is fine, but it's micro. Steve Jobs started off from a garage and he makes Apple. Everybody in my country that's got microcredit is still in the garage. There is a limit to how far you can go on microcredit. This guy can't get microcredit, what he has is all illegal, so he lights up because they take his wares. He lights up because they take everything he's got: His electronic scale, the crates of apples, the crates of bananas, whatever it is. They take it up and forbid him to be on the sidewalk because, even though he tries to comply with the law, he can't get in the law and they take away his capital and his resources. Now, here is the thing that's important. He's a poor capitalist. That exists too. He never saw salary, like 80% of the people in Tunisia or Peru — they never saw a salary, they see profits. But to identify profits as a poor issue, you've got to do a little bit of penetration. Now, here is the interesting part about it. He lights up and everybody tells me, you know these Arab countries are all culturally different. How can you compare the Tuaregs of Libya with the empire of Egypt, with all its traditions, both local and the one of colonies? In one month all throughout the Arab nations, 35 people lit up. The whole revolution spread like wildfire and all the 35 were street vendors without credit and without property rights and without homes.

Now, of course what happens in those things is that the guys who can talk are the guys who steal the revolution. You've seen the Mensheviks being taken away by the Bolsheviks. If we only look at the rights of democracy and we don't look at the economic rights to property, and you don't satisfy these guys who lit up without a political program — you will also see that the Arab Spring, which is to me an entrepreneurial revolution — it's not possible. A poor person who is unemployed dies. They starve. Yet there's 60 percent of them. They're all in the informal economy, they're all capitalists, they're all entrepreneurs. They should also be in the heart of leftists because they are exploited, but not as proletariats. Marx didn't see it, but we're seeing it in front of our eyes.

The third point, and with this I end, is democratic accountability, which I think is very important. Now because the situation is so bad in the West, everything is risky, from gold down to your shares,

and General Motors. Very risky. So it's coming towards emerging markets and it's a land grab. You are rushing, large corporations are rushing. They come in and they are buying land all over the place. As they move inside, what does the American left bring out? A film called "*Avatar*." In which you see beautiful blue people invaded by white American marine miners who try and take their land and they say, "leave our land." Every time we try and title the Amazon in Peru to give the guys of *Avatar* a property right so that they can defend themselves from capitalists, the first people that criticize this is the left, because why should they have property rights? They can be exploited. How else can they defend their land? An American with a property right has a concession in Peru, he then writes it up in a bilateral investment treaty, goes to OPEC in the United States and gets another piece of paper on it, then goes to the World Bank gets another stamp on it and then he's got a super duper right. He faces a few Indians who he will wipe the world with, and guess who agrees with the left wing-foundation that they shouldn't get property rights? The mining companies, of course. It's a whole world to be discovered and I think your speech yesterday opens a whole book of discussions that we can get into.

Vladimír Dlouhý: *Muchas gracias caballero.* With a real Latin-American *élan*, Mr. de Soto made his presentation. I believe now, Professor Stiglitz made his comments in a more general way, while Mr. de Soto reacted to yesterday's speech by Professor Stiglitz. I think it is fair now, Joe, if you want to use the opportunity to react to some of the points Mr. de Soto made. For me especially the first point is very interesting and let me admit I am not entirely impartial here.

Joseph Stiglitz: On the first point, I think there is a sense in which he's absolutely right. In a way this focuses more on the rule of law than the narrow issue of property rights. The question was — to what extent, in the whole process of the crisis, did they follow the rule of law? At the very beginning, when the Fed acted to bail out AIG, even Paul Volcker raised the question: Was this consistent with the law? There is always ambiguity. There was one provision in the law that said you can do certain things under an emergency, and we all know that dictatorships use that emergency provision to give them a blank check. The Fed used that emergency provision interpreted very broadly to give them license to bail out an insurance company

— not a bank, an insurance company — because it was necessary, they thought, for preserving the financial system.

There were other ways they could have done it. They could have used the rule of law, conservatorship, we have ways of dealing with over-extended banks, but they wanted to transfer, huge amounts of money from the rest of our tax payers. They did not want to tell us where the money went, and we finally used the Freedom of Information Act to find out that it went from AIG and eventually to Goldman Sachs as well some other foreign banks. As I said, Paul Volcker raised the question — was this consistent with the law? And it would never go to court to be resolved, its water over the dam. The bill that Hank Paulson brought to Congress, was first rejected. It was three to five pages and said, “Give me a blank check of \$800 billion to do what I want.” And Congress rightly said, “We don’t give blank checks of \$800 billion to anybody, even if we trust them.”

But it was interesting to hear in the actual passage of the bill, there were many of us, who believed that Hank Paulson’s approach of TARP, the Troubled Assets Relief Program, would never be able to price these in a way that was consistent with openness and transparency. In fact, many of us suspected the whole objective was a lack of transparency; because nobody could price it, you could buy it at undervalued prices and transfer a gift to the banks with no one really knowing that had been done. That kind of transfer at non-market prices has been done all over the world. I, as chief economist at the World Bank, I had seen these kinds of transfers, within the law, but still really subverting basic principles of economic justice all over the world. When the crisis began, I and the former chief economist of the IMF, both thought we saw this coming in the United States. So we said, “If you can’t do it in an open and transparent way, you have to figure out another way of doing it.” We got the right for them to do the equity injection in the legislation, so they weren’t violating the law when they did it. It was an explicit provision that was put in there.

Now, let me make a couple of other points here. The first is, this lack of transparency is not an accident. It is deliberate. The banks make money because of non-transparent markets. When you have a competitive market you can see the principle of economics: Intense competition drives profits down to zero. The world without profits isn’t very interesting to most of the business community — it’s boring. One of the things that we try to do at the business school is to teach people how to erect non-competitive systems, because they are

interested in making money. How do you create money? You create barriers to entry and you work to create non-competitive situations. The banks have done a fantastic job at doing that. The interesting thing here is this hasn't changed. Despite all the regulatory reform, and all the statements after 2008 saying we have to reform, nothing has happened. Why? Because the banks know that this is how they make money and they have resisted transparency. Therefore we still have non-transparent, over-the-counter derivatives.

Why is this important to all of you? Right now there is a risk of another financial meltdown. The point that Hernando made about 2008 is absolutely true today. No one knows where the liabilities are. No one knows which banks and which countries are going to suffer if the Greek bonds go down. It's totally murky; totally non-transparent. This is the legal framework that we have created, that they used their money to buy, in the United States and in other countries. That is important because if you don't know who owes what in the midst of a crisis the markets will freeze and when the markets freeze the credit flow will stop and the economy will go down. So I think this is really important and it is absolutely right that we still haven't achieved transparency. But there is another aspect to this that I want to emphasize. There is a general theorem research of my own, with Bruce Greenwell, which has pointed out that in the presence of imperfect and asymmetric information, unfettered contracts do not, in general, lead to economic efficiency. Those of you who have may have studied Adam Smith's "Invisible Hand," what we show is the reason that the invisible hand often seems invisible is because it's not there — that markets are not generally efficient. So how does this play out in the crisis?

People start by making contracts freely, according to the law — many of them transparent — you have first and second mortgage owners, and service providers, and they each do it rationally. Yet they wind up with a system that is a complete mess. Then, when a crisis happens they can't untangle it. They've got themselves all wrapped up in a way that the system becomes totally dysfunctional. That's why we need a system; you need some sense of traffic cop. What they have done is they've got themselves in a gridlock, where they got themselves in a mess and now they cannot get themselves out of it. If they were the only ones to suffer, you can say let that be their problem. But because they have gotten themselves into a mess and engaged in predatory lending against the poorest Americans, millions of Americans are suffering, our whole economy is suffering, and the

global economy is suffering. Seven million Americans have lost their homes. We have an economic system that combines homeless people and empty homes. That is not a way a good economic system is supposed to operate. That's the way our system is functioning today.

Vladimír Dlouhý: Those were your introductory remarks, part two, opening a lot of issues. As somebody who has been linked to Goldman Sachs for the past 14 years, let me make one remark. I have always admitted a lot of criticism, but I do not know why just Goldman Sachs has been picked up as a punching ball, but that's more of a general remark. There is one question I would like to raise. I am also a former politician. I can imagine how extremely difficult the decision, back in September 2008, these people, the American politicians, must have faced and I can understand very well how they must have been under the pressure that if you allow a large systemic financial institution to fail, there will be a huge impact not only for the American economy but the whole global economy.

It is relatively easy to be an independent commentator, professor, academic, or whoever, than to be somebody who is elected and responsible for the welfare of not only his or her own nation but for the whole world. As somebody who is an independent economist, I have a strong suspicion that if I were to decide on my own I probably wouldn't even have saved AIG, Bear Sterns, or the Lehman Brothers. I would just let the whole catastrophe happen in the short time hoping that through that there will be a much faster boiling out of the problems, without such a protracted recession, which we might be facing. And I would like to know your opinion – where is the difference between the rule of law on one hand, and the responsibility of the politician not only for his or her own country but for the whole global economy? And let's be sure, sitting in Europe, we are not discussing a past in 2008, we are not discussing academic questions, but we are discussing the fate of the eurozone today with the immediate impact on the Czech economy. So allow me to raise this question, which was not among my four points but as a moderator you must be flexible. Would you like to start another piece?

Hernando de Soto: I would like to follow, not even start. I think that this whole issue is well titled. And that why I enjoyed Joe's remarks yesterday on the rule of law, why he emphasized it; he did not just say the rule of law. I am a third worlder. So I am an outside observer. I think that basically you Westerners have lost your sense of history.

It is not that there are laws and that there is rule of law. The rule of law is something that Joe just mentioned before, which, as you said, there is something informal. That informal thing is basically a social contract. There are a series of principles on which regulations stand, and the question is, what are those principles?

Some countries, like yours Joe, believe that you should put them in writing and you have got the amendments and you have got the whole thing, and the pillars are there, and you have got a Supreme Court and other institutions that safeguard them. In other cases, like the Brits, they believe that you don't finagle with that. You know them and you should be there. Now, I believe that the law has different stages and that the fundamental stages of the rule of law, which is not law-and-order, it's the rule of law, have actually been broken. Back in the 18th and 19th centuries, westerners went out and fought against feudalism and patrimonialism, where everything was in a few hands and there was no transparency whatsoever. That was the very characteristic of feudalism, you just didn't know it because common folk didn't have the right to know what rich folk had. That was basically it.

When the market economy comes along, when liberals of all sorts come along they say "No more of that. We are going to distribute or redistribute these assets so that everybody can become a property owner, but against that we are going to record it." And all over the United States log cabin rights, corn rights – you couldn't even have a gold-rush. I mean, first thing you went and took over Mexico, which was under duress by the way, and split it into 800 parts and immediately titled it – everything is out in the open. So one part of the rule of law always was, everything you have is recorded, it's there, it's in all your constitutions. They are recorded. And here come all of these financial types and they don't record it. They violated the rule of law. Now, it was done with sleight of hand. What was the sleight of hand? Two departments of law in American universities, property law and contract law. Then a few types start saying, "Why don't we pass this on to contract law, it's a lot more fluid, it really isn't an asset, it really is finance. Bang!"

They've been planning this for ages and they screwed you and in the process they're going to screw us because there is no way that you can go down without us going down, one way or another. First, violation of rule of law; second one, *erga omnis*. The rule of property law is all about *erga omnis*, which is what you mentioned yesterday. It is externalities. *Erga omnis* means that you cannot write a law on

property that doesn't take interest of third parties, which is why you have encumbrances, which is why you have easements, which is why you have mortgages – a property record tells you all of that.

All of a sudden, derivatives don't give you *erga omnis*. They left externalities behind. They tricked us. There is a third thing, which is all finance is a line to improvements. How did you distribute property in the United States, when you distributed improvements, right? In other words somebody had the land, how did you improve it? If you are a Railroad Company you put in a Railroad. Come to me in a while, I'm not taking more time than...

Vladimír Dlouhý: I just don't want this panel to be a full criticism of the United States...

Hernando de Soto: No, do not worry. You are not worried, they're criticized all over the world and besides he started criticizing at the beginning. No, no, don't put us in a criticism of the United States. You Europeans have a problem with that, we don't. OK. Now, here is the issue and it's not a criticism of the United States. I'm saying that they have the strong roots and your roots – there has to be improvement and you said it yesterday. You said that this was derivative instruments which make no improvement whatsoever, except their own improvement. So, let me just end with this. And, by the way, let me extend my criticism to Europe because you're also failing because of the euro and you suffer – so everybody is in it. The only people who are not in it are the third worlders and it is no merit, it's just that our bankers don't know as much as your bankers, otherwise we would be in it as well. So here is the big issue.

Vladimír Dlouhý: Remember times 10 years ago?

Hernando de Soto: Yeah, OK.

Vladimír Dlouhý: Don't be so proud.

Hernando de Soto: All right. So, here we go. There is a violation of the rule of law. And it is one that has a history, and it has got both a leftist and a rightist history. Jefferson in 1819 in his collection of letters says: "*This country, the United States, is being ruined. And it is being ruined because a group of bankers have come around and created,*" and he uses for the first time the term "*fictitious capital*" – capital which has

absolutely no backing with property. Marx was one year old, when he wrote that. Later, Marx comes around and says these bankers are the problem, so we have seen this before and they have come back again and we have seen this before and the reply is what you said. It's clarity, it's truth and remembering that finance is to support production, not the other way around.

Vladimír Dlouhý: Hernando, if only I was not a moderator. Joe?

Joseph Stiglitz: OK. So the last point that Hernando made is really important that finance is supposed to serve production, the rest of our society, not just production, but the rest of our society, rather than the other way around, which is the way it has been. And the particular question that you have asked is: Did we have to bail out the banks in the way we did, to save the market economy? Did we have to violate in some sense the rule of law? And the answer is, in my view, no. We had on the books in the United States, laws that dealt with how to deal with banks that couldn't pay what they owed. They're called laws about conservatorship.

And what the big mistake that we made was confusing saving the bank with saving the bankers. Saving the bankers' shareholders, saving the bankers' bondholders. So we could have saved, take CitiBank for instance. It had over \$300 billion of long-term bond holders. So rather than pouring, shovelling money in from the US government, we could have gone through and said we are going to restructure. We go through bankruptcy, and in the case of banks we call it conservatorship. There are some details in the law about how you do it, and the basic difference between bankruptcy and conservatorship is that in the case of bankruptcy you wait until the firm can't pay its bill. In the case of banks, they're entrusted with other people's money and you don't want to wait that long. When you put your ATM card, your debit card, into the ATM machine and it comes back saying "insufficient funds" you want it to be because there are insufficient funds in your bank account not because the bank has insufficient funds. So, we have rules that say that you close down banks before they hit that bottom. But when they do that, the shareholders are supposed to lose everything, the bondholders become the next source of protection, and only if the bondholders and the shareholders get all wiped out and there's nothing left, does the taxpayer come in to protect the depositor because it's important to protect the depositor because you don't want runs on banks? This basic

principle has been the principle of the banking system, and unfortunately both the Bush and the Obama administration simply did not understand that, or, more accurately, I think they did understand it but they got captured by the banks and it's not just your bank but all of the banks, that they got captured by. The result of it was that money flowed from taxpayers to protect the bond-holders and the shareholders, and that was the big mistake.

Vladimír Dlouhý: Maybe, but weren't both you and I inconsistent when we expressed our reservation today about bailing out the US back in 2008, when yesterday, in the noon TV discussion, here in the Czech Republic, we both supported, maybe for slightly different reasons, a necessary stabilization, including the eurozone taking steps towards Greece and the general debt-crisis, because it is also a violation of the existing rules and the formal set-up in different member-countries of the eurozone. It is obviously under the flag of saving the eurozone economy, preventing another crisis, so isn't that an inconsistency between what we said yesterday and what we are saying here today?

Joseph Stiglitz: No, I mean to the extent that the problem in Europe has to do with the banking system I would say that we should all follow exactly the same procedures. The shareholders and the bondholders are the ones who should be the first line of defense and only then, only if there's not enough money, we will have to protect the financial system and it's only after the shareholders and the bondholders have paid the price that we come in with government assistance. The issue of sovereign debt is a more complicated one and we don't have a good legal framework for sovereign debt and how to restructure it and that was so clear in the case when Argentina had its problems and had to be restructured. There's no bankruptcy court that they can go to, there's no international law that applies.

In the aftermath of the Argentinean crisis there was an initiative to try to create an international regime, but unfortunately the Bush Administration vetoed it, and so a decade later we're left in the same state that we were at the time of Argentina. We had no orderly way of doing it, and what Europe is trying to do is to say: "Look, we need to have an orderly way, because if we don't have an orderly way the consequences could be very severe." This is a case where the lack of a set of rules of international law is really causing a problem. Now, yesterday, when we were talking about it, part of the problem in the

Euroregion is that in the project of creating the euro, the economic project was faster than the political project, so that when the euro was created it didn't have the set of other institutions that would be necessary to make a single currency work. And there was a hope that, over time, those institutions would be created, but it hasn't happened. There was a hope in January of 2010, with the Greek crisis just beginning, there was a hope that something would be done very quickly. It didn't happen, and now there's still hope that a year and a half later, as the crisis has gotten worse, that Europe will finish the task, finish the economic project that began a decade ago and – it's an open question.

Vladimír Dlouhý: Thank you. Do you want to comment on that? Let's not dwell on Europe perhaps too long.

Hernando de Soto: Sure. I can be moderate. So, I think there's another interesting issue here, which is something that the Europeans forget about. Let's take another step. I can criticize Latin America later. But there's a memory problem here. The memory problem consists of the following thing. Back in the 19th Century, I forget exactly where, there was some economist who was saying, "You know it's a pity that we've used the word money. We should have used the word "money-ness." Now what's behind that?"

The whole idea behind that is that there's all sorts of liquidity in the world and part of it is currency. I mean you can't go out with a mortgage and buy a pack of cigarettes, but it's there and it can serve to have a financial operation. So then we have the fractional reserve system and I think that one of the problems is that the monetarist, just like the finance types have taken over, the monetarists have taken over, as if the only liquidity in the West was money. In fact, what the fractional bank system does is that Mr. Bernanke puts out, I don't know – a hundred units of gold, and says, "You need a hundred units of gold before you can loan one thousand units," or whatever it is. But what the banks loan out is not that one hundred, because that one hundred can't cover ten times that amount. What they use is all sorts of other types of information to either collateralize or to feel assured, and that information is property information.

How does property information come in? How do you know how many assets you've got? One way of course is records. Now we've just seen that Mers and the other ones have screwed things up. The other one is you should be recording, like bonds, you should be record-

ing the derivatives – one is not. There’s a third one, which is balance-sheets. The balance-sheet evolved to control companies, their assets, their liabilities and their equity, and then the US government, like European governments said, *“Now standardize it, so this is the way that we can know if you’re a healthy company, if you’re over-leveraged or you’re not over-leveraged, at least to a point of great danger.”* Enron breaks and we try to find out how many balance sheets they have: 3,200.

You go to a Peruvian bank, one balance sheet. So emerging markets, we do what you told us to do. In your cases you created special-purpose entities for real cool, absolutely liquid financing and so what happens is that when all-of-a-sudden you take away market-to-market, no longer do you put as prices, which you can get on the market, but what is fair – hey, we did that during our best dictatorships – what’s fair? Your special purpose entities don’t work. Your land-records don’t work. You haven’t titled your biggest financial device. Your – and this is your area – asymmetry, you have no information and so the question is, can you bring out 1,2,3 billion dollars from your central reserve bank when your real problem is private credit contraction, which is not based on monetary stuff, but the assurances and the information, the truthful transparent information that property rights should be giving you.

Vladimír Dlouhý: OK. Let me move to a rather sensitive area here. This country inherited, in December 1999, a completely nationalized economy. Even among the former communist countries, the former Czechoslovakia used to be the most nationalized, even the small and medium-scale businesses were basically nationalized. There was virtually no private sector. There was a huge political and economic demand, not speaking about the advice from abroad, for a very mass and quick privatization, which we did, using the famous, or some people would say infamous, voucher-scheme privatization.

Later, with the problem with the Asian crisis in 1997 and 1998 and the collapse of the Russian economy and the former Soviet economies, there was a lot of reconsideration in the West for the advice you gave us, which was called the “Washington Consensus” and we were, to put it simply, very much criticized for being too fast in the introduction of the economic reforms, putting the policies right, and we forgot about the institutional and legal framework. After the Asian crisis and after the collapse of the Russian economy and also problems in this country and elsewhere, there was obviously this rule of law slogan that emerged very strongly. But if I look back, even open

for criticism, what is a legal system in a particular moment of time? What was the legal system back in 1991 when this country started to decide about mass privatization?

And my bottom line is that the legal system is always in a state of flux. The regulatory framework of Western Europe and the United States was given to us and also to the Soviet countries, as an example, but only 10 or 15 years later, the same countries came to the conclusion that their regulatory framework didn't prevent the repetition of the biggest economic crisis since the Great Depression. So if you look back at the criticism of the so-called Washington Consensus, where, I know, Professor Stiglitz, you were one of the most vocal critics, how would you answer my question that the legal system is always in a state of flux, and if you would like to achieve a privatization of such a mass-scale as we were facing, or if you would want to pursue any other important transformatory change in the economic performance or large changes of the economic policy? My answer would be that you should simply go pragmatically ahead, even when you are going to suffer some backlash later.

Joseph Stiglitz: The first point that you made is a correct one, that legal systems are always in flux and legal systems are man-made constructions. We have to have a clear view of where we want to go, what we want to use them for. We need to know the lessons of where they haven't worked well. There are always going to be flaws, there are always going to be problems. My concern was that the economic framework on which the Washington Consensus policies were based was basically flawed and out-dated. It was based on the notion that markets were self-regulating; you strip away regulation, you make sure you have private incentives in place and things will work well. Economic theory had explained why that was not true and that it was a very risky strategy and those predictions turned out to be true. The kind of criticisms that I raised, saying that deregulation, financial deregulation, for some of the reasons that Hernando has said – I looked at it as an economist more than as a lawyer – that system, it was inevitable that that financial system would break down.

So the issue of the mind-set behind the Washington Consensus deregulation and privatization was simply out-of-touch with modern economics and was one that I viewed as extremely risky, and we now know that the world is paying a huge price. The United States is paying a huge price for that mistake. There's another aspect that I was concerned with, not so much as an economist but in terms of the nature of

the society, that if you didn't do privatization in the right way, for instance, you can wind up with a society with a high degree of inequality, and that inequality could, in turn, undermine democratic reform.

Now the countries in Eastern Europe I think had a big advantage and a very big difference from Russia because they were joining the EU and the EU was providing the legal framework, a political stability, but you look at another part of the economies in transition – Russia – and I think that the rapid privatization led to the creation of an oligarchy, and most of us looking at Russia would say today that it's not a true democracy. Whether if it had done privatization differently, or not followed the Washington Consensus, they would have wound up at a different place, that's a counter-factual history, but what is clear is that those of us who were concerned about that dynamic were rightly concerned. The other side said, "Don't worry because once we create property rights, they would demand a good legal system." My response to that is the demand for anti-trust competition law doesn't come from people like Bill Gates and Rockefeller. They like non-competitive situations. If we're going to get competition we have to have an underlying economic framework that demands it and not one that's run by a set of oligarchs. So the decisions you make at one time do affect the history at the next moment of time. You were anchored because of Europe, Russia did not have that anchor and I'm afraid that as we've seen the evolution, some of those earlier mistakes are likely to be long-lived in their consequences.

Vladimír Dlouhý: Very shortly three comments. First, I believe the countries of Central Europe, Poland, the Czech Republic, Slovakia, Slovenia, Hungary, their main anchor was not so much Europe or the European Union, despite the fact that it played a very strong role. We have our own historical democratic anchor – that was crucial. Second, it's my very strong feeling that if we had waited for the proper legal framework, with this traditional framework in place, we wouldn't have been able to privatize as quickly as we did, and without that we probably wouldn't have seen the re-emergence of economic growth. And the third – the quality of the pudding is proven when it's eaten, and the Central European economies, Poland, Czech, Slovak, Slovenia, and to a lesser extent Hungary, because of the recent policies are able to weather the existing crisis much better than people expected at the beginning of the crisis. So it is, at least for me, a proof that we were able to lay down the very basic cornerstones of our economic performance, despite not having – and that I 100% admit – a proper legal

authority and a legal framework from the very beginning. Would you like to make any comments on this issue?

Hernando de Soto: Sure, in following up on what you've said and what Joe was saying before. I'm of course extremely interested in what Joe feels. I get my own feeling – with all the numbers we don't have – with all the hands in different pockets that we don't know what arm they belong to. But the fact that we don't know, when you've got the likes of a man like Lamfalussy in the Bank of International Settlements failing with Basel 1 and Basel 2 and 3 to get the banks to tell us what they've got and what contracts they've got and they still don't give them, and they still don't vote yes. When you get the IMF giving political messages, instead of telling banks what to do, I get the feeling that the whole – not only the Washington Consensus – the whole San Francisco thing, has sort-of been outdated. They don't have the authority.

How can you navigate without information? I mean how can there be markets without knowledge? I mean the whole idea of knowledge identification is because you're going to operate on a large scale. Market is not Asterix and Obelix talking to each other. Markets are when you're talking to a Chinese you've never met, but it doesn't matter because he's got a price. He knows what he's going to be talking about, he's got an address. So the question is, in this world that we don't have this information, and that has basically been taken by speculators, actually – speculating is a good idea, it means thinking – people who have obviously made money, at all our expense, because we know that we're going to have to pay for that and we are already paying for that and we'll probably pay in spades as we go along. I wonder, Joe, if we haven't actually come to a time when the order, this order has been exhausted. It's been exhausted and, like all things unfortunate in our history, hopefully it's not going to be a war, but it is a crisis that makes you go to the dentist, it's a crisis that makes you go to psychiatry and it's a crisis that will make these people start talking seriously. One day.

Vladimír Dlouhý: Well, we discussed slightly, yesterday noon, whether our Euro-Atlantic civilization in the 21st Century will not still be strong but begin a kind of slowly declining trend, and whether a completely new model is not going to re-emerge during the 21st Century. I would love to continue this discussion with these two excellent economists but because we are coming to an end.



The Rule of Law in Asia

Monday, October 10, 2011, Žofin Palace, Forum Hall

Opening Remarks:

Yohei Sasakawa, Chairman, The Nippon Foundation, Japan

Keynote Speech:

Kiichi Fujiwara, Professor of International Politics, University of Tokyo, Japan

Moderator:

Surendra Munshi, Sociologist, India

Participants:

Marites Vitug, Journalist, Chair, Advisory Board, Newsbreak, Philippines

Steven Gan, Editor, Malaysiakini, Malaysia

Surendra Munshi: Welcome to this session of the 15th conference of Forum 2000. The idea for the Forum 2000 conferences originated in 1997, with Havel, Wiesel and Sasakawa and now we are indeed privileged to have Mr. Sasakawa with us in this session.

The theme this year is *“Democracy and the Rule of Law.”* A number of questions have been asked including those regarding how the deficit of rule of law undermines democracy, the relationship between rule of law and individual freedom, and the limits of state sovereignty in the face of humanitarian concerns. You might agree that even though it sounds a like very conventional theme, human rights and democracy takes an extremely important practical, as well as theoretical, importance. As far as the panel is concerned, *“The Rule of Law in Asia,”* democracy is taking roots and progressing in the countries of Asia, such as Japan, India, Korea, Taiwan and Indonesia, but there are number of questions that need to be asked: How is the relationship between democracy and the rule of law perceived in Asian culture? How does the interaction between the rule of law and governance differ in different Asian countries? What is the relationship between the rule of law and rapid economic development of China, India, Vietnam, Indonesia and other countries? How do traditional ethical systems such as Confucianism relate to European or American perceptions of the rule of law?

I would very briefly share my own thoughts on the subject before giving the floor to the panelists. Rule of law in Asia, in this context, is not a new concept, rather an old concept. For example, in the Indian text *“Arthashastra,”* which goes back to 350 B.C. it says this: *“In the happiness of his subject lies the king’s happiness, in their welfare, his welfare. He shall not consider as good that which pleases him, but treat as beneficial to him whatever pleases his subjects.”* In addition, it was clearly stated in *“Arthashastra,”* which also has a full chapter devoted to rule of law, that namely this cannot be done unless the king follows the dictate of the law. In Hinduism and also by extension in Buddhism, there is a concept called *dharma*, which means upholding law, including those that are natural, social and ethical. Also, justice and happiness lies in living in accordance with those such laws. The opposite of *dharma* is *adharma*, which means living life according to principles, therefore going against natural or social order. Confucius, 551 – 479 B.C., foremost taught morality, correctness of social relationships, justice and sincerity. The teachings of Confucius go beyond just legality.

If you look at *dharma*, the *“Arthashastra”* or Confucius, one thing appears very clearly: one cannot divorce rule of law from morality.

Public and private life needs to be lived according to the principals of morality. The rule of law will be empty if is not informed or guided by morality. This goes beyond the formalistic definition of law. Last evening when Professor Stiglitz was discussing rule of law and democracy, he was talking in terms of imperfect democracy and unjust law. I think in that context we need to consider it an Asian legacy of not divorcing any concentration of law from moral principles.

Now, this is a very distinguished panel, and I am sure that they will have a lot to say. I have the great privilege and honor to be moderating this session and I am grateful to the organizers for inviting me to be here. Now I would like to introduce the panelists. Mr. *Yōhei* Sasakawa is the chairman of the Nippon Foundation Japan and is internationally known for his philanthropic concerns, which are operating at a global scale in areas such as public health, education and welfare. Notably, his work in leprosy elimination has been internationally recognized and he is a recipient of many awards and honors, including the International Gandhi Award in 2006. Mr. Sasakawa was and is the moving spirit behind this successful series of conferences.

Professor Kiichi Fujiwara is a professor of international politics at the University of Tokyo, Japan. He has held academic positions in different areas, including at the Woodrow Wilson American Institute of International Studies. He has several books to his credits, including “*The Twentieth Century Global System.*” Great to have you, Professor Fujiwara.

And Ms. Marites Vitug is a journalist and chairman of the advisory board of Newsbreak. She has published in several reputed publications, including The International Herald Tribune and Christian Science Monitor. She is also the author of several books – “*Shadow of Doubt – Probing the Supreme Court.*” Additionally, she was a Nieman Fellow at Harvard University.

Mr. Steven Gan is the editor of Malaysiakini, in Malaysia, since 1999. Formerly, he worked for The Nation, Bangkok, and Amnesty International named him a prisoner of conscience, after he reported the protest movement and was, because of this reporting, arrested in 1996. He has been the recipient of many awards, including the Free Media Pioneer Award 2001, from the International Press Institute.

I would like to request Mr. Sasakawa for your opening comments.

Yohei Sasakawa: Thank you very much, Mr. Munshi. It is a pleasure to open this panel discussion, but engaging in sweeping discussions about Asia is difficult. Asia is a region of highly diverse societies, cultures and religions. Also, the levels of economic development are different from country to country. In Asia, we see countries that have achieved the status of an economic powerhouse under one party rule. In these states, while on the one hand dramatic economic development is being achieved, on the other, basic rights, such as civil and political rights, are not guaranteed. Those who go against the ruling party may be subjected to suppression of their basic human rights. Also, there are countries where democracy and rule of a law have nominally been put in place, but the power has remained in the hands of limited individuals with vested interests. In such circumstances, it is difficult to ensure that the will of the people is duly reflected in the political and economic system; corruption and inequality are rampant.

In many democracies, it may seem that under the rule of law, the people are exercising freedom of choice in an orderly society on the surface. However, in the reality, the laws may be so deterred and so rigid that the people's diversity and range of choices may become constricted, making them slaves to their own the legal systems. Today, ongoing developments in information, technology and globalization are making the Asian and non-Asian countries ever more closely connected. As a result, the issue of the role of the law in Asia is no longer an issue that only concerns the Asian region. Over the past 15 years, the Forum 2000 conferences have examined many difficult issues through dialogue and discussions. It is my personal hope that the panel members here today, as well as everyone attending as observers, will bring you a diverse experience and abundant knowledge to understand the vital issues before us. Thank you.

Surendra Munshi: Thank you very much. That sets the tone for our discussion and I would now like to invite the keynote speaker, Professor Fujiwara.

Kiichi Fujiwara: Thank you. This afternoon, I would like to raise two very simple questions: Has the transition to formal democracy enhanced the rule of law in Asia? Has rule of law arrived to Asia with the introduction of democracy? My answer is that it is not necessarily the case.

To begin, take a look at early 20th Century and you would see very few democracies, if at all, in Asia. It was almost impossible to think of freedom from tyranny in the Asian region. Yet, at this time, it was a period when so many thinkers in the Asian region aspired for the republican form of government, like Kartini in Indonesia, Jose Rizal in the Philippines, Tagore in India and Fukusawa in Japan. All of those thinkers were aspiring for a freedom from tyranny and a more liberal form of governance in Asia. This was a period when democracy, republicanism and human rights were just a dream. Right now, however, there are a great many number of democracies which act as a formal political institution in the Asian region. I am not only talking about Japan and India, which are the older democracies. In 1986, there was a downfall of Marcos in the Philippines; in 1987, the military rule in South Korea collapsed; in 1992, the military junta in Thailand collapsed as well; and in 1998, the long term president Suharto stepped down from power in Indonesia. Democracy is no longer a dream, but we still must ask if these democracies are really democratic. Are these democracies really liberal? Do democracies mean something to this civil society?

Now, you may think that this is a wrongheaded question because after all, dictators may rule by law, but the law seldom rules them. It is very difficult to think of Marcos being ruled by law. One might think that downfall of dictatorship will bring about rule of law almost automatically. I disagree, of course. I will argue that there is an inherent tension between democracy and the rule of law. To illustrate these points, allow me to go into some brief theoretical discussion about democracy and the rule of law.

Rule of law is a property of constitutional liberalism. Constitutional liberalism is a part of democracy nowadays, but it was not before. In fact, constitutional liberalism dates way back into the medieval ages when the nobles were confronting the strengthening power of the monarchy. The nobles tried to limit the power of the kings and this is where the origin of liberal ideas in France or in Britain or in many European nations comes from. This means that liberalism dates back to a period when elections were seldom held and politics was in the hands of the few rich and the educated. However, in the 19th Century, there was a greater demand for popular representation. There was a conflict between those who wanted to maintain liberal ideas and those who wanted more political participation. In the mind of James Mill, the father of John Stuart Mill, universal franchise was a threat that might bring a liberal regime to a dicta-

torship. In fact, it is not uncommon to find people arguing that democracy would lead a liberal regime into a dictatorship. Yet, on the other hand, the socialists wanted more popular representation. It may sound rather strange, but universal franchise was an aim pursued by the non-Marxist socialist in the 19th Century. They believed that if there is a universal franchise, the working class would be able to grasp political power. That was not the case, but that was their aspiration. Again, there was a tension between liberalism and democracy even in the 19th Century.

To conserve time, I have to skip to modern Asia. The third wave of democratization, to follow Samuel Huntington, has brought about a large number of democracies, and not only in Asia for that matter, but in Latin America, southern Europe and Eastern Europe. If you take a look at these democracies, and the new democracies, you find many things that are missing; some scholars, like Fareed Zakaria, for example, used the word “illiberal” democracies. Merkel, of the Free University of Berlin, used the word “dysfunctional” democracies. There are many things that still lag behind in some of these areas. In my remaining minutes, I would like to discuss several types of political regimes we find in Asia that are quite different from the original aspirations that we might ascribe to democracies under rule of law.

The first category would be undemocratic democracies. Those regimes may be democratic on the surface, but popular representation is severely limited. Within we can find three categories. The first one would be exclusive democracy. Exclusive democracy is a regime where the political participation of a large number of people in the society is severely limited. A typical case would be in the history of the United States with slavery and how even after the Civil War, the political representation of Afro-Americans was severely limited. We do not find many such cases in the Asian region, but one case could be Sri Lanka before the civil war. In Sri Lanka, the political participation of Tamil Indians was severely limited and they had very little to do with electoral politics.

The second category is a bit different, this is something I would like to call an oligarchical democracy; after all, political society may not be really open to the public, even if you have free election. The people who really have political power can easily be the few. This case in point would be the Philippines, where they have been enjoying a colonial democracy. Under colonial administration, the United States opened political participation of the Congress to Filipinos, but then those who were eligible to vote were very limited. Addition-

ally, even when universal franchise took place in the Philippines, it was well known that political power was in the hands of a very few number of political families. You could see who have served as presidents in the Philippines based on people's surnames. An oligarchical democracy can be a procedural democracy; in legal terms, it is a democracy and there is a rule of law, but the catch is that rule of law applies to a very small segment of the populace. An example of something that would be slightly closer to this would be a bureaucratic state. Take Singapore, for example, which is a nation I refuse to call a democracy. Singapore is a case where a democratic façade has been maintained, and not for popular representation, but to ensure the autonomy of the bureaucratic state, which is actually ruling the country. Elections are held, but those elections are not really competitive. Here the power is not in the hands of the elite, as in the Philippines; the power is in the hands of state *apparatchik*, who are really running the show. Malaysia is somewhere between Singapore and a more represented democracy. Here, political participation is quite limited and the bureaucratic state is far more fragile compared to Singapore. Nevertheless, popular representation has been severely restrained.

A third category of undemocratic democracies would be what I would call a tutelary democracy. This is a democracy with a tutor, or rather, a democracy with a veto group. It is a democracy, but there is a veto group that can work against any decision made by the government that runs against their interest. An example is the military junta. In South Korea, after 1987, the military held such a tremendous power in politics that any decision made by the government was overthrown by the decisions of the junta. We can see similar developments in democratic Brazil during their first decade of democracy; there was the military, which was a veto group within a liberal regime.

In those undemocratic democracies — the exclusive democracies, oligarchical democracies, bureaucratic states, tutelary democracies — popular representation is limited and democracy may be little more than a facade. In the second category of illiberal democracies, these regimes are democracies in every sense of the word, but then a political leader who enjoys a mandate of the people uses his or her power to rule out the rule of law in the country. There are instances like this, such as what I call a delegated democracy, which is when political power is delegated to the executive to such a degree that popular representation can be easily overruled. A case in point

would be South Korea under the new constitution. In South Korea, the power of the president is so immense that he can overrule a decision made by the parliament quite easily. Some people have even used the word “imperial” presidency. In fact, in cases like President Roh Moo-hyun in South Korea, he virtually did everything against decisions made by the parliament, but he could do so according to the constitution — it was delegated to his power. Another category would also be a populist democracy. Now in this case, the president is not exercising his constitutional power. In South Korea, there was a very strong power vested in the hands of the president, but that is not the case in the Philippines. Political leaders, who enjoy the mandate of the public use “popular support” to boycott any decision made by an independent judiciary or the parliament. This is a democratic essentialism; the political leaders are talking about “essential” social justice, “essential” political justice, “essential” justice for the people and by arguing so, the leader is refuting the rule of law. This, essentially, is a dictatorship through electoral politics.

The final category would be what I would call a democratic stand-off, and that is taking place right now in Thailand. What would happen if a society is divided fifty-fifty into two groups? That is, group A supports leader A and group B supports ruler B. Now rule of law will tell us that if group A wins an election, group B would have to follow. If group B wins election and Mr. B becomes the president, group A would follow. However, what happens when they do not follow. With Thaksin leading a political group with more or less 50% of the populace’s support, Thailand has become a severely divided nation. There has been a series of coups where juntas worked against Thaksin, and Thaksin tried to overrule those un-couped governments. Right now, the political power is with the sister of Thaksin, but this can easily change. What is important here, is that the judiciary was totally neglected during this process and the parliament was totally neglected. It was essentially a power play between the two groups and the rule of law only served political purposes here.

Now to conclude, I just listed some of the defected democracies and I will not argue that all these categories are mutually exclusive, I am just arguing about the symptoms of certain diseases in politics that we find in Asia today. The problem is that democracy itself is not a way out — democracy is already there and the question is how to develop democracy in a more liberal way that can coexist with the rule of law. That, I must say, is a tall order. Thank you very much.

Surendra Munshi: Thank you. It seems that Professor Fujiwara has not only tried to tell us of the diversity of experience as far as democracy, is concerned in Asia, along with describing the discrepancies between the aspiration for democracy and actual practice of democracy, but he also tried to pose, in the light of Asian experience, critical questions for democracy and the rule of law which goes beyond Asia. In other words, he has asked us to what extent can we think in terms of democracy and rule of law contributing in such a manner that we have the kind of democracy that we wish it to be. Thank you Professor Fujiwara. With this we will now invite Ms. Vitug.

Marites Vitug: Good afternoon everyone. Thank you, Professor, for making me understand my country better. After hearing the big picture from Professor Fujiwara, I would like to focus on my country, the Philippines and emphasize just three points. First, education is critical in cultivating the rule of law. Second, openness in government is undeniably linked to how leaders govern and create an environment for participation of citizens. Third, which is also a big challenge now facing the Philippines and other countries as well, is building public trust for government — low trust undermines the credibility of government, which, in turn, will not be effective in upholding the rule of law.

I will begin with education and a little anecdote. Early this year, about a hundred lesson plans for elementary and high school students on the rule of law were completed and turned over to our department of education. These were prepared by a group of lawyers and teachers with funding from foreign donors and these were meant to be used in public schools nationwide. As I went over some of the lesson plans, I realized that the seemingly removed and abstract concept of the rule of law when broken down into concrete ideas goes beyond institutions that have to do with law. At its core, are values that encourage a healthy respect for one another and an acceptance of each other's uniqueness. Ultimately, these helped lay the foundation for embedding the rule of law in our consciousness. I have found this project quite exciting. This is a critical gap, which for a long time, has been overlooked. Of course, education is only one facet, for by the rule of law, one can be strengthened.

Let me give you a bit of background on the Philippines and, sadly, our situation regarding the rule of law is a tear-jerker. In the World Justice Project, in its rule of law index, the Philippines ranked quite low. According to its 2011 report, the Philippines scored poorly

and placed last or seventh out of seven East Asian countries surveyed in the areas of law and security, fundamental rights, and effective criminal justice. Other countries that were surveyed were Australia, Indonesia, Japan, Singapore, South Korea and Thailand. In the areas of absence of corruption and clear and stable laws, the Philippines placed sixth or second to last. However, in the area of open government, the Philippines ranked fifth, our best performance ever in this survey. The project also observed that in East Asia and the Pacific, the wealthier countries, such as Japan, Australia, Singapore and South Korea, scored high in most dimensions. In contrast, Indonesia, the Philippines and Thailand ranked lower. Maybe this could be a point for later discussion, but the second point I would like to emphasize is about open government.

The Philippines now sits on the steering committee of the open government partnership, a recent US government program that encourages transparency and accountability. It encourages the use of technology and innovation in making information widely available to the citizens. This partnership is chaired by the US and Brazil, and I think this where the prospects are promising for the Philippines. In some executive departments information, is now easily available on the Web. Citizens can monitor progress in the building of roads, bridges and other infrastructure, and they can keep track of money spent by government departments just by logging on to the websites. In the finance departments, citizens can report tax evaders and tax cheats through a website that guarantees anonymity. I think this is influenced by what is happening in India. There is an interesting website called ipayedabrike.com. If you check it out, you will notice reports from a lot of regions in India, and you can even see a map that tracks where these bribes have been taking place. In the Philippine interior department, local governments are required to disclose their budgets, procurement and statement of expenses.

The third point, having talked about open government, is now how to really build trust. In the Philippines, the public has very low trust in the government. There is what we call the Philippine Trust Index of 2011, conducted by a private sector organization, which shows that a majority of respondents' trust institutions except for the government. First in their list, and I am quite worried about this, is the church, followed by the media. Ranked last is the government. This is not only a Philippine phenomenon either. A global trust survey conducted this year by Edelman, the world's largest independent public relations firm, shows that citizens are losing faith in the state.

Richard Edelman, the president of the firm, was quoted in *The International Herald Tribune* as saying: “*From the sovereign debt crisis in Europe to the government’s response to the earthquake in Japan, from the high-speed rail crash in China, to the debt ceiling fight in Washington, people around the world are losing faith in their governments.*”

However, in our experience in the Philippines, it is the unlawful behavior of those in charge of protecting the rule of law, such corrupt politicians, judges and law enforcement officers, and the lack of transparency that triggers distrust among the people. In this age of instant communication, lack of trust can easily spread and erode governments’ legitimacy. On the up side we’re seeing a growing partnership between the private sector, civil society and the government in the fight against corruption. Additionally, the Philippines is now sharing experiences with other governments in promoting integrity and transparency. To conclude, this seamless world can indeed be double edged. Best practices travel fast, but so do the bad ones. Leaders need to seize the opportunities to improve governance in the rule of law and in the process build trust. Thank you.

Surendra Munshi: Thank you very much. You can see that once again, along a different dimension, the issue of diversity in Asia has come up, along with two other issues; namely, the issue of corruption and trust. I think in our subsequent discussion we should take it up for further probing because as you rightly said, good practices travel fast, but so do bad practices. Thank you. Now I invite Mr. Steven Gan.

Steven Gan: Thank you. When I was a student activist, Asia was quite different, that is about 20 to 25 years ago. In the 1980s, in this part of the world there was the fall of the Berlin Wall. In my part of the world, there were strong men, people like Suharto in Indonesia, Marcos in the Philippines, Suchinda in Thailand, *Chun Doo-hwan* in South Korea. All of these were military men, but now they are all gone. I know that we still have Mahathir and we still have Lee Kuan Yew, but I can assure you that they will be gone pretty soon too. Indeed, we have seen some changes in the region. Dictators and autocrats are on the way out and democracy is slowly making roots. In the Philippines, the democracy baby is learning to walk and it is getting better over time, despite inherent problems there. In Thailand, the democracy baby is still crawling and takes a few tentative steps every now and then, but it keeps falling. In Indonesia, the democracy baby has just been born and may have great potential. It may even

do better than some of its older siblings. In Malaysia, the democracy baby has just been conceived and is facing early difficulties due to its fairly difficult birth. Now to speak metaphorically, Dr. Mahathir is recommending a Caesarean, but quite a lot of people do not trust the good doctor. In Singapore, the democracy baby has yet to be conceived, but neighbors are encouraging Singaporeans to taste the sweet nectar of freedom.

This is interesting, and just like the ripple in the Arab Spring; something similar is happening in this region. For instance, when the long time dictator Suharto was disposed in Indonesia, the cries of reform echoed in the streets of Malaysia. When Malaysia witnessed a political tsunami that almost dislodged the government, Singapore, next door, got a whiff of that. Since then, in the past year, baby steps been taken by the voters in Singapore to reclaim their rights. It is clear that democracy and rule of law do not emerge out of the blue. Dictators and autocrats do not give away power easily. Democracy needs prodding from the civil society and from independent media. Over the past few years, the Internet has been used as a weapon, of which civil society can actually wield against the current regimes to promote democracy.

Take for example Malaysia, my own country. Malaysia is a democracy. We have freedom of speech, but no freedom after speech. There is freedom of movement, but no freedom of assembly. We have a plethora of publications and newspapers, about a dozen of them, in four different languages, but in reality we have no free press. Clearly, the government had complete monopoly on truth, until the emergence of the Internet. Due to the Internet, the government is also trying to take baby steps towards reforms because it knows that it may lose power. A technological development has allowed more people to access information and participate in the news process. We see more transparency and more openness, in which governments and companies alike can be held accountable. I agree with Mr. Sakakawa that rule of law is crucial in a democracy, and without it, there is no democracy. There is definitely tension, as mentioned by Professor Fujiwara. While we talk about rule of law, it is just as important for us to ensure that the laws we talk about are equally applied and enforced on the rich and powerful, as well as the poor and the powerless. Unfortunately, in many parts of Asia, enforcement agencies, as well as the judiciary, are corrupt; and therefore the rule of law is subverted. Where governments implement laws that cannot be questioned in court, the rule of law is subverted. Where there are

powers that are above the law, the rule of law is subverted. Yet the struggle for freedom continues, which has also been helped significantly by the Internet. Authoritarian regimes have no choice but to embrace the Internet. When citizens get a taste of freedom, there is no going back. Indeed, freedom is like toothpaste— if you squeeze a little bit out of the tube, it is hard to put it back again. Thank you very much.

Surendra Munshi: Thank you indeed. Well that opens a number of issues, not just for Asia, but for the entire issue of democracy. Now I would like to ask all three of you please, do you have questions for each other? Professor Fujiwara, you heard the other two after you spoke. Do you want to pose any questions to them?

Kiichi Fujiwara: I have one question about corruption for Marites. Corruption has been a basic feature of Philippine history for several hundred years, essentially. There have been many attempts to curb corruption, but those who were making proposals were actually promoting corruption at the same time. Now when the political system is much influenced by corrupt activities, what would be your institutional design? Think of a dream world where corruption can be checked in a more robust manner.

Marites Vitug: Actually, I realized that, when a new leader took over last year, the son of our former, the son of our democracy icon, Aquino. He started to ask executive departments to put on the Web the use of technology, to put everything on the Web: Budgets, how you spend the money, procurement, all the basic information about where the money's going. I realized that the people appreciated it, there is more openness and the vested interest can no longer have a monopoly of doing business with government. And this is very evident now in our department of public works and highways. For the first time in many, many years we can now go to their website and know exactly how much money is going to a certain road project and civil society organizations can monitor this project and complain if there's anything to be complained about. I think it's very basic and simple actually, and it's a beginning. Of course, we still have to change the oligarchy and everything, but this is a good baby step to start to with.

Kiichi Fujiwara: So it's openness in transparency.

Marites Vitug: Yes, I realize that if you have a reform-minded leader, then you only need one to two years to affect reforms and that has already made a difference in the lives of the Philippines.

Surendra Munshi: Now my question to you, do you have any questions for the two persons next to you?

Marites Vitug: I'm a journalist so I'll ask my neighbor. I really want to know of the efforts to open up Malaysia because your Prime Minister Najib said that he's going to dismantle the security law or apparatus. Is that true?

Steven Gan: The government can arrest anyone based on suspicion that he or she is a threat to national security. So basically the government is allowed to pick you up and say that you are suspected to be a threat to national security, you'll be packed off to the detention camp for two years and that can be renewed indefinitely. So a lot of political dissidents have been imprisoned for many, many, many years. Now they do not have a right – the government doesn't need to actually bring them to court to prove their case. Basically it was an all-embracing kind of a law which the government has argued that they needed in order to control terrorism. We have campaigned against it for many years. You have a situation, where other countries have adopted similar laws, including the United States, homeland security and all of that. Even Thailand has adopted a similar law called Internal Security Act. Malaysia is a completely different situation. The government is on the back foot because of the campaign from civil society. Eventually, just only about last month the government decided to repeal that law. Of course if you look at the government's track record, which has been abusing human rights, a lot of political dissidents, including journalists have been arrested under ISA. People are saying, "Hey look, we don't believe it, we don't trust you." The government has pledged that the law will be repealed by early next year. I guess we'll just have to wait and see. And the problem is that, you know they're talking about another law to replace it. And I think that's the problem. What is the new law? Would that also entail the right for the government to arrest without trial? That's the key thing.

Surendra Munshi: Now Mr. Gan, do you have any questions for any of them?

Steven Gan: I would like to ask Professor Fujiwara. You've painted perhaps a bit of a pessimistic look in terms of the countries in Asia. Do you feel positive about the changes or do you think that you know somehow changes are not for real and we'll go back to an era where there will be again *authoritarianism*?

Kiichi Fujiwara: That's a fair question. I'm a pessimist in many ways. Because I'm a pessimist my observations have been proven wrong, in the better direction. For example, initially when I was studying Brazilian politics, I really believed that the military junta would remain a veto group. I also believed that in Korea the military would remain a veto group and the same for Thailand. I believed that in spite of democratic transitions, the military junta would be a key player that could somehow distort democratic procedures, and I was wrong. That didn't take place in Brazil; the political power of the military has declined considerably. That also goes for Korea and Thailand. In fact nowadays the Thai military is so weak, they can't even start a coup. They were the best in coup making, but nowadays they can't really do that, they are that weak. That's one observation that has been disproved, for the better.

I am afraid that there are some rather alarming tendencies that I'm very pessimistic about, say for example, Indonesia. Indonesia is quickly turning into a bureaucratic polity right now. The power of the military and the power of the executive have become so strong that democratic procedures are not well regarded. However, the point is that the public has been endorsing it. Yudhoyono, who is more of a democratic authoritarian so to say, is like Fidel Ramos. There is a return to old style politics but because here there is regime that can deliver stability and growth to the public. Also, right now because of the turmoil with Megawati and Gus Dur, the predecessors, the public is endorsing a less democratic form of governance. Moreover, believe me, I must say, that in Japan right now, after the fall the ODP, there has been tremendous turmoil with the two previous prime ministers, that we are now hardly endorsing a very LDP like political leader. In fact we endorse Mr. Noda because he is like LDP. There are certain points where political turmoil becomes so negative to the public that the public starts to endorse a return to a more illiberal regime. And I think that's happening right now.

Surendra Munshi: Professor Fujiwara now, thank you for this and I know this theme is something that you would be happy to talk

about for an hour or more. Now very briefly, and I would like all three of you, if you would respond as briefly as possible before we open the discussion for the audience. All of you must have noticed that in one form or the other, even if it was not in the center of the presentation, all three speakers have somehow talked about technology: Internet and not to forget cell-phones, SMS messages. Recently there was a campaign in India centered around the Gandhian called Anna Hazare and it was organized in a very major way not entirely, in a major way through cell-phone, SMS messages. Now I would like to ask all three of you very briefly if you could respond and tell me, do you see technology, Internet, websites, e-mails, and cell-phones as in some way promoting the cause of democracy in Asia?

Kiichi Fujiwara: Very briefly, absolutely yes. It has been critical to bring down authoritarian regimes. Democratization was always dependent on new technologies like cell-phones in Thailand and the Internet in Egypt. Also this Internet and new technologies are not only important in bringing down authoritarian regimes, but work as kind of watchdog against the excess of power. These are the new forms of ombudsman. In fact, this Internet ombudsman is far more useful than the institutional ombudsman that we've been working.

Marites Vitug: Definitely and I'd like to just show one example. I believe in transparency and whistle blowing, but I would like to have a moderated WikiLeaks web site in the Philippines, meaning that citizens are free to download, upload videos or documents. But they're not made available to the public until we check them. Because then that's a one way of making the public participate in whistle blowing. And I really am a firm believer in making the citizens participate through sharing information. So yes, I believe in technology and even if WikiLeaks put peoples' lives in peril that will not happen in my dream website.

Steven Gan: The Internet is what I have been working on and I believe that you don't need the Internet to organize a revolution. Really, I think you know revolutions have happened without the Internet in history. I do think that the Internet has helped definitely, I won't deny that. And I think you will look just from the experience of Malaysiakini. In Malaysia, in a situation where the mainstream media has been tightly controlled by the government for so many years, we have somehow helped to break that monopoly of truth by the

government by providing alternative news. Nevertheless, I think, what Marites has mentioned, what's important is that there has to be checks being done. On the other hand, when you talk about the Internet, definitely there are really good points about it. There are also the possible problems that we see, such as rumor mongering and information being spread which can be untrue. I think we need to look into that as journalists. I believe that you need to double-check your facts before you publish them and to stand by that. That's part of our profession, but there are many bloggers and others who don't. In addition, for us, personally in Malaysia, we've been helping a lot of citizen journalists to ensure that they at least have some ethics of journalism.



A New Aid System for the Era of Globalization

Monday, October 10, 2011, Žofin Palace, Conference Hall

In cooperation with The Sasakawa Peace Foundation

Chair:

Jiro Hanyu, Chairman, Board of Directors, The Sasakawa Peace Foundation, Japan

Keynote Speech:

Motoshige Itoh, Dean, Graduate School of Economics and Faculty of Economics, University of Tokyo, Japan

Moderator:

Wolfgang Michalski, Managing Director, WM International, Former Chief Advisor to the Secretary General of the OECD, Germany

Participants:

Thomas Pogge, Leitner Professor of Philosophy and International Affairs, Yale University, USA

Tetsushi Sonobe, Program Director, National Graduate Institute for Policy Studies, Japan

Wolfgang Michalski: Good afternoon ladies and gentlemen. My name is Wolfgang Michalski and I am very pleased to moderate this session on “A New Aid System for the Era of Globalization.” The background of our session is a major policy-oriented research project on globalization, economic disparity and poverty supported by The Sasakawa Peace Foundation in Tokyo. It is my great honor to welcome and introduce Mr. Hanyu Jiro, the chairman of The Sasakawa Peace Foundation. Before joining the Foundation, Mr. Hanyu had had a very long and distinguished career in the Japanese government, including as vice-minister of Transport and International Affairs.

Jiro Hanyu: Thank you Dr. Michalski. Distinguished guests, ladies and gentlemen, it is a great honor for The Sasakawa Peace Foundation to have a chance to participate in 15th Forum 2000 Conference on Democracy and the Rule of Law. On behalf of our foundation, I would like to express my sincere appreciation to the Forum 2000 Foundation for giving us this wonderful chance. I would like to take this opportunity to explain to you, very briefly, why we take on the subject of “A New Aid System for the Era of Globalization.”

Around two years ago, we started our study on the expansion of income disparity under the progress of globalization. We recognized that the problem of the income disparity can be addressed through the adoption of a domestic income redistribution policy, whereby the particular country can achieve a certain level of economic growth. However, it is extremely difficult for the governments of the poorest countries to adopt income redistribution policies. Under the progress of globalization, the income of the poorest people in the poorest countries remains at the same level. Therefore, we believe, the most serious and urgent problem is how to solve the extreme poverty in the poorest countries, particularly for those people who are in danger. These people have no choice but to expect international aid.

However, we wonder whether the existing aid system has functioned properly for the relief of these people. My foundation has been attempting to clarify the issues in the development the aid system. Moreover, it has been holding study meetings with economists and specialists to engage in an in-depth study with the view of putting forward proposals for the improvement of the existing aid system. In today’s Forum, we intend to report on where the problems of the development aid system lie and try to solve them. On the basis of this discussion, we hope to examine a new framework for aid. At the meeting next year in Tokyo, we intend to submit the final proposal

on this issue. Now I would like to finalize my introductory speech by expressing my deepest thanks to you for your participation in this session. Thank you very much for listening.

Wolfgang Michalski: Thank you Mr. Hanyu. I think you explained very well the urgency – why we need a new-age system and the political rationale behind it. Of course, when I said we, I meant the interdisciplinary and international team which is behind the project. In this panel, you see only a small part of the group. The first challenge for everyone who wants to do research on globalization is to understand this topic.

As you may know, “*The Economist*” once said the word *globalization* is the most misused word of the 21st Century. Now, we found out in our studies that globalization is much more than just international trade, foreign direct investment, technology transfer or financial flows. It also includes intensified political, social and cultural relations between far-away places. However, this definition is not enough. There is a third dimension and an over-arching framework. An over-arching framework of organizations, international agreements, or rules is including things like leading currency and measurement norms. To a great extent, it determines who the winner or loser is.

Globalization is not a new phenomenon. It was developing over the centuries, always with respect to the relevant economy. The first nations who went beyond the European borders were the Spanish and the Portuguese, then the Dutch, and the English. Now, after the Second World War, the United States is a hegemon of the system. This globalization phase, in particular after the Second World War, at the end of which we may be now, has provided enormous benefits to the world. Yet, as Joe Stiglitz said yesterday, benefits do not trickle down everywhere, not even at the national or international level. Even though we are going through a successful globalization period (faced with certain crisis in between and crisis maybe ahead of us), there are still about 1.4 billion people who are extremely poor. The number was around 1.8 billion in the 1990s. Also, the number of very low-income countries has been reduced from about 63 in 1990 to 40 today. However, we still consider the nearly 25% of the world’s population living with \$1.25 or less per day still too much. Despite decades of development aid, apparently the aid was not effective enough. This is the reason why we believe that a new aid system is needed, an aid system which puts the emphasis on distributing the aid effectively to the people and not necessarily to the countries.

I will not pre-empt what Professor Itoh is going to tell us. Professor Itoh is a professor at the University of Tokyo and President of NIRA, the National Institute of Research Advancement.

Motoshige Itoh: It is my great pleasure to be here to discuss our project. In the project we focused on the problem of extreme poverty in the global economy. In the early stage of our project we tried to discuss the income disparity issue in each individual country, such as China and India. As you probably know, China has experienced very rapid growth, and expanding disparity, which is related to globalization. The problem of the income distribution exists among different countries in the global economy. These issues are very important and related to the problem of extreme poverty. However, we think it is maybe more executive than useful for us to focus only on the problem of extreme poverty.

Millennium development goals actually have two types of targets. The first one is to halve the proportion of the people whose income is less than \$1 a day between years 1990 and 2015. The other target is to halve the proportion of people who suffer from hunger. However, reaching these goals seems to be impossible. Yet, we have to admit that the reduction of poverty has seen some result. For example, in countries like China and India a large number of people live in extreme poverty. However, the number of people in poverty has been declining because of the economic growth. At the same time there seem to be some problems. In order to discuss these issues more carefully, first we have to distinguish two types of countries. The first type are countries like China or India, where still a lot of people live under extreme poverty. At the same time, the country itself is in a good economic condition and has the capability of dealing with the problem. Actually, the domestic policy of this country can be very effective if you just reduce the poverty.

The other types are countries with very low average income, like the south Saharan countries. In such countries, the very substantial support from the rest of the world, especially from the developing world, is very necessary and critical to change the situation. It is important to distinguish these two different types of countries.

If we combine the issue of poverty and globalization, many things are coming up. First of all, we have to be very careful about the diversified nature of the countries suffering from poverty. There is difference between China and India or between India and other countries. Secondly, we must discuss what kind of support, and what

is the reason behind our support. The presence of this substantial polity is very important for any people in this globe. Poverty has some other features as well. First of all, it has a so-called external economic effect. We have to think of problems like population problems, regional instabilities, or terrorism in a global context rather than just the problem itself. Moreover, when we are discussing the issue from a global viewpoint, we have to discuss what kind of attitude and actions are necessary in order to gain support of the European countries for the developing world. The aid contribution by the advanced countries on a voluntary obligation basis for the purpose of eliminating absolute poverty is insufficient. Therefore, we need some kind of rule for the aid process. Every country has differentiated responsibilities, beyond voluntary moral obligation, for eliminating absolute poverty in poor countries.

There are many reasons behind inefficiency of the previous aid system and support often did not reach the people in need. Such reasons can be government programs, corruption, or maybe giving money is just not enough. In this respect, we should discuss the new type of thinking about rules for making this new aid effective. The first thing is establishing a strong commitment for providing a system in the future of higher urgency. We must distinguish the very urgent problem from the more long-term problem. As I explained before, the most urgent problem is focusing the financial resources on the problem of extreme poverty. Secondly, we need transparency for the process of aid mechanism. Concerning other global issues, in other areas we have more discussion about this rule of transparency, or the rule of the law. For example, in the case of the global warming, the old countries are getting together and discussing what kind of a rule is necessary and effective to reduce the accumulation of the global warming gas. It is not just a voluntary action, it is a way of trying to find out the better and more effective system. The other example is trade. In the globalization world, the WTO has a very important law, not just for negotiation but also for trying to set the rule for each country in order to have a better trade and economic environment. With respect to the global poverty, we have to step forward, not only to pursue voluntary bilateral or unilateral aid action, but also to provide us with the more collaborative, coordinated, and effective solution. We hope for a more explicit type of action.

To conclude, I will briefly give you one example. We set up the criteria for the poverty line is \$1.25 per day. Yet, we still have 3 types of countries within the category. The first type is a country with GDP

per capita less than \$1,000. Clearly, China is not included here, but very poor countries are. If we only focus on these countries, where assistance from the outside is absolutely necessary, the amount of total support will be \$265 billion for the next 10 years. If you divide this number by 10, you can imagine the amount of money you need to push up the peoples' income. It is very simple for these countries. This number gives you an idea why emphasizing the poverty issue is very critical. We have already spent quite a large amount of money for success or for failure, but if we start thinking about spending 20% of official development assistance (ODA) on this particular issue, then, at least on the number level, we can deal with the problem. Of course, we have to discuss very carefully the governance issues, corruption and the mechanism through which we use this money. However, this is not just a dream, it is a very important and a very urgent problem. Probably other panelists will give us much more insights and ideas on this point. I will stop here and thank you very much.

Wolfgang Michalski: Thank you very much Mr. Itoh. I think the message was very clear at the very end. It is not only a question of resources. Now, I would like to invite first of our panelists. The first panelist who will get the floor is Professor Sonobe. He is the Program Director of the National Graduates Institute for Policy Studies in Tokyo. He is an expert in the development of Asia and Africa and has been particularly focused on class-oriented industrial development. In my opinion, he is also an expert in Aid. Thank you very much.

Tetsushi Sonobe: Thank you very much. I am pleased to be here to discuss this important issue. I will make two points related to the aid system programs to help you understand why the new system being proposed here is better. The total of ODA in 1999 was \$57 billion, of which \$24 billion went to the countries which were achieving Millenium Development Goals 1 (MDG 1). In 1999, the World Bank estimated that the poor countries need \$54 billion per year, in addition to the \$24 billion for countries achieving the MDG 1. This amount of \$54 billion per year is much larger than the \$26 billion per year – the amount needed to relieve extremely poor people previously mentioned by Professor Itoh.

Why is the estimated amount so different? I think that the difference between this \$54 billion and the newly proposed \$26 billion represents one of the serious problems of the old aid system. The gap of these amounts might go to the wrong places, such as the pockets of the corrupt politicians or officials. This is difficult to prevent, be-

cause extremely poor people are not only economically poor but also politically very weak and silent. Even in democracy, politically silent people are easily neglected. They are easily neglected by a corrupt government of the recipient countries, which, to some extent, has ownership over the use of the ODA money.

Ownership is important in the recipient countries but we have to ask: *“What kind of ownership?”* Even though the goal of donor organizations may be MDG 1, they may neglect extremely poor people and easily give way to the corrupt governments of the recipient countries. Such situations might happen when the donor’s motivation comes from national self-interest, such as buying the recipient country’s vote in elections for a seat in the United Nations Security Council. In such cases, it is more important for the donor to please the corrupt government of the recipient country than help the extremely poor people. In my opinion, it is difficult to reach the extremely poor people as long as the ODA is based on a private arrangement between the recipient country and the donor country. Weak commitment, like self-interest or a weak moral obligation, is insufficient. As you can see, it is very important to establish a new aid system with rule of law. The rule of law may be brought here if the new system is associated with better monitoring and verification system. In such systems, the cost of giving relief for the poor people may not be very high. I do not know how the amount of \$26 billion (around 20% of total ODA – \$130 billion) is estimated but I think it is not unrealistic.

The other point is related to the risk of famine and the need to remove this risk. That should be priority number two. Then, if the people become free from the risk of famine, they still need to become richer. In order to escape from their poverty, more productive agriculture for food and market crops is needed. Priorities number 3 and 4 should be industrial development plus, maybe in the case of agriculture, grant-agriculture. Even the poorest countries are already having a kind of grant-agriculture. For example, in Ethiopia, crop flowers – special expensive roses, are exported to Japan. The problem with the current system, the old system, is the lack of strategy.

Therefore, concerning the expansion of production to reduce the risk of famine, there must be a higher production capacity of food. Even though recently some initiatives are being taken, the strategy for expanding agricultural production is almost missing. In the case of industrial development, the strategy is completely missing. If you follow the publication of the World Bank development

report, they are concerned with agriculture, industrial development, or local things. Yet, you will not find any strategic consideration of what kind of project or program should come first. Currently, we are so busy talking about our priority number one, but we should start thinking about priorities two, three and four in a more strategic way. Thank you very much.

Wolfgang Michalski: Many thanks Mr. Sonobe. The next speaker is Professor Thomas Pogge. Professor Pogge is professor of Philosophy and International Affairs at Yale University. Among many other credentials and posts, he is a member of the Norwegian Academy of Science, and published widely on moral and political philosophy. Recently, he is working on a research project at the Australian National University in Canberra. The floor is yours, Thomas.

Thomas Pogge: Thanks very much. I would like to thank The Sasakawa Peace Foundation and the Chairman Jiro Hanyu for inviting me to take part in this panel. Even more importantly, I would like to thank them for raising the topic of extreme poverty, which is a crucially important and crucially neglected topic. In my opinion, the most important thing that you need to know about poverty is that you cannot take the World Bank numbers at face value. These numbers are deeply methodologically flawed. The most reliable numbers are the numbers about the chronically under-nourished people, people who do not have enough to eat every day. This number has gone steadily up since 1996, when, at the World Food Summit in Rome, all the assembled governments promised that they would halve this number by 2015. At that time, the number was 788 million and in 2009, it reached above 1 billion for the first time. This year, the number is set to do so again.

Even if the World Bank's extreme poverty numbers seem to suggest the opposite, things are actually getting worse. If we ask why, the superficial answer would be rapidly growing income equality in the world. If you look at the bottom quarter of the world's population, the global household income share has fallen from 1.16%, already quite a ridiculous number, in 1998, to 0.78% in 2005. In plain language, in only 17 years, the bottom quarter has lost one-third of its share of global household income. Yes, globalization is good. The world economy is getting better and the average income is rising, but the poor are not participating in it.

Another thing you might know is the number of people who die from poverty-related causes each year. The number stands at around

18 million, and has not changed pretty much in many years. Often, they die of trivial diseases including malnutrition, tuberculosis, or malaria. Eighteen-million is almost a third of all human deaths. This means that a third of all deaths are related to poverty or similar causes. This is not some small marginal problem, it is serious.

In one sense of the word, globalization and the increasing importance of supra-national governance institutions are related to this situation. Many of the decisions that affect us and our economic interactions importantly are now made above the nation-state level. An example is the WTO system. The decision-making at supra-national level is much less democratic, transparent and accountable than decision-making in most nation-states. The governmental delegations meet and discuss behind closed doors, and announce the result at the end. There is no transparency. You do not know exactly what they are discussing, or what formulation particular governments proposed. Behind this relative anonymity governments can essentially do what they want. As they are less dependent on the opinions of ordinary citizens, they are more dependent on the pressure from the largest corporations, banks, or industry associations. A very small number of very important agents play an important lobbying role in designing the institutional order at the global level.

Now, the people who have that power to influence do not hate the poor at all, they are just indifferent, love themselves and influence in their own favor. A foreseeable, but unintended side-effect is that the fate of the poor is getting worse. Many of the global institutional arrangements are not particularly friendly but rather hostile to the poor. That suggests that one important component of a better aid system is not only improvement of the aiding system, but lifting some of the burdens that are presently imposed on the poor. We need to stop some of the headwind that is blowing in their faces. I would like to give you two examples of that.

One is a very important convention, so important that it is almost unnoted in our institutional order. We recognize any personal group exercising effective power in a country as entitled to sell the resources of the country and to confer legally honored ownership rights of these resources to whomever buys them. Moreover, these groups in power can borrow in the country's name. We give this privilege to anybody, no matter how they exercise or came to power, even if they do not govern in the interest of the population. That provides very strong incentives to take power by force. Also, it allows very bad governments to entrench themselves, especially in the resource-rich de-

veloping countries. It is very convenient for the rich world because we can buy the resources from whoever is in power. On the other hand, it is a disaster for poor people in the poor countries.

As we mentioned before, another problem lies in the TRIPS agreement. Namely, it is worldwide existence of a uniform standard of property rights, especially in such important field like medicine. The poor countries, as a condition of membership in the WTO, are forced to introduce intellectual property protections in their countries, which mean that 20-year long product patents on all medicines are implemented. As a result, these medicines are very expensive and poor people cannot afford them until the patent period expires. Again, this causes enormous numbers of deaths in the developing world. In my opinion, before we even start thinking how to channel aid effectively to the poorest, first we should think about how to relieve their burden. We should find a way to create a system of incentivizing pharmaceutical innovation that does not rely so heavily on monopoly patents that exclude the poor.

I would like to introduce you to one idea that I am working on with a big team. It is the idea of the health-impact fund. The health-impact fund would be an international organization, funded by willing governments and distributing \$6 billion per year. Rather than a privilege to raise the price, the fund would reward willing innovators for their innovations, on the basis of the health-impact of those innovations. Any company could register a new drug with the health-impact fund. Thereby, it would give up its power to raise the price of the medicine. Moreover, it would sell the medicine worldwide at cost. On the other hand, the reward for the first 10 years on the market would be measured by the proportion to the health-impact of the medicine.

And what health-impact fund illustrates is a rule-governed system that would tie the interests of the poor to the interests of many of us. We, in rich countries, have a problem as well. We are paying too much for medicine, and health-care in general. Therefore, the health-impact fund system, paying strictly for measurable results, is a system that benefits rich and poor alike. This feature makes it politically more feasible than any system that focuses on the extremely poor alone. One also has to be politically savvy to institute such system.

I tried to introduce a more general point. Of course, aid is important. Yet, we need a system that is governed by clear-cut and predictable rules for everybody. More effective aid can work not only through the money received by the poor, but also through the in-

centives that it provides to other agents, such as the governments of developing countries. If they know about existence of such rules and are aware of the fact that the aid they receive can dry-up if they do not manage to make the aid effective, then that incentive is going to lift their behavior. Moreover, it will have a secondary, also wholesome, effect on the poor. Of course, the system requires predictability over time and collaboration across the many donors. Therefore, all countries need to institute such a system, otherwise the poor country can ask other countries for loans. In that case, they can still get the money without living up to the imperative and making the aid effective. To conclude, we need collaboration across all the aid-giving countries, and base the system on firm transparent rules. This would provide clear incentives to local governments and organizations, and make the aid effective. Thank you.

Wolfgang Michalski: Many thanks Thomas. I wonder whether Professor Itoh, or Professor Sonobe would like to intervene already now.

Motoshige Itoh: I think what Professor Pogge just mentioned was very important, especially about our understanding of the role that the World Bank and the IMF have. We have been discussing the issue of transparency and democratic accountability. In this sense, they represent one of a few institutions doing so much with having little transparency or the democratic processes. It reminds me of a very interesting example in the area that I am specializing in – trade. As you probably know, after World War II, the countries tried to establish the International Trade Organization in 1946 or 1947. This institution was too influential and too effective and therefore was not established. Afterwards, they moved to the system called GATT – General Agreement on Tariffs and Trade. One of the very important features of GATT is that it was not very influential – they only set rules and their coordinators. Under such rules, many countries, especially American, European, and Japanese, were negotiating better trade conditions. The World Bank has a very important role, but we should not let them do everything. To conclude, we need a good set of rules to create more active participation of all stakeholders. I hope we can discuss more about this issue later.

Wolfgang Michalski: Yes, but I think it would lead to a new sort of conditionality, not the old conditionality of the Washington Consensus but to a certain conditionality with interference issues.



Law and Environment

Monday, October 10, 2011, Goethe-Institut

Moderator:

Hassane Cisse, Deputy General Counsel, Knowledge and Research, The World Bank, Senegal

Participants:

Maria Ivanova, Professor of Policy Studies, University of Massachusetts, USA/Bulgaria

Bedřich Moldan, Director, Environment Center, Charles University, Czech Republic

James Mancham, Founding President, Republic of Seychelles

Jan Dusík, Deputy Director and Officer-in-Charge, UNEP Regional Office for Europe, Switzerland/Czech Republic

Mikuláš Huba, Environmentalist, Deputy Director, Institute of Geography, Slovak Academy of Sciences, Slovakia

Hassane Cisse: My name is Hassane Cisse, and I am honored to be moderating this panel discussion on law and environment. As you know, the impact that we as human beings are having on the environment is very extreme and therefore law has an important or crucial role to play in how we manage environmental resources of the world. As you all know, dealing with the environment requires the involvement of politicians, policy makers, lawyers, advocates, you name it. A lot of people are involved in the management of the environment.

Yet, it is good to know that since the many environmental conferences that have taken place, the issue of safeguarding the environment and managing the use of our resources is at the forefront of the global agenda. Many people are making a difference in that area. I would like, because this has happened yesterday, to mention and honor the memory of one of those people who have made a big difference in the area of environmental protection. Miss Wangari Maathai, whom you all know, unfortunately passed away a few days ago, was a Nobel Peace Prize winner from Kenya who founded the Greenbelt Movement, an environmental movement organization that was focused on planting trees, environmental protection and human rights. It is fitting then, since we are having a panel discussion on law and environment, to remember her and to be inspired by the memory of what she has done to protect the environment around the world.

For our discussion today, we are extremely delighted, and on behalf of the organizers, I would like to thank the distinguished panel that we have here. I will turn right now to them, and Jan has kindly agreed to be the first one to start.

Jan Dusík: Thank you very much Hassan and good evening to all of you. It's my great pleasure to be part of this debate since, as Hassan mentioned, I have two backgrounds. One is legal and one is environmental, so it very much rings the bell for me to deliver a few ideas which relate to those two topics. Obviously the environmental protection, or the environmental issues, are of trans-national character. These cannot be dealt with by national governments. There are a lot of trans-boundary issues. There is the issue of global commons, the natural resources differ from one country to another and the impacts, which we as human society make on our environment are also shared by everyone. It is natural then also that the solutions,

which we want to adapt to environmental issues, must also be supra-national.

Another feature of the environment is that it cannot go to court, it doesn't have a legal standing, so it needs protection from somewhere else. This protection is given by the legal framework and these start from the international level, through national, to sub-national. There are important issues related to this trans-national character of the environment, such as the danger of eco-dumping, where companies would profit from lower environmental standards, in access to global markets. There are advantages relating to trade, both from applying lower levels of environmental standards, but also there are instruments for having advantages from applying environmental standards. There is the notion which is omnipresent in the international discussions of shared but differentiated responsibilities. There are obviously countries who are better equipped financially and otherwise to deal with environmental issues, and others, who very often are the recipients of the impacts on the environment. There is the notion of equity, for instance, if we want to ensure the same level of development, the same level of services for all people in the planet, this cannot be done with the same impact that some of the parts of civilizations had, when they have undergone the developments. So it is obvious that we are looking for the same level of, for instance, energy services, for access to food, water, sanitation, etc.

However, we have to avoid the pressures on environment, which have been experienced in the past. The carrying capacity of the Earth is limited and it would not allow for that. The United Nations Environment Program is home to many of environmental conventions, not all of them, but they are typically the instruments to deal, or to set the international legal framework for the protection of the environment. If you compare the conventions as they have evolved over time, you see that they have a varying level of vigor. You have some of them which are working very well, such as the Montreal Protocol under the Vienna Convention, which is the protection of the ozone layer. This has delivered and this has been functioning very well, including the financial mechanism that has been established under this. There are other conventions which did not work so well. One example could be – we had earlier today the debate on climate change – is the delivery of the Kyoto Protocol due to various factors. One of the important factors is that it doesn't cover the main players and still, for instance, the United States of America have not ratified the protocol and obviously the landscape today is very different in

terms of contributors with greenhouse gas emissions to what it has been when the protocol or the convention was adopted. One feature existing in some of the conventions is the checking of compliance by member states or by parties. This has been working quite well for the instruments where there is such provision yet. It's not universal.

If we speak about the environmental governance at the international level, we speak about many deficiencies, gaps and problems with the varying levels of implementation by countries. This will, of course, be the subject of the upcoming conference in Rio de Janeiro, how to improve the level of international environmental governance. However, one has to be careful in creating the impression that everything works well, such as the environment not working well because of poor environmental governance, that's a false impression. There is definitely a need to strengthen this pillar of sustainable development, but if we look at the other pillars and the relation – especially the relation among the three pillars of sustainable development – we see that the whole system of framework for sustainable development and the organization within the United Nations system has to be reviewed and to enhance its quality. If we compare today to the situation in what has been adopted in Rio in 1992, that's clearly one of the main objectives of the conference next year.

International conventions are instruments at the international level, but then of course what is important for actually implementing is the adoption of national legislation. Sometimes in richer structures of countries, it involves a sub-national legislation as well, and what is key is the actual implementation, entry into force, and enforcement of that legislation at the national and sub-national levels. While you see that there are conventions to which many countries are parties, when you read the reports on implementation, you discover the degree of what is actually taking place and how this is implementation is varying. It's always important, when we are debating about possible new international instruments, to look back at what has been working, what has not been implemented so far, and to improve the record of implementation and enforcement of the current legislation. An important role in enforcing environmental legislation lay with not only the courts at national level, but also at the international level. The international courts have important environmental jurisdiction, and therefore the inclusion of judges or the legal professionals in general into the debates of environmental issues and environmental governance is, in our view, very important. That's what UNEP is undergoing right now, including the legal professionals into the

debate on the run-up to Rio and how the practitioners, the judges, and the attorneys view the environmental policy, environmental legislation, and its application at the international level. A very specific area of international law is European Union environmental law, and there, the advantage is that the possibility of enforcement of that law is much higher thanks to the European Court of Justice and the system of penalties for breaches of European legislation. Therefore, compared to the soft international law, even though if there are compliance mechanisms and compliance committees, the vigor, which can be applied at the European Union platform, is higher.

A final remark is on public participation. A very important part of the outcomes of the Rio 1992 conference was about providing public access to information, providing the public the opportunity to participate in decision-making and in the review of those decisions. This Principle 10, of the Rio Declaration, has been transformed in Europe into the Aarhus Convention. The convention has a compliance mechanism and is gradually getting more strength. What is now being discussed is how to replicate this European approach in other parts of the world, whether there would be other regional conventions, or whether this can be done at the national level. Yet, it is inevitable for the acceptance of the policies and legislation, which is required for environmental protection, that the public understand why this is being done, what are the underlying reasons, having the opportunity to have their say and to ensure that the process of developing the national or sub-national legislation includes the views of various stakeholders. In addition, the same goes for the individual decision-making. That's it for the opening, thank you.

Hassane Cisse: Thank you very much, Jan. What I am taking away from these very insightful remarks that you have made is the inter-linkages that you see throughout at the international, national, and sub-national levels. You have inter-relations between the policy dimension, the legislative dimension, the enforcement dimension, including the courts, as well as the public dimension, i.e., the participation from all stakeholders. I would like to turn to our other colleagues, Dr. Ivanova, would you like to comment?

Maria Ivanova: Thank you very much. Let me start by taking the pulse in the audience. How many of you know what *Rio +20* is? Please raise your hands? Okay, five people? Great, how many of you know what *UNEP* means? Maybe 7, 10, 15, no 15. This is important because

I was in a panel this morning, with connecting generations, where we were talking with the young people, all Czech, in English about the Internet, the environment, and about how we have dialogue between the young and the older generations. And I asked, "Do you know what Rio +20 is?" Not a single person knew around that table, not a single person. I asked, "Do you know what UNEP is?" United Nations Education Plan was the answer from most of the youth. I asked, "Do you know which is the international organization that deals with health?" Absolutely, "World Health Organization" came right away. Why do we not know that the United Nations organization that deals with environment is UNEP? Why do we not know that in six months, in June of 2012, we're going to have one of the most important environmental conferences. It is called, "Rio +20", for a reason. But if we say "Rio +20", even in this audience people don't know what "Rio" is, much less "+20." How do you put a plus sign on a city? When we say "Rio +20," what is "+20," plus 20 miles? Plus 20 degrees? Plus 20 kilometers? No, it's plus 20 years.

It's plus 20 years because in 1992, there was the Rio Earth Summit, which was the biggest environmental conference in the world up to that time. We gather in these panels, and yes, we've seen each other in multiple places, and we're talking, there's jargon that we understand, and some people in the audience understand, but what strikes me about this forum is that it's not the same. It's not the same jargon that we're used to, it's not, people don't know what Rio +20 is, but that doesn't mean that they don't care. I think it is our job to reach out to people, to have that dialogue that you mentioned, Jan, but perhaps we should have it on different terms. Perhaps we should have it with words that mean the same things to different people. In every single community that there is, people have their own language, their own jargon. They mean something by using the same words that mean something else in some other community. Our job here is just to open up that dialogue today and share with you some of the words, some of the insights and some of the aspirations that we have. What I would like to share with you briefly are thoughts on three things: What to change, to what to change to, and how to cause the change.

If we're talking about environment, at the global level, I think these are important questions. I think every person, wherever they are, in a university, in a company, in a hospital, should be able to think about it, because we all know what the environment is. Joe Stiglitz last night talked about sustainability in an interesting way.

He said, “*That which is unsustainable, cannot be sustained.*” Interesting thought. We have talked about sustainable development for a long time and Bedřich Moldan has been the chairman of the Commission of Sustainable Development at the UN, and at last year’s Forum 2000 you lead a discussion on planetary boundaries, and I think your conclusions were clear. We are exceeding the planetary boundaries. Where the conclusions are not clear is what to do about it. That’s why I think these three questions are important. So, what to change.

Very briefly. Again, three things. The fundamentals need to be changed. That is the economic model on which we depend. We cannot have an economic model that only produces growth without any thought of how that growth can be sustained. The consumption patterns are fundamental concepts, the education model that we have, and it has crept up in this forum from various panels that we’ve had, not just about the environment. The second thing that needs to be changed is the instruments, the instruments that we have at our disposal. These are the institutions within which we operate and with which we govern. Jan talked about those various institutions, the various conventions. UNEP is the, what I call, anchor institution for the global environment. It is the UN agency for the environment, and yet, not many people know it. Today I told the young people, “*it’s not your fault*”. Well partly it is, I said, but not completely. Then the third thing that needs to be changed, I would argue, is the narrative, how we talk about these things. That’s really where I started, by trying to figure out how much of a narrative we share and how much we’re talking past each other. Eyes glaze over when you talk with words that we understand, but the meaning just passes by us. A narrative is not only about language. A narrative is about knowledge and values. In addition, common language and common knowledge, lead to common values. If we share the same values, we will share in a common narrative. Therefore, we change the fundamentals, the instruments, and the narrative.

To what to change to? How do we change those fundamentals? We need a new economic model. I’m not going to tell you what exactly, because there are many people who have written about it: It’s Gus Speth, it is the “*Prosperity Without Growth*,” Tim Jackson. In the UK, a lot of people have talked about this. The planetary boundary awareness that you talked about last year at this forum is at the core of this, that there are boundaries, and that reminds us of the limits to growth in the 1970s. Now we’re saying there are limits of growth.

That growth itself cannot just be sustained forever. This is what Joe Stiglitz was referring to last night, even though not directly in environmental terms.

Then, in terms of institutions, what to change to is actually the major theme of that Rio+20 Summit, which will happen in June. UNEP is on the table as one of the organizations that are being rethought, re-formed. Thus, what to do with the UN Environment Program? What to do with the Commission on Sustainable Development? However, I would argue that we now need an anchor institution for sustainability at the highest level of the international system, that needs to be nimble, agile, small, to be able to orchestrate a large symphony orchestra, or a jazz orchestra, or any type of orchestra that would produce a common song, a common narrative, a common melody. That brings me to that third point, the narrative. I would say that we need to change the narrative from sustainable development to sustainability. What's the difference? It might seem subtle, and it perhaps is different in translation, but I am aware of that. However, sustainable development often, in Russian for example, translates into sustained development, that you would sustain your development. Yet, sustainability is a state that no country has reached, because in sustainable development we still have developed countries, developing countries, under-developed countries, and so forth. In sustainability, we don't have countries that have reached sustainability and those that haven't. That doesn't exist yet, no one is there. However, there are best practices, there are ideas, and there are examples from all parts of the world.

In India, for example, they have the Green Business Center and Indian Green Building Council that have done tremendous work in building green buildings, but not with the air-conditioning, but using local knowledge that would allow for a building to be green without air-conditioning, to use the natural systems in whatever locality they are. Therefore, the sustainability narrative allows for that learning from north to south and from south to north and south within south and various organizations, allows for much more participation. It also brings in the younger generation, because if there is one narrative that young people are now bought into, it is the sustainability narrative. I don't know how it is in Europe, but in the United States, the campus sustainability movement has just taken off like a rocket. Students all over the country are creating sustainable campuses, and they're participating, they're creating governance structures that govern from garbage, to university governance. They have

created their own models, and I'll be happy to share that a little bit later.

In terms of my third question, "How to cause the change?," leadership is absolutely critical. However, leadership does not come from the top only. I say that only, because it's needed at the top, but it can come from any point, from the bottom and from the sides. What we need is scalable and disruptive thought leadership, like the Aspen Environment Forum, which has this fantastic award for scalable and disruptive thought leadership. I believe the rocking the boat mentality needs to come back and for that we need political, academic, intellectual, and public action. Of all the changes necessary, I think that change in narrative will be most fundamental, because it will allow us to connect the dots from garbage to governance across boundaries and across borders. Thank you.

Hassane Cisse: Thank you very much. The reaction of the public says it all. What you have put to us is extremely compelling. Even just the structure of it, when you started with questions that many couldn't answer in the audience. You also recognized the fact that people are committed, even if the knowledge is not there, and I think that what you have given is a framework that will help people leaving here still have in their mind those three very fundamental questions. Thank you very much. We will go to our next panelist, Bedřich Moldan.

Bedřich Moldan: Thank you very much. Maria has put in front of us very important issues, actually. It seems to me that she put forward very important questions. If the Rio +20 would bring some answers, then these are answers to your questions actually. I would stress two of them.

First, is the governance question. That is whether sustainability will happen, as you put it, an anchor within the international governance system. That's a very good question because there are conflicting views on that and we definitely don't know what will happen. I am afraid that the big players, so to say, the European Union, the US, Brazil and others, G77, not only they have conflicting views on that, I am afraid that they have unclear views on that themselves. Therefore, in that respect, I am not very optimistic. On the other hand, the other issue is what could be the mechanisms, the instruments how to put forward, and how to somehow make the new narrative happen, as you put it. Then certainly the answer could be the green economy within the context of sustainable development and poverty, or edu-

cation, which is the second topic of the Rio +20. I think that this is something, which, to my knowledge, is promising.

You mentioned that we need a new economic model, that people like Ben Jackson and even Joe Stiglitz and others are talking about the necessity of fundamentally changing the economic model we are living in. However, I am afraid that, though it's a goal which may be very noble, I am not quite sure that it is achievable in the foreseeable future. In fact, if I may quote Achim Steiner, who is certainly not a person who would adhere to the current thinking and promoting the economic growth as such, he is cautioning us, and tells us that we actually need economic growth. We need it because there are still many people on our planet who are hungry, who are in under-developed regions and we simply need growth. This is certainly the question on how to make this growth useful for everybody, to be equitable and so forth.

Yet, I am afraid that the current model of economic growth is simply with us. If I am looking at the reaction of the nations and of the major economic institutions of this world to the economic crisis, starting with OECD and going to G8 and G20 and you may name it, the common bottom line is do everything to start a robust economic growth. This is the message of many economic summits. When they are saying that, they certainly are cautioning, "Oh this growth must be more environmentally friendly and more green and so forth," but I am afraid that it is not the essence of the whole effort to restart the robust economic growth. In that we may expect the world – I am not thinking about the distant future, but say five, 10, 15 years – I am afraid that we will still be with the economic model we are living in right now. So the question is what to do, because we all know, you mentioned the planetary boundaries and this is one of the examples that must be taken into account. We must somehow combine the current environmental thinking and current environmental knowledge with the economic and societal reality of the contemporary world. In this respect, my hope is the environmental governance will strengthen and not only by upgrading UNEP to some sort of inter-governmental and global organization of the type like WTO, or whatever, but also by strengthening the international environmental law, in particular in the form of the multilateral environmental agreements. This is the core of the contemporary model of international law and this should be strengthened and is doable. In this respect certainly the process of UNFCCC is extremely important and there is no sur-

prise that it attracts so much attention by world leaders like we have seen in Copenhagen in December 2009.

I hope we will see it in Durban and in other places that these things could work, but it certainly will not be easy. Though the process of the climate change negotiations is difficult and slow, we may see the progress towards a more green, safe and environmentally friendly safe place for the whole humankind – if I may quote Professor Rockström, who brought this notion of the environmental boundaries. Yet, how do we proceed in promoting and fostering these multilateral environmental agreements? I think that here we should seek the synergies between different sets of interests. This is why I would like to stress the importance of seeking the differences, the conflicts, and on the other hand, synergies between and among different interests. I am talking about the interests of the global community. I am talking about national interests, which could be very different from that. I am talking also about the interests of our, so to say, major groups, and I am not only talking about major groups in the sense of what the UN is defining, but major groups in very general sense: interest groups of different kinds. It is extremely important to consider to all these possible stakeholders, to be aware of their interests and try to put them all together and try to find the synergies and try to get rid of the most important conflicts. My simple advice is to be very realistic, realize what are the real driving forces behind these interests and try to analyze and harmonize them. That is what I would like to say. Thank you.

Hassane Cisse: Thank you very much Bedřich. We heard now the voice of realism saying whether what is desirable is doable. In the context of that question, you have identified some crucial elements that at least could be focused on if we can achieve everything that is desirable, including as you said, focusing on improving the environmental governance as well as finding synergies between the different sets of interests that stakeholders have. Now let me turn to Mikuláš Huba to share his comments with us. Thanks.

Mikuláš Huba: Thank you. Mr. Chairman, ladies and gentlemen, I am very glad to be here because I've liked the Forum 2000 Conference from the early beginning, first of all, due to the philosophical, ethical, and visionary orientation of President Václav Havel and his effort to go beyond horizons. In this sense the law is not only the law, the environment is not only the environment in traditional under-

standing and relationship between the law and the environment is much more than is visible at the first glance. Let me begin by coming out from my personal experience with the creation of the new environmental legislation in our region, in Central and Eastern Europe, but also with many deficits which survived in this field during the last 20 years, despite the big progress.

Where is the problem? If it's true that the enforcement of law in the former communist countries is more complicated like in traditional democracies, it's even more so in the sphere of the environment. This is because it's one of the youngest legally relevant spheres compared to others and the environment is interpreted by many as not so relevant, for instance such as property detriment or physical violence. Under-developed civil society in post-communist countries is another cause of the deficits in this field. Since the accession to the European Union, our legal system is more or less compatible with that of the EU, including the environment legislation, which means it's not the main problem. Our environmental law and other legal norms are not too brief either. A good comparison with Switzerland, for instance, where similar norms and documents are much more brief and the scope and size of them is much smaller and lower than in our region, and in practice the implementation or practical environmental protection is much better in our region. So what is the problem? This question may be more for psychologists, sociologists, lawyers, legislators and environmentalists.

In my opinion, it's a combination, and even synergy, of several reasons, such as influence of corruption and clientelism; poor legal consciousness of the society, including the majority of its representatives; step by step devaluation of the environmental law, for instance due to the shift of real legislative power from the written law to hands of bureaucrats. It's very much visible in our country. The similar problem is, the practice of exceptions, because good laws do exist. For instance the nature protection law, however the practice of exceptions devaluating it so much that it's almost useless. For instance, in our national parks the legal position of the environment in the political agendas of political parties, governments, parliaments, etc., insufficient public participation and public control of power, lack of investigative journalism in this field, stereotypes of law-free traditions and mentality. Also, it is the insufficient international pressure, for instance from the side of the European Union and its institutions. Yet the general problem is lack of knowledge and consciousness of all kinds of elites, like Ms. Ivanova presented few min-

utes ago. All elites, from political to intellectual, lack the concern for the environmental issues. There is an absence of the sincere interest of the establishment to improve environmental situation and lack of understanding, respect and positive attitude to the nature, landscape and the environment.

The common public logically follows behavior of elites in this field. However, if I return to the relationship between the environment law and responsibility, in the frame given by this panel and spirit of this conference, it will be obvious that one of the topical sources of problems is the request of unconditional liberty and rights. This also does not respect to the fact that the other side of the coin is responsibility and duties. It's understandable after decades of human rights infringement in our part of the world, but not acceptable and sustainable from the future perspective. We are facing a global paradox. Never in the history of humankind, commons like oceans, etc., were more endangered, and common action in the field of the environment was more necessary. But probably never in the past egoistic individualism, obsession of materialism, consumerism and hedonism were so wide-spread, generally accepted, and even celebrated. We are looking for the global body, player, with enough authority and power to overcome traditional, individual, group or nationwide selfishness. Who has the biggest responsibility, as well as authority and real possibilities in this field in the frame of the global community? The body, as was mentioned here several times, that is responsible for the environment in the structure of United Nations is UNEP. However, UNEP doesn't have enough money, authority, and capacities to fulfill this role in a satisfactory way. Everybody feels that UNEP is not an adequate environmental pillar of the UN system and it's necessary to reform it, to strengthen it and to make it equal to others – security, economic and social pillars. This was main message of the head of the Czechoslovak delegation, Josef Vavroušek, in his speech to delegates of the Rio Earth Summit in 1992.

The supreme body in the field of environmental justice is as well known as the International Court of Justice in the Hague, but it almost never deals with the environmental issues, which is another indirect evidence of the deficit in the field of the international environmental law. From the point of view of UN regions, the UNECE region – it means Europe plus North America plus countries of the former Soviet Union – and institutions have to be global leaders in this field of the environmental protection, including the environmental legislation. It's something like the historical duty, or deal,

of this region for different reasons. First, our UN region is consuming the biggest part of global resources. During the recent history, it produced an enormous amount of environmental pollution. On the other hand, it has the most developed research and technology, despite the present crisis the best financial capacities. Moreover, it's a cradle of democracy and justice in the modern sense of the word. The leading countries of the UNECE region are especially responsible for the predominant economic model as well as the whole organization of the world, and have leading positions in international, financial, and other institutions.

Our region provides enough positive and negative examples, which can serve as inspiration as well as a memento for other regions. For all mentioned reasons, it's normal and understandable that especially the EU plays a leading role in the field of the environmental protection and sustainable development. Moreover, the process of the idea of the environment for Europe was born very close to Prague 20 years ago, in co-existence with preparatory process for the Rio Summit. It means we do not appeal to anything new, only to the improving, deepening and strengthening of the existing UNECE involvement in the global process. This UNECE is responsible for the environmental process for Europe. What about challenges for the near future?

They are to define environmental law in a much more precise way and to improve the implementation and enforcement of it. They are to improve the implementation and enforcement mechanisms of all environmentally relevant international conventions and other documents. It is also to strengthen the position of the environment in the frame of the UN and to make all institutions dealing with it much more influential and efficient, to improve the understanding of global commons and to support the development of global spirit in this field. Lastly, it is to support the spirit of global environmental solidarity and empathy in contradiction with selfishness at all levels. That's all, thank you for your attention, and now I am looking forward to your recipes and advices how to provide what I propose.

Hassane Cisse: Thank you Mikuláš. These were very insightful remarks. I noticed that you went from what you call the paradox of humanity facing this huge crisis and the inability to find the resources for a common solution to the challenges of implementation, in respect to enforcement and governance, which are issues that our other colleagues have also raised. Now allow me to turn to President

Mancham. You [President Mancham] have listened to the experts, now we all want to hear your insights about this very troubled situation that the world is facing as a statesman.

James Mancham: Thank you. John Donne said: *“No man is alive unto himself. We are all part of the all. Do not therefore try to seek and find out for whom the bell tolls. It tolls for thee.”* I think this provides a great projection towards the fact of globalization. Globalization has made this a very small world indeed. Whatever happens in the north can affect the south, whatever happens in the east can affect the west.

One area, which is of very much concern, is that of enforceability. It is good to pass a treaty, convention and law, but if they are not enforceable, what happens? In my own experience in Seychelles, I recall the time when the British government put pressure on us as a colony to ban the catching of turtles, which had been one of the traditional meals we used to enjoy. Directed by our colonial master, we banned the spearing of turtles, despite a lot of resentment from the local people, but the situation of survival of the fittest, you give on the weaker creatures around you. A few months after we passed the legislation, I went to London, where I was a guest of the London mayor for lunch. To my great surprise, the first thing on his menu was turtle soup. There you are, with a group of fishermen on some islands having been compelled to pass legislation to stop hunting of turtles. Recently I found myself in Beijing, and some friends decided to take me to one of the greatest seafood restaurants. There in a big bowl all kinds of fish were swimming, including three turtles. In came a group of successful, rich Chinese businessmen, and they pointed at one of the turtles and turtle was baked and served. So, in the end there is a question of enforceability. If we make a law, we must be able to enforce it.

I think there is a need for education. Maria, by the virtue of the question she posed, made us realize how ignorant we all are in the domain of environmental matters. However, she did not discuss the organization which she is involved with, namely the United Nations. Not enough money is being provided to this very important component of the United Nations in terms of educating everybody about our world and its environmental situation. The world belongs to all of us, and what happens here affects what happens there.

As small islanders, we are faced with the problem of global warming, which from scientific studies, happens as a result of large industrial nations and their production of carbon dioxide. In my

own lifetime, I have seen the beach I used to swim on become smaller, as the tide becomes more threatening to our coastline. I think leadership is of supreme importance; try and run an organization without a leader. Yet, above all, we need a world that is focused and sincere in the desire to bring about very fundamental changes.

We have spoken about economic growth; and let us not forget the words of Mahatma Gandhi when he said, *“There is enough in this world for everybody’s need, but not enough for everybody’s greed”*. Now we may say, well we don’t believe this. I am a member of the advisory board of World Future Council, which is headquartered in Hamburg, and the other gentleman was Deputy Secretary General of NATO; he came to speak. He happened to have also been the minister of defense of the Netherlands. And when I raised him one question, you know, he suddenly revealed that the collective world military budget was 40 times more than what the world is spending on human resource development. How is change going to occur if the large nations at the top do not have a change of heart?

There is a build-up of technology now in Seychelles. The Americans have stations and drones, which apparently are sent there to help us fight pirates. Pirates are there because Somalia has become a failed state. It is far better for a Somalian to end up in a Seychelles jail or prison, than to try and fight for survival in his own country. Our second largest industry, behind tourism is our fishing industry. In our own waters we catch and export 300,000 tons of tuna every year. However, this is what the French, Spanish and Korean call industrial fishing, as opposed to artisanal fishing: a huge net, 10 miles long, that catches a lot of other extra species, which are just thrown away. Is that sustainable? Artisanal fishing, in former years, was when people went fishing with a line and caught fish and tuna.

According to American newspapers, the drones that the Americans sent, revealed that these drones were supposed to spy and tell the Seychelles Fishing Authority whether there were pirates in the area. Our Seychelles authority did not need the more typical military design and ammunition that comes with drones, so there was none. So you see the world has developed technology which, when asked for, can be used in a peaceful manner. That is where proper leadership comes into play. When you see the amount of people in the States today who are living under the military umbrella, you wonder what would these people be doing tomorrow if there was peace. They have the Air Force, Navy, Coast Guard, but with peace, what would all these people be doing?

We speak about democracy. Democracy always points to the politician. If we want a better world, the politicians must turn themselves into statesmen. A politician is interested in power in the next election. A statesman is interested in the next generation – changes for the better. Politicians play to human demand for a better life, plays to the need of rising expectations. All human beings would like a better life. Politicians create expectations which they are not able to deliver. Now when we think about all these economic crises, although I am very democratic in my disposition, sometimes I tend to ask, “Should we not insist, as a condition or precedent, that an individual who cannot balance, or show that he can balance his own budget, should not be entrusted with balancing the budget of the nation?” There is a lot to consider, a lot of debate. I am very happy to have had the privilege and pleasure once again. It is my second time coming to this great city of Prague in order to share my humble contribution at this very great gathering. Thank you.

Hassane Cisse: Thank you very much President Mancham for these words of wisdom. I think that everyone here will remember at least two things that you said: When you talk about leadership, you spoke of the need for leaders to be thinking of the next generation, instead of the next election. I think in this area of environmental protection that should be the case, because we are facing a fundamental crisis in the world and it is not only about the next generation, but many, many future generations after us. The other point, which echoes all the points made by colleagues about responsibility, is having rights which echo responsibility, such as the words of Gandhi saying that there is enough in this world for everybody’s needs but not for everybody’s greed. I think that that also, in terms of the values, should drive the debate.



Breakfast: Peace Versus Justice

Tuesday, October 11, 2011, Žofín Palace

Introduction:

Oldřich Černý, Executive Director, Forum 2000 Foundation, Czech Republic

Remarks:

Gareth Evans, Former Minister of Foreign Affairs, Chancellor, Australian National University, Australia

Gareth Evans: Thank you all for coming this morning. I'm not sure about the quality of your judgment, coming here at nine o'clock but I certainly applaud your stamina on this great occasion. I guess if I asked anyone in this room, particularly at a conference, the central theme of which is the Rule of Law, whether you are in favor of ending impunity, once and for all, of those guilty, or thought to be guilty of the most appalling atrocity crimes, none of you would, for a moment, say anything other than, "Yes." Equally, if I were to ask anyone in this room whether you were in favor of ending, as soon as possible, deadly conflicts of any shape or form, in order to reduce to the maximum extent the horror and misery associated with conflict of that kind, again I'm sure that none of you would have any hesitation in saying yes. Sometimes in this life we cannot have it both ways; sometimes these values do come into conflict and create real dilemmas for policy-makers and it's that set of dilemmas that I want to talk to you briefly about this morning.

The starting-point is to recognize that we now have many more options than used to, for in fact ending the effective impunity which has been the case for so long, in so many countries, in relation to major human rights violators. There's been a dramatic development in the institutional underpinnings of international criminal law in this respect. It's true that for all of these institutional channels that are available there are still problems in apprehending the people in question, ensuring their timely trial, the appropriate punishment of indictees, but at least the institutional framework is there and we're better advanced than we ever have been.

To refer briefly, to remind you what those developments are, in the first place there's been some significant applications in recent years of the principle of universal jurisdiction, which means that any state, provided its legislated internally to give its courts this jurisdiction, can bring to trial any person accused of crimes against humanity and suchlike, irrespective of any connection of the accused or the crime with the state in question. Some of you may remember perhaps the most famous case of this kind in recent times, which was the prosecution in a Belgian court of Rwandan nuns charged with complicity in the Rwandan genocide. In the last few days there's been some controversy about the application of this principle in the UK with the government making some moves to remove the possibility of private prosecutions under that principle, in order to ensure that Tzipi Livni of Israel is not embarrassed when she visits London. But

nonetheless the principle is alive and well, has been for some time, and in recent years has been more applied than in the past.

Secondly, we've seen the establishment – following the example many years ago of the International Military Tribunal set up in Nuremberg in 1945 – in the last decade or so of specialist tribunals to deal with war crimes committed in specific conflicts, in particular the former Yugoslavia and Rwanda. And thirdly there's been the development of the number of specialist national courts with international assistance, like in-particular the extraordinary chambers of the courts of Cambodia, which are now trying the four most-senior Khmer Rouge cadres still alive, including one of my key interlocutors. I have to say that it was a pretty eerie experience, dealing with a genocide across a negotiating table, when I was involved in trying to put together the peace process in the late 1980s in that country. Another example is the specialist court in Sierra Leone, which is currently trying Charles Taylor, “The Butcher of West Africa,” a particular case that I'll come back to in a moment.

Fourth, and by far the most important development of all, has been the establishment – of course, by treaty, the Rome Statute of 1998 – of the new International Criminal Court, creating a brand-new jurisdiction over a wide range of international crimes and established on a permanent basis. There's no time limit on that court's ability to prosecute; it has jurisdiction in a whole variety of ways in relation to the states that are a party to that statute. There are 116 at last count and there's also jurisdiction in cases referred to it by the UN Security Council, as has been the case recently, for example, with Bashir of Sudan and Muammar Gaddafi in Libya. The availability of all these avenues for prosecution has meant that the policy dilemma that I began by stating has in a sense burst back to life because it's confronting policymakers far more often now because of the reality of these avenues for pursuing justice. And this is the peace versus justice problem – what do you do in situations where it appears likely that the offer of some form of amnesty to those who have committed or are alleged to have committed war crimes, crimes against humanity, genocide will hasten an end to conflict?

The demands of justice are very clear in these cases, and I'll spell this out in a bit more detail later on, but so too is the moral imperative to achieve peace, to bring an end to some conflict that has wreaked untold destruction and misery until then, and which may continue to do so if a peace agreement can't be reached. And these demands, let me tell you, do clash, from time-to-time, not so much

when one side has been clearly defeated in a conflict or has been, for practical purposes, defeated and is simply trying to negotiate the terms of its surrender. It's not so much an issue then because you can out all the emphasis then on pursuing justice when you've got someone pinned down in that way or defeated in that way, but certainly that arises when there's an ongoing conflict and where peace negotiations are attempting to reach agreement between parties who are very capable of perpetuating that conflict. And you certainly can't fudge these issues, as a number of human rights people of my close acquaintance are in the habit of doing, by saying "We'll negotiate peace now and address the impunity issue later. Just put it on the back-burner, but get on with it when you've negotiated the peace." This is wholly unrealistic in the real world because potential indictments are far too conscious of their vulnerability these days to settle for that kind of uncertainty. So this real-world policy dilemma does exist and it's certainly one that I experienced in acute form in the 10 years that I was President of the International Crisis Group.

I'm a human rights lawyer by training and by instinct I've been a human rights lawyer very much engaged in the business of conflict management, conflict resolution, conflict negotiation. Still, in Uganda and Sudan, for example, we had to wrestle the Crisis Group – with the very strong views that were expressed in a number of quarters – that International Criminal Court indictments were simply misconceived and a real hindrance to the achievement of peace in the cases in those countries of Joseph Kony and other leaders of the crazy Lord's Revolutionary Army which has been perpetrating havoc for a long time now for atrocity crimes committed in northern Uganda. And it was also suggested that the prosecution of senior government figures in Khartoum for crimes against humanity and so on in Darfur was misconceived also for that reason. It is possible I think to overstate the argument for giving amnesty in some of these cases in order to try and have a quick-fix peace negotiation. Sometimes, the arguments are very finely balanced indeed. In the northern Uganda case the International Criminal Court indictments do seem to have clearly concentrated the minds of at least the lesser Lord's Revolutionary Army commanders on the need to behave better and, for at least some time, it seems to have given Kony himself some sense that the net was closing in. But equally it hasn't succeeded in bringing him to justice or ending that threat and, as of right now, Kony and his associates really seem no closer to being arrested and the conflict no closer to being resolved.

In the case of Sudan, and in particular the Darfur situation of course, which was at its worst back in 2003, 2004, where there was most obviously one-sided atrocity crimes being perpetrated by the government forces, militia, the Janjaweed. Since then it has become infinitely more complicated because the militias in Darfur have often been creating almost as much havoc as the government side. But certainly in that early period there was a strong argument that moves to prosecute senior regime figures, including Bashir himself, were needed to pressure the country's leadership into re-calculating the costs of further defiance of the international community. And the argument was that any softer line, trading away justice for the hope of peace, would simply go on being ignored. The fears, that prosecution would only succeed in driving Bashir into a corner and would disrupt the conclusion of the North-South peace process and lead to a dramatic re-escalation of the Darfur conflict, were expressed and very widely articulated. In fact those fears didn't really ever eventuate but, that said, Darfur remains unresolved, the Bashir regime is now perpetrating some new horrifying violence in the South Sudan Border Area and, generally, we're still going around in circles, treading water on that whole issue.

Again the dilemma arose, much more recently in the case of Libya, with the discussion being "What the hell do you do with Gadhafi?" Do you threaten a criminal court prosecution, do you just leave that hanging over his head, as a possible encouragement to getting into a peace negotiation or do you actually proceed with the indictment and possibly drive him into a corner? This was quite a lively debate, back in February, at the time that the Security Council threatened prosecution and it was a lively debate for some months while the inconclusive civil war was being fought. But in that case it was pretty obvious that even when the Criminal Court held back for a little while to see what would happen and then when nothing was happening that indicated that Gaddafi was serious about a peace negotiation, moving to issue the actual indictment. It doesn't really seem to have made much difference either way, he's been determined to hold out and you've seen the situation unfold as it has. While in many cases of this kind that are difficult and really finely balanced, I think some other cases are much clearer ones and, although it may shock the conscience to not contemplate pursuing prosecutions when major perpetrators of atrocity crimes are involved, I really do believe that in some cases its quite clear that this can be helpful in ending conflict and saving, as a result, many more lives.

I think the classic case in this respect is the case of Charles Taylor whom I've described, I think quite accurately, as "The Butcher of West Africa." Algeria's initial grant of asylum to Taylor in 2003 was, I think, not at all unreasonable, given the prospect that was then looming of thousands more deaths occurring in basically the final battle for Monrovia, which at that stage was looming. There were some signs that Taylor's forces were on the ropes, that we were moving towards the end-game of that conflict, but he was very far from being in a mood to engage in a serious negotiation and there was a widespread expectation that there would be a major conflict in Monrovia and we'd see many more, thousands more people, dead as a result. Then two or three years later, there was understandable joy among human rights advocates in the region and around the world when Nigeria subsequently did succumb to international pressure and handed over Taylor, through Liberia, to be tried in the Sierra Leone Special Court, which is coming to a conclusion as we speak.

But my view is that in the absence of any clear evidence that Taylor had actually breached the conditions of his asylum in Nigeria, which were basically that he didn't interfere in any way, shape or form, on the telephone or in any other way, with what was going on elsewhere and didn't continue to play a role; that was the only condition that was set on his asylum and there's no evidence that he breached it. In the absence of such evidence and with him being handed over, in breach of the agreement to give him that asylum, I think this was a very unhelpful message to give to some other serial human rights violators in the region and elsewhere. I was quite close to the Zimbabwe issue for a number of years. Robert Mugabe was absolutely obsessed with the Taylor case and the way that Taylor was treated and he took that to be evidence of his own fate if he succumbed to the pressure which was very strong during one period a few years ago to accept some kind of "soft landing," some graceful exit from office as the price of resolving the terrible on-going situation in Zimbabwe. So I think there is a strong point to be made that if you're going to make these asylum agreements, you've got to stick to them, because otherwise it becomes worthless as a peace-tool in future cases. But none of this amounts to any kind of easy solution to what you do in these cases and let me just spend the last few minutes telling you how I think these cases should be resolved. I think basically there are two important principles that are applicable here and let me work through them one-by-one.

The first principle is that justice is the default position and it's only in the most exceptional circumstances, where the evidence is really clear that major peace-benefits are involved, serious consideration is given to discontinuing an investigation underway or granting some kind of formal amnesty. Justice – and this has been debated a bit at this conference – really serves too many public policy goals to ever be lightly traded away. By my count there are seven goals that justice serves: retribution – helping to channel revenge through institutional rather than freelance channels, number one; number two, incapacitation – physically removing from the scene potential post-conflict spoilers from conflict situations. The third one is rehabilitation – getting some hope to offenders that they will have a post-justice future, which can be relevant, I suspect more in domestic than in international contexts. The fourth objective that justice serves is truth-telling – focusing on the reality of what's happened, stripping away myth and minimizing the prospect of repetition in the future. The fifth interest, which the literature is full of, is the notion of delegitimization – again exposing, discrediting wrongful behavior; the sixth objective is the institutionalization of human rights norms – which is an important objective to secure, through the effective application of justice. And last, but by no means least, deterrence – the power of example to prevent future misbehavior by others.

All of these benefits, and most especially the benefit of deterrence, are very significant over the long-term; you can't begin to argue with that – they're all important. It's only when the short-term costs of prolonging an ongoing conflict clearly outweigh these benefits that non-prosecution of clearly prosecutable cases should be contemplated. The obvious down-side risk of these situations is that the more the work of the International Criminal Court and others is perceived as negotiable, the more its role as a deterrent of atrocity crimes is undermined. The short point here is that the cases really do have to be exceptional to justify moving away from justice, with all its good objectives, as the default position.

The other principle that I think should govern our approach to these cases is that if decisions to give primacy to peace over justice have to be made in certain hard cases, those decisions are best made not by the courts themselves, not by the International Criminal Court or its prosecutor, but they should be made by the people with the appropriate political responsibilities. In the case of the International Criminal Court it's clear who has that political responsibility and the power and that's the Security Council, the UN Se-

curity Council. If it chooses to use Article 16 of the Rome Statute, which does enable it to suspend prosecutions for renewable periods of 12 months and, in effect, to suspend prosecutions indefinitely if it chooses to apply that mechanism.

The prosecutor's job is to prosecute and he should get on with it with bulldog intensity. His task, or her task, is to end impunity for the world's worst atrocity crimes; he or she does have the discretion under Article 3 of the Rome Statute not to pursue matters if the "interests of justice" so require – that's a very familiar thing also under domestic legal systems. But the interests of justice, of course, don't always necessarily coincide with the interests of peace. If they did, this would be a lot easier to resolve this dilemma. Having the prosecutor make the determination as to when and how to weigh the demands of peace against the demands of justice, I think, puts that office in an impossible position. He or she has to get on with the business of justice. If a judgment does have to be made, then it should be the Security Council, in the case of the International Criminal Court, to decide, however difficult that will no doubt prove to be in practice and the weight of expectation should be taken off the prosecutor's shoulders.

There is an acute reluctance on behalf of those who look at these issues from a human rights perspective, and I've had many arguments over the years with people like Ken Roth, the head of Human Rights Watch International, about all this. There's a real reluctance to give this kind of role to Article 16 of the statute, to acknowledge that there is a political way of stopping prosecutions continuing and I have to acknowledge that giving Article 16 this role is probably giving a bit more weight to it than was originally contemplated by the drafters. But the international community has to recognize that because there are competing principles of more-or-less equally compelling moral force involved here, there really does have to be some mechanism for accommodating them and Article 16 is the best available option in that respect.

So just to sort-of restate, in conclusion, it really is impossible to offer a neat and definitive answer to the dilemma that I've been describing. There are often inherent tensions and agonizing choices involved between these two demands of peace and justice, just as there famously are – and the philosophers among you will readily acknowledge this – between justice and equality or freedom and equality and other great pairs of moral principles that have generated debate over the centuries. The only way through the morass is

to treat justice and non-impunity as the default position. Recognize that that position is not absolute and that real-world cases will arise where arguments for making exceptions are compelling. Human rights lawyers, human rights advocates should not feel that they're letting down the side if they accept that. Those of us, like me over the last decade, who are primarily in the conflict prevention and resolution business and those of us, like me in the rest of my life and many of you here who are primarily in the business of human rights protection and hunting down and punishing the guilty – all of us ultimately want the same thing and that of course is both an end to a violent conflict and the horror and misery of war and atrocity crimes and at the same time, to ensure the dignity and the common humanity of our fellow human beings. And on that basis I'm happy to open the floor for discussion.

1st Audience Member: Two questions if I may. My name is Peter Brod. On the Charles Taylor case, do I understand you correctly that it was wrong for the Nigerians to surrender Charles Taylor once they had given him refuge or asylum and that therefore, by their action they, brought an element of insecurity into future cases of that sort? And secondly, could you make a general comment on the state of international law? I understand that it's a very worried issue but it seems to me that, as opposed to the situation 30 years ago when I was a student, when international law seemed to be a fairly solid body of Rules and Bylaws etc., the current situation is very much more in flux, with the proliferation of International Courts with humanitarian interventions by several bodies or coalitions – let me just mention Yugoslavia or Libya – and therefore that it seems that international law is nowadays less solid than it used to be.

Gareth Evans: Well as to the first point: Yes you've accurately stated my position on the Taylor case. That would shock a number of people because the world was cheering, not being anxious when Taylor was handed over to the Sierra Leone court. Let's make no mistake, I personally think Taylor is an absolute monster and deserves absolutely everything that he ever manages to get out of this process. But it is a matter of weighing and balancing the competing imperatives and I think the price of handing Taylor over, of Nigeria giving him that amnesty, was the saving of many thousands of lives and I fear that the price of undermining that agreement in the way that it, frankly, was so spectacularly undermined, will be making it a hell

of a lot tougher in many of these cases in the future, to get people to agree to amnesty arrangements of that kind.

It might well have been a factor in Gadhafi's willingness to respond to the overtures that I know were put out to him after that first Security Council resolution, which threatened prosecution and set in-train an investigation, but that certainly didn't amount to an indictment. There were several weeks that elapsed before the prosecutors said, "Yes we are going to proceed with an indictment – there's sufficient prima facie evidence," and that was plenty of time to concentrate Gadhafi's mind. But in the mind of these characters, frankly, there is always the Taylor experience. You can promise me amnesty but will you deliver on it? Will I just be giving up and exposing myself to exactly the same prosecution? So that's where I am on that, and there will be differences of view about it, but I hope that I have explained myself.

On the larger question about the current state of international law, I wouldn't be nearly so pessimistic about that. I mean in terms of the law of war and what justifies actually engaging in coercive military action, the international law is absolutely clear. It's only permissible in self-defense, under Article 51, or with the approval of the Security Council under Chapter 7 of the UN Charter. There's a little bit of a twilight zone with Article 8 of the UN Charter which allows regional organizations to conduct, sometimes, military operations, provided they later at least come back and get endorsement for that from the Security Council. We've seen a bit of that applied in the West African cases. But there's no argument about the legality of this and every now and again someone tries to make the case that, if a variety of conditions are satisfied, isn't there some customary rule of law, international law, emerging which would justify, legally, ad hoc coalitions of those willing to go and do their thing as they did in Kosovo, Iraq and so on?

My view is absolutely not. Not every international lawyer would take the same view and, from a policy point-of-view, those of us who are concerned to have a rule-based international order – and that's particularly true of those of us from small and medium-size countries who are never going to be able to throw our weight around nationally and defy international legal order – it's critically important that we observe that. That doesn't mean that you're necessarily completely stymied in a situation like Kosovo if you get a wrong-headed veto like the Russia's threatened veto in the case of Kosovo. There are plenty of examples in domestic law where a plea of mitigation is

accepted: “Yes, officer, I did go through the red-light, I’m aware of breaking the law, I acknowledge the law is clear on this, but my wife was giving birth to a baby in the back-seat at the time and I just had to get to the hospital.” There’s a sort of functional equivalent of that kind of plea in mitigation that is available as a policy matter in international contexts as well and I think that’s pretty well understood in the real world.

However, it’s not a principle you can abuse or misuse or use too often without putting at risk the basic rules. And as to the rest of it, I think there’s a solid infrastructure – and there are international lawyers here who are much more on top of this stuff than I am – but there’s a solid infrastructure of rules of behavior, governing governments and governing individuals, which are very clear and becoming increasingly clear all the time. A lot of those rules date back to the early years after the Second World War. They’ve probably been more honored in the breach than in the observance until quite recently, but we’re now seeing – maybe because of people’s willingness to say that sovereignty trumps everything else, but with the emergence of the Responsibility to Protect principle, about which I’ve been talking in other forums and I won’t labor here – movement towards a sort of normative acceptance of the force of those rules and the absolute need to apply and observe them. So I wouldn’t be at all lacking in confidence about the framework of international law that governs these things. It’s just that, even within that framework, you can’t avoid dilemmas of various kinds arising and every legal system in the world is familiar with those dilemmas. It faces prosecutors in domestic situations all the time, as to whether they give a waiver, an amnesty of some form in order to achieve some larger justice objective. And I’m just saying that this is exactly the kind of dilemma that can and will arise internationally and it shouldn’t be taken as in any way undermining the primacy of the effect and impact of that legal rule structure.

2nd Audience Member: I’m the Ambassador of Australia. I’d like to ask you, Gareth, about Global Governance. Global Governance – about 30 years ago we worked on your Blue Book, which was all about reforming the UN system. How urgent is that, given the challenges facing the world?

Gareth Evans: Well there are many ways in which we need to get better policy-making mechanisms in the international system and my

personal hopes are hanging on the emergence of the G20 in this respect, not only in the area of economic policy but in the area of a whole variety of social and indeed security policy issues as well. Because the truth of the matter is that there is no other mechanism at the moment which enables policy debate and possible agreement to be reached with all the major players in the world sitting at the table. But when you move on from policy to actual enforceable executive decisions there's only one global institution which has that power and authority, at least in the peace and security area, and that of course is the UN Security Council.

My belief is that we haven't got much longer before we really will have to reform the composition of the Security Council if that institution is to retain credibility and legitimacy for the next half-century or the next century. What we have with the Security Council – the membership is obviously an institution which precisely reflects the pattern of realities as they stood in 1945 – doesn't begin to reflect the power realities of the world of the early 21st Century. The problem is that although there has been endless debate about this, in which I and others in this room have participated, we all know the difficulties. You can't change the system without the support of the holders of the major power, the permanent members who hold the veto on any change to those arrangements, and it's an endless unproductive argument about how that might happen. But clearly you do have to bring in India, you do have to bring in the major Latin Americans, Brazil at least. Clearly you do have to bring in a major African voice or two onto that decision-making structure.

Nobody thinks it's going to make decision-making any easier and just look at the problems in the Syria resolution last week, when Brazil, South Africa and India basically ganged-up with Russia and China to stop even a very mild resolution, critical of Syria, being passed through. There's a whole complicated story behind that and there'll be many more such stories in the future, but I really do think that if we want institutions of global order – and particularly the most important institutions of all that are critical to the maintenance of international peace and security – to go on working in the future and to command acceptance around the world, then we have to change their composition by significantly ensuring the permanent attendance there, if not necessarily the veto rights, of some of the other major players. So that's very much an item on the international agenda and we ignore pursuing that at our peril.



Legal Institutions and Transition Success

Tuesday, October 11, 2011, Žofin Palace, Conference Hall

In cooperation with CERGE-EI

Keynote Speech:

Kenneth W. Dam, Professor of Law Emeritus and Senior Lecturer,
University of Chicago, USA

Moderator:

Hana Lešnarová, Member, Corporate Council, Forum 2000 Foundation,
Associate Director, Control Risks Deutschland, Germany/Czech Republic

Participants:

Boris Nemtsov, Politician and Opposition Leader, Russia

Gérard Roland, Professor of Economics, University of California, Berkeley, USA

Hana Lešnarová: Good morning, ladies and gentlemen, welcome to our panel. We have been informed that Yulia Tymoshenko in Ukraine was just found guilty by the Ukrainian court of abusing powers. The sentence is unknown, although she is facing up to 10 years for the gas deal she did during her tenure in 2009 with Putin. However, effectively what this means is that she is not going to be able to run against the current president of Ukraine, Yanukovich, in the 2012 election because convicted criminals are not allowed. Unfortunately this is one of the negative examples of how legal institutions work in the post-communist world, and today, this is what we're going to talk about. We will also talk about negative and positive examples of what legal reform has achieved. Now, I give the floor to Mr. Dam to give the introductory speech of what the legal institutions and transition success is all about.

Kenneth W. Dam: Although I've been in various public positions, I think in addressing this subject, I would like to explain how I have come to it. Unlike almost everybody else who speaks and talks about the relationship between the government and society, in discussing the rule of law, my approach as an academic has been quite different. I was interested in what we call comparative law. How does the common law system differ from what is common on the continent? With the civil law system, there are two approaches. There are countries that have a system, which is somehow derivative from the German law system and other countries that have legal systems derivative from the French law system. Therefore, that was how I first came to the question of what are the differences in legal systems.

I wrote a book, which is probably the reason I was asked to come, which has the title "*The Law-Growth Nexus: The Rule of Law and Economic Development.*" My intention in writing that book was not to give advice about the transition, but to attack a number of very influential articles from four Harvard economists, who go collectively, by the first letters of their last names: LLSB. They were kind of the standard doctrine because they were writing so many pieces and they were using econometrics and therefore it must have been good, because they were using data. Nevertheless, their conclusions were, in my opinion, misleading and just downright wrong.

Their first conclusion that I thought was wrong was that national legal systems based on the common law lead to the rule of law better than systems based on civil law. I know everybody on this continent will not like that and I did not like it although I was from

a common law country. I thought it was wrong. They also said that not only the rule of law, but the common law countries grew faster than the civil law countries. I found that this was factually wrong, and that was the basis for the book. However, whether you agree with the LLSB version or my version, I think everybody agrees that the rule of law is very important to economic development.

Problems of freedom and things like that are another subject that I did not address but others here can address it better than me. Therefore, I had a further conclusion which I think is very important. Overall discussion, general discussion about the rule of law is interesting, but if you really want to get very deeply in the subject, you have to look at separate fields of law, separate branches of the law. The best work that I have seen on governance in general, of which rule of law was part, has been done in the World Bank under the leadership of Daniel Kaufmann, who recently retired from the bank and is now in the Brookings Institution. He has been publishing along with his colleagues, some of whom are still working in the World Bank, annual indicators of governance. Under the Kaufmann-World Bank approach, rule of law is only one of six parts of governance. You have voice and accountability, political stability, governmental effectiveness, regulatory quality, control of corruption and the rule of law. Now, Steven Knack, lead economist for the work of World Bank, knew a lot about all the fields and he pointed out that the six variables are correlated. That is a good criticism from a statistical and academic point of view. This kind of approach is not too useful. What is the alternative but to take those factors that really bear on economic success?

The work done in the World Bank is very useful, but it does not address the issue that is bothering a lot of people, which we Americans call civil liberties, in other words the relationship between the state and individual people – which is tremendously important in the transition countries. I attended the session yesterday on the rule of law and the transition countries in which Grigory Yavlinsky said: *“There is no rule of law in Russia.”* He, I believe, was talking not so much about the economy, but more about property rights and the relationship of the Putin government to property rights of major entrepreneurs, as well as the rights of individuals and the individual capacity. I’m going to focus a little bit more on the economy and what kinds of rules help countries to grow more rapidly.

But even there you have to raise some questions about the rule of law. If the rule of law is so important, how does the most success-

ful of transition countries, China, grow so rapidly and so persistently? You can't say it's because of its rule of law record because in the statistical analyses it ranks in the lower half of all countries, close to the middle. And that is a puzzle that I have been very interested in. It's partly a technical issue. Those of you who have studied GDP calculation should know that there are various ways of studying it, particularly one that is purchasing power parity or PPP. The other is, you look at actual market exchange rates to see how countries compare to each other, and certainly, if you use the PPP measurement, China is growing particularly fast. Nevertheless the China issue is very important. You know that their background is completely different from most other countries in what we call here the transition countries.

There are very interesting works on China by Franklin Allen at the University of Pennsylvania and Jun Qian at Boston College. The works basically say that the rapid growth of China is not in the state-owned industries or even in the privately owned companies that are listed on the exchange list, but it is in the small family enterprises that you find all over China. That might help the countries that have the most of their economy based on state-owned industries or formerly state-owned industries, and don't have that small, family firm dynamic sector that China has. Now if you look at the values, and I base this not on the academic work but on talking to Chinese scholars who were interested in this, the role of the family, the role of education and the role of mobility has been very important in China, and may be special to China.

I met the President of Georgia, who was here yesterday, and he put great stress on the importance of education of very young people, when they're first entering school. He said that they should study English and computers from the very beginning.

Now, there are other things than economic growth and GDP. One of the problems in China is that the rapid growth of GDP is not flowing through to families, to individuals. The rate of consumption in China compared to GDP is very low, lower than in most free market countries. For example, the rate of the proportion of GDP that goes to consumption is below 40% in China. In the United States it would be 65% or 70% and I think in Western Europe it would run almost as high as in the United States. Be sure, in the United States we suffer from a lack of investment, which is not consumption. I was in a conference in Beijing about a month ago and a government economist told me that the rate had fallen to 34% in China. As you can see,

economic growth is great but it does not flow through to ordinary people. You therefore have to ask yourself what's going on. Is there something wrong?

Now, let me turn to the transition countries. I went to Russia exactly 50 years ago and I've gone back at least a dozen times since then and even spent a whole month in Krasnodar during the *perestroika* period. I have visited most of the countries at various times, but these visits give you a feeling for the people and the culture, but they really aren't very good for analytical work. They are not a basis for an analysis of the economies and so I tried to follow the transition somewhat at a distance and I've attempted to follow the work of the European Bank for Reconstruction and Development. The EBRD has done a great deal of work on transition, it has made a major contribution through its extensive work on this subject and through publication on common law and transition. I recommend this regular, periodic publication, to those who are interested in legal aspects of transition.

One of things that I like about the EBRD work is that they don't talk about rule of law in general, they talk about it in very specific sectors, especially in specific economic sectors. I also like the EBRD because they really emphasize the financial sector. Many scholars in this area stay away from the financial sector because they feel they don't really understand the financial world as it's gotten more and more complicated, but that has not held back the EBRD. I'd like to point, just as a basis for some concluding comment, to one particular EBRD publication. It's called "*Creditors' Rights: Creditors' Rights and the Russian Revolution.*" In other words, they are saying there has been a huge revolution in Russia in the earlier relationship between creditors and debtors. They particularly point to the bankruptcy law reforms in 2008 and 2009 in Russia. They also point out that there are lots of things that you would not have seen under the Soviet system; you don't even necessarily see it in every Western European system. These include the idea of self-regulation, voluntary bankruptcy (in other words the debtor could put himself into bankruptcy, it doesn't have to be by a creditor), public registration of public information, the modernization of what they call "pledge law", which is used outside of actual formal bankruptcy, and the use of independent operator. Therefore you have some independent figure that is determining what is owned and what the property is that has to be divided up to pay the creditors.

The question is: Is it working in Russia? In other words, it is all great on the books, but what is it like on the ground?

What the law in the books is, in this case of this new law in Russia, is something the United States can learn from. For example, Joe Stiglitz yesterday criticized the United States for not using the bankruptcy laws to reach the financial background. The US Government, US Treasury and the Federal Reserve stepped in to have a bailout procedure, precisely to avoid bankruptcy. So, maybe, if we had approved bankruptcy laws, along the lines of what has been done in Russia, then perhaps we would have a better way of facing financial crises in the future. There will be future financial crises, I am sure of that.

Nevertheless my point is that there really is a puzzle that I would like to hear about: To what extent do all these changes in formal law in Russia and in other Eastern European countries generally really make a difference in practice? Is there something else going on that means that they are good on the books but not necessarily what actually happens? I am not clear about that because that is not something I've studied, but I think it's worth considering when you're considering rule of law in the economy, not just rule of law in the sense of individual freedoms and liberties.

Boris Nemtsov: Twelve years ago, Mr. Putin, during his first presidential campaign, mentioned that Russia doesn't need rule of law. Russia needs a dictatorship of law. Nobody understood Putin at that time but now we recognize what is happening in my country. The first case of dictatorship of law, which is well-known all over the world, is the Yukos and Khodorkovsky case. Mr. Klyuvgant, my friend and the lawyer of Khodorkovsky, is here and of course he knows better than I what is happening, but I will describe it. This is a 100% politically motivated case including bankruptcy. Yukos was the best Russian company. It was very profitable, very competitive, and paid a huge amount of money to the Russian budget. However, this company was a personal enemy of Putin, and what happened next is well known. Khodorkovsky is still in prison, unfortunately up to 2017. He has spent eight years in prison, the company went bankrupt and now this company is a part of Rosneft, the biggest state-owned Russian oil company. The role of the judges was very simple – sign decisions, which are prepared in the White House and the Kremlin.

Nevertheless, this is not a unique case. Let me give you something new and modern. A few weeks ago, on September 24, Putin de-

cided to be the President of Russia forever. This decision was made during a party of the congress of United Russia. Just two guys – one is Medvedev and the other is Putin – and Putin proclaimed this decision, “*I am the next President and my small partner Medvedev will be the Prime Minister.*” This is the dictatorship of law. According to the rule of law, we are facing the so-called upcoming Duma elections, which will happen on December 4, and an upcoming presidential election, which will be held next year in March. However, nobody cares about that. The result is well-known now. The main problem for these men is how to invite people to the pools because people have no idea about their role in this dictatorship of law.

Second, a sad example was the elections in St. Petersburg, which happened on August 21. Though it was a municipal election, it was very important because the winner of this election became the Chairman of the Council of the Federation. This is the third most important position after the President and the Prime Minister. I took part in this election with the slogan, “*Vote for St. Petersburg, vote against everybody.*” This election was not announced. Do you know of any examples in the world where elections were not announced? This is the second most important city of Russia, St. Petersburg, it’s the capital of the northwest. Galina Matvienko decided to become the Chairman of the Council of the Federation, but organized it as a secret election. When she announced that she was running for the post, registration was over. That’s why there was no opposition. No independent candidates took part, just relatives and her staff. Matvienko got 95% in these so-called elections. In some polls, Matvienko got more than a 100%. When you ask somebody how it happened, the explanation is quite simple. They put so many ballots, however many they wanted, in the box without any calculations. Observers were out and the police put everybody into separate pools from the observers. This is the reason why Matvienko became the Chairman of the Council of the Federation, by using dictatorship of law, fraud and manipulations.

Another funny example of the rule of law, which happened to me, happened during a TV show on December 16, 2010. This is a traditional TV show where Putin answers questions about the country. He is in the studio, and the so-called ordinary people ask him questions. This show happens every year before Christmas, and last time, Putin mentioned that Nemtsov, Ryzhkov and Milov, our opposition leaders, are completely corrupted. Nemtsov stole billions of dollars with Berezovsky and we must do everything to avoid such

kinds of development of the country. Of course this is a complete lie, because if it were true, I would not be in Prague. I would be not far from Khodorkovsky. That's why we decided to send an application against Putin to Putin's court. This is the "Sevelovsky Court," which is in Moscow, not the Chamovnichesky court or the Basmanny court. Discussion in the court was great, this was a great example of Putin's rule of law. We asked a question to Putin's lawyer, Zebralova, "*Do you know with just one decision of the court, that I am corrupted, a murderer, a briber, and whatever?*" She said, "*No.*" I replied, "*Maybe you know about a criminal case against me, which is under investigation now?*" She said, "*No.*" Then I asked, "*Your boss, Mr. Putin, mentioned that I am criminal, I am corrupted. Do you have just one argument stating that this is true?*" She answered, "*Yes, look at Wikipedia.*"

Wikipedia, funny. Well, the judge was very excited about Wikipedia and, since we have very well developed *Sevelovsky* Court with wi-fi, she wanted to learn what Wikipedia was, and I explained to her that everybody can change an article about me on Wikipedia, even this moment. She said it didn't matter, and after that she asked Putin's lawyer to give all the information from Wikipedia to her. After that, I suggested to the judge that she use Google to find articles about "Putin war" and "Putin criminal." She refused, but I did. Two million responses appeared with "Putin criminal." I suggested that the judge looks at all of the information from the Internet search. She refused. The result? Of course, our application was rejected. The judge said that Putin really mentioned that Nemtsov, Milov and Ryzhkov are corrupted and stole billions but as symbols, not people. I am not a person, I am a symbol.

I heard a lot of other examples too. For example, we had very interesting court discussion with a Mr. Putin's friend. His name is Tymchenko. Tymchenko had business with Putin at the beginning of the 1990s where he exported petrochemicals outside of the country. There were a few criminal investigations against Putin and Tymchenko in the beginning of the 1990s while he was in office in St. Petersburg. Now, Tymchenko is the biggest exporter of Russian oil. He controls 40% of oil export from the country. In 1999, he emigrated from Russia, he paid taxes in Switzerland. He pays nothing in Russia, but he is the biggest oil trader there. Mainly he exported oil from state companies. Therefore, I published a report about corruption, Putin's corruption and Putin's results (1 million copies, this is the biggest circulation among opposition in Russia) and Tymchenko decided to argue with me in court. He mentioned that he be-

came a billionaire because of his friendship with Putin and controls Russian oil export because Putin gave him that kind of permission. Well, of course he won.

That's why I want to tell you that the main problem of Russia is the absence of rule of law. That's why Yavlinsky was right. Especially, if you want to find law and legal opportunity, argue with officials and oligarchs who are close to Putin. Of course, if there is discussion about the future of your kids, maybe the court will be honest. Maybe, it depends on bribes. If you want to come to the rule of law as far as Putin's problems are concerned, or Tymchenko and his friends from St. Petersburg etc., it is absolutely impossible.

The People's Freedom Party organized this party with Mr. Ryzhkov and Mr. Kasyanov, former prime minister and former deputy chairman of the State Duma. We did everything in order to be registered, we have 46,000 participants of our party and members, but Putin, the Minister of Justice, rejected us. They rejected everybody who was in the opposition, not only our party but nine other parties during the last 10 years. That is why this is an election without opposition. How do we describe elections without opposition? What is it? Soviet style of democracy, sovereign democracy, and post-Soviet capitalism, what does it all mean?

Hana Lešnarová: Can I jump in here? I was just curious whether the Russian people are happy with that sort of set-up where there is an absolute lack of rule of law. Also, we have a number of western companies operating in Russia, the EBRDs doing all kinds of things in Russia, how come the western companies are happy with it?

Boris Nemtsov: I don't think that western companies are very happy about it.

Hana Lešnarová: But they are there.

Boris Nemtsov: But I think that the majority of them understand that, in order to have good relationship with the government, one has to take the opportunity to be in a safe position. I don't think that you will find naïve investors in the West, who believe in the rule of law in Russia.

An example is the Sakhalin-II and Sakhalin-I project, when there was a lot of investment from the US, from Japan etc. Putin decided to take all of this business to Gazprom and he did it, without

any noise. Therefore everybody now understands that if they want to raise money in Russia, they have to have a good relationship with Putin or with his friends, like Sechin, for example. The French company, Total, decided to organize business with Tymchenko. As far as safety was concerned, the right move was to find a friend of Putin, to agree with him and to invest money into gas fields in the Yamal area. However, if you want to be independent and separate from Kremlin and from corrupted bureaucrats, this is a real problem.

For example, Bill Browder is an independent business in Russia. You may know about this disaster with Magnicky, a lawyer who died in prison. He found some criminals in the tax administration and discovered that \$200 million disappeared from the Russian budget. As a result, they started an investigation. In the end, Magnicky died in the prison, and the people who are responsible for his death are still in the same positions.

Hana Lešnarová: Sounds like a pretty gloomy picture.

Boris Nemtsov: This is not gloomy, this is the truth.

Hana Lešnarová: OK, we will move on to Gérard here. Maybe, since we've heard a lot about Russia, you can give us a bit of a more regional perspective on how the transition has progressed, particularly in the area of legal institutions.

Gérard Roland: Just to connect to what was said right now. I don't think we should count on companies, or western companies, to bring the rule of law to a country. This is true in Russia, this is true in China. We should not forget that many western companies were doing business in Libya and lots of people were friends with Gaddafi (of course that is changing). The change in a country essentially depends on people within the country and, they may or may not be ready. I also want to praise the effort of people like Boris Nemtsov and others, who don't want to be shut down and continue to protest, because this is very important.

Thus, I will just make a few points about Central and Eastern Europe and then I'll finish with a few points on China. Starting with Central and Eastern Europe, it's quite clear that there has been a real link between indicators of the rule of law and transition successes, and there is a lot of research that has been showing that. One of the reasons why I am here today is because I just happen to be in Prague

for the 20th anniversary of CERGE-EI, which is an American-style PhD institution that was created to educate people to do top notch research. Hence, a lot of public debates should be based on scientific evidence, not just ideology and so on. There has been a lot of research on this topic, which is a very serious one.

Therefore, if you look at the evolution of countries in the region, you have on one hand Central European countries that have had, in the last 20 years, better growth than countries in Eastern Europe, where, especially in the 1990s, the evolution was quite disastrous. There is some research that has shown that this can be explained by differences in institutions. I prefer to talk about weak institutions rather than just the rule of law, because I think it gives a broader picture. There were studies done with small and medium enterprises in Russia, Ukraine, Poland and other countries in Central Europe, and they found that there were significant differences in the amount of corruption taking place. There were bribes being paid to government bureaucrats, differences in racketeering (organized crime racketeering small businesses), and the functioning of courts. People in Central Europe were less dissatisfied with the courts than they were in Eastern Europe, and all this had economic effects.

If you operate in an environment where property rights are not protected, then it has different effects. One is that you only want to do business with people you trust. You will engage in what is called lock-in relationships, where you will find some business partners you trust and you will not do business with others because you cannot rely on the courts and on the legal framework to do business. This has many consequences. The first consequence is that you cannot have competition. If you are buying from a supplier and you could buy from someone else at a price of 10 or 20% lower, in a country with weak institutions, you will choose not to do that. The second consequence is that there will be less market expansion. You do not want to do business with a firm that is 2,000 kilometers away and you don't know if it is going to pay you, if you are going to be cheated etc. You will be more inclined to do business with a country with an appropriate institutional framework. Finally, when you have weak institutions, firms will be less inclined to invest because the investments can be taken away from them, and all that makes big differences. On that account, it's quite clear, that research has shown that there is a clear link between weak institutions and transition success.

That is not all. How can we explain the differences between the Central European successes, relative successes, and the problems that are more in the East? Two elements have been brought forward here. The first is the EU accession: Countries in Central Europe were lucky. Let me address it this way, imagine that the North Sea stopped at the Polish border and there was no Germany, or France etc., and that they would have had to transition alone; if there had not been the European Union who said, *“Look, we want the accession of Poland, Hungary, Czech Republic, Slovakia. We want them to enter the European Union, but to enter the European Union they must have democracy, acquis communautaire, and a certain legal framework.”* Would they have been as successful? Those countries were very happy to do what was required because this was an incredible incentive; they were to be admitted into one of the most successful economic clubs in the world.

Hana Lešnarová: However, it seemed at that time as a success?

Gérard Roland: Yes, but let me come back to that. A historical perspective must be taken into account because, after all, the European Union brought democracy to Spain, Greece, and Portugal; it was certainly a big effect in those places. However, I will come back to its weaknesses in a second.

The second reason for institutional differences is that there are differences in civil society development, which is something that I have done research on. With co-authors of mine I have looked at the number of dissident events in the 1980s prior to the transition in all the various countries that used to be part of the socialist bloc. We discovered that dissident activity was much stronger in Central Europe, relative to Eastern Europe. We also found that repression was not as strong even in the very Stalinist Czechoslovakia compared to repression in the Soviet Union. Therefore, there was a more active civil society development. Additionally, there is a paradox in when the changes happened in different countries. In Poland, the situation was ripe, and in many of the other countries, there were the roundtable discussions, which showed a huge aspiration of civil society for change.

In Russia, after the failed putsch against Gorbachev, and shortly after the Communist Party was outlawed, there was something like an institutional vacuum, and because of this institutional vacuum and not enough civil society push from below, we have had institutional weaknesses in Russia and in former Soviet Union countries.

Differences in civil society are very important, but these are things that take time to develop. All the efforts that are done by the opposition and by the different associations, despite repression, are very important.

I would like to end on a negative note, unfortunately. What are bad things with the European Union? Becoming a member of the European Union is basically something where you have a “carrot” but no “stick.” The carrot of entering the European Union is certainly very forceful. However, once you are in, they are not going to do anything to help enforce law. It is the same with Italy and other countries entering the European Monetary Union. They did a lot to incorporate fiscal discipline into their countries until they were admitted; but now they say: *“Now we can rest, now we can go back to our old habits.”* We see what is happening with Greece, and that is certainly a consequence. The European Union is not ready to take over or to start monitoring what is happening in member states. That certainly is a very big weakness.

In Central Europe, there are worrying things, such as authoritarian movements in Hungary and nationalists in other countries. The reason here has more to do with long-term issues, such as values and culture. I have done some work for the European Bank for Research and Development; we found, after looking at a sort of cultural values, that if you compare Eastern Europe, Central Europe, the US, and the EU 15, there are differences. The values in Central and Eastern Europe (the differences between Eastern Europe and Central Europe are not that big) are more authoritarian. There are more values towards freedom, anti-authoritarian, and pro-limited executive in the EU and US, compared to what we see in Central and Eastern Europe. When it comes to economic freedoms and things like that, again we see important differences in Central and Eastern Europe, where there is certainly a more statist view than in other countries. The interesting thing is that these values have not changed. If you look at the values in 1989 and the values in 2005, for example, one can see that, fundamentally, they have not changed very much. Change is slow and depends on civil society; moreover change depends on the enlightened education of elites and certainly on international pressure, which are things I will not deny.

Now I would like to finish with China because I think...

Hana Lešnarová: Excuse me, but before you move on to China, I would like to ask something which is very specific to this region

and briefly return to the topic of the United States. I spent a lot of my career as a journalist and I am working as a consultant, advising investments in the region of Eastern Europe. One thing that has puzzled me through my career is the fact that Eastern Europe, including Russia and Ukraine, has seen lot of bad people coming and stealing money, bribing politicians, killing people on their path to success and recovery, and yet, I find that within the last 20 years, Eastern Europe and Russia have not been able to administer justice: they have not put these people on a fair trial in order to get them sentenced. There are criminals, but in the end, we cannot officially call them criminals because they have not been legitimately sentenced. I always find it fascinating that with the Enron scandal and similar situations, the US has the ability to put these people behind bars within two years, maximum. Eastern Europe has not been able to get to that stage. The only people we see being put behind bars are people who are political enemies; the big flagship cases of abuse of power and crime have not been put to trial in Eastern Europe. Do you care to comment on why that is happening?

Gérard Roland: That is precisely the point I was making. Civil society development does make a big difference. There was the Orange Revolution in Ukraine, but then it did not go further. There was the Orange Revolution in Russia, and many people were hoping that something like that would happen. As an example, take a country like Italy. Italy has been unified for 150 years, but before Italian unification, the north was slightly more developed and had rule of law, whereas the south had a long experience of being linked to the Bourbon regime. There was research done by Putnam, which had showed that civil society was less developed in southern Italy relative to northern Italy. Then they similarly discovered that there had to be a certain number of hospital investments based on per capita counts in northern Italy and southern Italy. They found that Northern Italy was working relatively well, but in southern Italy, the money was diverted. It is a country where the laws are the same, but they are enforced better in the north, where civil society is more developed relative to the south.

Hana Lešnarová: Do you believe that enforcement is the key?

Gérard Roland: It depends a lot on civil society. If there is no pressure from below, from civil society, then justice may not happen. The

fact that people feel free to kill their opponents or put them in jail on a purely arbitrary basis is based on the idea that they know that they are not going to be persecuted and there will be no protests.

Hana Lešnarová: I would like to hear the other panelists' view of the matter.

Kenneth W. Dam: I was puzzled by your question: Why are we able to deal with issues like that in the United States? One possible reason and point is that we have had a lot of reform legislation. We have regulatory institutions like the Security Exchange Commission and so forth. Most people who have a good sense of history think that it is because of the New Deal from the era of former President Franklin Delano Roosevelt. There is certainly a lot to attribute to that, but we also must look back much earlier. We had a tremendous reform at the beginning of the 20th Century. There was macroeconomic literature and other literature that was very popular, which pointed out all kinds of scandalous conditions, not necessarily bribery, but problems in the meatpacking plants, financial institutions and so forth. Additionally, there was Theodore Roosevelt, who was a reformer. We have a long history of reforms, but what we did not necessarily have a century ago is civil society. Rather, we had journalism, very independent active journalism. We had good writers who sold books making a point, and so, conceivably, it was something that is somewhat comparable to civil society. Perhaps, what we are talking about is the idea of a platform of or for cultural phenomenon, which should be thought about too, instead of just civil society organizations alone; this flourishes where there is a citizenry that is attuned to looking for scandals and problems rather than doing something about it.

Hana Lešnarová: Therefore, if I am to be optimistic, Eastern Europe needs some 80 more years to develop the same sort of institutions, to be able to punish people who are doing bad things. However, I hope it is not the case. Mr. Nemtsov, would you care to comment?

Boris Nemtsov: First of all, I completely agree that culture matters, religion matters, and history matters. I was a governor when I was young, in the Nizhny Novgorod region. I organized the privatization of land. In the north of my region, there was a tradition of private farmers in the tsarist time. In the south of the region – a dis-

tance of just a few hundred kilometers – there was a tradition of landlords with large plots of land and employees. I decided to give people chance to do everything they wanted. I believed that if you want to organize small private companies, you can; if you want to organize big ones, it is also an option. There were great results. The north became a private farmers' area and south became the area of large enterprises. Actually I was surprised by the outcome, since I was guessing that there would be a mix of the two types. It was very interesting.

My second point is that Russia has a tradition of paying little attention to the rule of law. This tradition started with Peter the Great, or perhaps Ivan the Terrible. Actually, I do not know, and neither does anyone. I think that Putin, the former Russian president, has no concept of the rule of law, he is just...

Hana Lešenarová: Was he not a lawyer originally?

Boris Nemtsov: Yes, of course, but it does not matter. Not only is Putin a lawyer, but his small partner Medvedev is a lawyer too. We have two lawyers and no rule of law. Maybe there is a dictatorship of law, at the least it is possible. I believe that it is very difficult to alter this mindset. I am not sure that even 80 years is enough. I am generally optimistic, of course. In my age, this is the only option. However, I think that we need a few generations to pass and real globalization to occur in order to make real changes. This is very important. You mentioned that Central Europeans are lucky. I agree; geography means everything, right? Russia is too far from Prague, London and Paris. Globalization and the information revolution spurred by the Internet will accelerate changes and understanding. Yet, what is really sad about Russia is that 40% of its young people want to emigrate from Russia before changes can be made because they believe that they have no chance to make a career or to achieve success. Putin cut social mobility. The only chance to move up is to be a friend of a governor or police colonel, but ordinary people are completely limited. Ultimately, the real disaster is that he is president for life – that is a threat for Russian people and the world.

My last point concerns China and Russia. Putin always said that China was an opportunity for Russia. But this is a trick. It is true that China is an authoritarian country, like Russia, but the role of the police state of China and that of Putin are absolutely different. China has a very low labor costs and no pension system, no free

healthcare and no free education. That is why they have a very low taxation, about 20% of GDP. Russia pays 36%. Chinese authoritarians mainly seek the competitiveness of their economy. I am sure that once China becomes a democracy, the competitiveness of this country will immediately decline. All the same, I believe that democracy is good for the Chinese people.

Hana Lešnarová: Right, but it is also bad for the economy.

Boris Nemtsov: Yes, absolutely. It is bad for the Chinese economy. Let us imagine that there is an election in China. The main slogans may be “*Give us free education,*” “*Give us free healthcare,*” or something along those lines. Then that would cause taxation to increase and cause the labor costs to rise. In regards to Russia, the main role of police state in Putin’s Russia is corruption and to just keep the money. These two authoritarian types are absolutely different, as far as effectiveness and competitiveness is concerned.

Hana Lešnarová: When looking at Eastern Europe and China, obviously the differences in the GDP growth are astounding, and so my question is: Is this because Eastern Europe has become too democratic to continue growing the way it used to, compared to China? It might be a sort of devil’s advocate question.

Gérard Roland: It is tricky because if you look at the region, the countries that are more democratic in Central Europe have been more successful due to better institutions. China is very unique in many ways. In all of the literature on effective institutions and on growth, China is shown as a country that does not have the rule of law, and yet, it has had fantastic growth in the past 30 years. I am currently researching culture, and I have found out that China does not have good indicators in culture in terms of growth, but still it has growth. It is not a paradox because China is still very poor relative to other countries. That is, it could still double its GDP per capita and not be a rich country. China will probably continue to grow and it might surpass the GDP of US, because the population is around five or six times larger. However, GDP per capita is still going to remain low at least until the end of the 21st Century.

However, it is still remarkable what has happened thus far. In the end, what is the difference in China? Some things that Boris Nemtsov said are correct. The difference in state structure is very dif-

ferent. The Communist Party of China has recreated, over the last 20 years, the structure of the Chinese imperial system. Therefore, the administration of government and structure of bureaucracy looks very much like it did during the 2,000 of the Chinese empire. Russia traditions, on the other hand, are very different; their tradition has been authoritarian. It is a tradition and system of strength and abuse of those below.

One reason China was so successful is because they have a system of meritocracy within the Chinese government, which is something often forgotten. It is clearly authoritarian and oppresses any pro-democracy movement, yet, the top leaders have told people in different provinces and counties *"Please maximize economic growth."* Those leaders, who have the best growth performance, will have the quickest and best promotion. Young people today in China do not say they want to be a big entrepreneur in the future; instead, they say *"I want to be a top leader of the country."* The incentive and ability to progress in the Chinese bureaucracy is very prestigious. The government has organized competitions among those bureaucrats with promotion incentives for those that produce the most growth. This then causes problems such as pollution, because these bureaucrats do not care. They focus on growth alone. In some areas, they will take land away from the peasants to allow more investments. This idea of growth and organization is very specific to the institutions in China. Whether they will last and for how long, no one knows.

Hana Lešenarová: Ken, would you care to comment?

Kenneth W. Dam: I would like to emphasize a couple of points that I alluded to before. First of all, in most countries, where the nationalization of industry has been justified, two generations later, state-owned industries tended to perform poorly, including those in China. So what is happening in China? One must define this culture broadly in order to see why the Chinese are doing well in China and how well they are doing in the United States. There is some self-selection; the US tends to get the best Chinese students, but even children born in the United States to Chinese parents perform very well in our schools and universities. This brings up the big debate that Chinese parents are too domineering with their children, forcing them ahead in terms of education and so forth, and I will not elaborate more on that.

Hana Lešenarová: Yes, that was brought up with the famous *Battle Hymn of the Tiger Mother* book, correct?

Kenneth W. Dam: Yes, the Tiger Mother is a very popular thing in the US right now. However, the fact is that families really care about their children's education and mental development; the family is a very important unit and education is a very high value. I mentioned the reference by the President of Georgia to the importance of these things earlier, and I think that in Georgian culture there was an impulse for education. Is this also true in Russia? Surely there are great Russian intellectuals, but I am unsure if they can be found at the village level.

Hana Lešenarová: I would like to ask one more question regarding the role of international institutions. We mentioned the European Union, which obviously has limited impact in countries like Russia, but it certainly had impact on legal reforms in places like Romania, Bulgaria, the Czech Republic and the rest of Central Europe. On that front, I think that what we are unfortunately seeing recently is that once some of these members were accepted in, the European Union has slowed or even stopped pushing for reform. We mentioned the EBRD as another institutional investor playing a big role throughout the Eastern European region. From my experience with working with the EBRD, the bank has shifted its interest and now it is mainly active in Russia and Central Asia. Are international institutions weakening their role and their push for legal reform in this region?

Kenneth W. Dam: One comment on the EBRD: I was part of a five-day conference held in Salzburg on the rule of law and there was somebody from the EBRD. This person said that they are doing a lot of things in a lot of countries, and now they are focusing on the Arab Spring region, because they think that it is the next step.

Hana Lešenarová: Then they had better change their name.

Kenneth W. Dam: They are doing things in Asia now because Russia is in Asia. They may have to change their name, but the point is they are getting a big push from member countries in Western Europe to get busy and build institutions along the southern coast of Mediterranean. They are going to get more diverted, and I think

there is a question as to whether an umbrella organization that has an abroad mandate, which is run from London, can really do what is necessary in the former Soviet Union. Perhaps there needs to be some other institutional form.

Hana Lešnarová: Do you think, Mr. Nemtsov, that the international communities are doing enough to bring the rule of law into Russia?

Boris Nemtsov: Firstly, I do not believe that EBRD, IMF and others play a big role in my country. Secondly, I believe that the western world generally plays a role that affects the Russian bureaucrats. What I am talking about is that a lot of top officials want to send their kids to the US universities or London business schools, buy property in the south of France, and open Swiss Bank accounts. Putin is not Stalin. Stalin was a murderer, but he was honest about it. As far as Putin is concerned, it is a different story. They very much depend on the Schengen Area and European Union, and not because they are institutions, but because of their accounts, banks, property, and universities. That is why the EU can play a huge role as far as personal sanctions are concerned. I know that people here are very cautious about the personal sanctions of Russian murderers and corrupted bureaucrats, and yet they are not so cautious about Belarus bureaucrats – what is the difference between Belarus bureaucrats and Russians? I do not know. What I do know is that Russia is the biggest producer of oil and exporter of gas. However, I think that sanctions against the country are a terrible thing, but sanctions against criminals are great thing. I do not think that Russia needs money; capital flight will be more than \$50 billion and Russia will still have a positive trade balance, in addition to being the biggest exporter of investment throughout the world. Of course, this is a great scheme, but still an investment. That is why I do not think that such kinds of institutions are important; the pressure should be on criminals.

Gérard Roland: I completely agree. I will just rephrase slightly. Actually, the IMF and the World Bank played a negative role in Russia, I believe, in the 1990s. They gave wrong advice, supported the mass privatization, and even tolerated the corruption, even in elections, because they wanted their connections to win. Many of these people just did not understand the reality. A part of the problem with international institutions is that to change institutions in a country, one needs local knowledge. Very often, international institutions do not

have that. It is very useful to have the Kaufmann rule of law, etc., but without sufficient knowledge of a country, deep institutional reform cannot be done.

The IMF was doing exactly the opposite: the IMF was sending a message to countries saying “*We want people who know nothing about the country because they are going to be corrupted by the local people.*” Therefore, very often they would come up with the templates where they just change the name of the reform, even though it would always remain the same, which would not work. One international institution (in support of Boris Nemtsov’s last few sentences) is the International Criminal Court. We always talk about international institutions and think of the EBRD etc., but there is the International Criminal Court. It is something that exists, but changes have taken place in recent years. Dictators who kill their own citizens etc. will not go unpunished because international communities are not going to let that happen. It is very recent change, and I think it is going to have very positive developments in one way or another.

Kenneth W. Dam: I would like to make one comment, for I think economics provides tools for thinking about this. There can be a supply of reform by international institutions, but there has to be demand for it. For example, in my illustration with regard to the bankruptcy law in Russia, there was a demand from a few people in a couple of ministries, and therefore the reform occurred. However, was there any real demand to use legal tools to change behavior? I doubt it, but perhaps I am wrong. Therefore, why do some countries want to reform while others do not, especially when you look at the country as an organic thing? Without real broad-based demand for reform, which could come from civil society if it existed, all the activity by international institutions, which might be possible, is not really going to have a great effect. For example, it unfortunately does not exist in the former Soviet Union in a substantial measure.



Modern Organized Crime: An Anonymous Stakeholder in the Public Sphere

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In cooperation with Open Society Fund Prague

Moderator:

Uzi Arad, Former National Security Advisor, Israel

Participants:

Atifete Jahjaga, President, Kosovo

Yakov Gilinsky, Professor of Criminology, Herzen State Pedagogical University, Russia

José María Argueta, Former National Security Advisor, Guatemala

Yakov Kostyukovsky, Criminologist, Sociological Institute, Academy of Sciences, Russia

Uzi Arad: Good afternoon ladies and gentlemen. We are here at today's panel to discuss modern organized crime, an anonymous stakeholder in the public sphere. The first speaker that will honor us this evening is Madame President Jahjaga from Kosovo. After that we will hear Professor Gilinsky from Russia, followed by Mr. Argueta from Guatemala, and ending with Mr. Kostyukovsky from Russia. I myself am Uzi Arad from Israel and to introduce the subject I will make a couple of points. First, frankly I'm in no position to intelligently observe organized crime as I have served most of my professional life in the Intelligence Service of Israel, the Mossad. It is not a criminal organization nor is it organized. Although I am not in much of a position to comment on the subject, it is a fixture that we have to address in light of the theme of Forum 2000.

About 50 years ago, Robert Kennedy discussed organized crime in the United States Congress. He made the observation that organized crime in America has become big business. At the time, that must have come as a major revelation because he meant that organized crime had moved into labor, media, corporations, and so forth. Fifty years have passed since that observation. Clearly there have been significant changes in the world, and it is not the same as when Robert Kennedy made this observation.

I can think of two or three areas in which things have changed dramatically. First, the world has become much more globalized, and as a result, organized crime has become trans-national and international to a much larger extent than before. Second, organized crime has benefitted enormously from the technological advances of this world. Technology, communication, transfers, international networks, and international institutions have all changed the world, but in the process, organized crime has benefited from many of these developments. Sometimes they have even been ahead of the curve, were quicker to adapt to new opportunities and operate more efficiently on the global scene. Finally, organized crime has changed its agenda from benefiting solely from illegal and unlawful activities. It has expanded into areas that border on national security such as weapons sales, energy markets, rating corporations, and cyber crimes.

The question that needs to be addressed by the panelists is how all this impacts our political, social, and democratic structures. We should not simply explain that organized crime is bad; that is well known. Instead, the panelists should examine the cause and effect of the prevalence of those organizations on political life and on governmental, national, and international structures. Is democracy more

vulnerable to crime or less so? Is facilitation organized crime? Is democracy being corrupted by organized crime and how so? How is the social domain being affected by all of this? The organizers of the conference felt that this subject needed more emphasis than it had in the past because there is almost no political and public awareness of some of the effects of organized crime. Therefore, we are here to discuss these issues and highlight the links between political life, democracy, and organized crime. The first to address that issue will be President Jahjaga.

Atifete Jahjaga: Organized crime used to be and continues to be a challenge for all countries, individually and collectively. The biggest question for all of us, particularly from the political spectrum, is how to best tackle the problem of organized crime. Countries collectively should be more concerned with addressing the issue jointly.

I want to start this discussion by explaining the form in which modern organized crime appears in our societies and the danger it poses to our democratic order. I will first talk about the shift from the classic form of organized crime to modern organized crime. Then I will speak of how organized crime creeps into our daily life. Lastly, I want to sketch out the way forward in order to prevent organized crime from becoming a stakeholder in the public sphere.

The problem begins with the lack of a generally accepted definition of organized crime. This is due to its ever-changing structure and the form in which the modern organized crime appears. I share the view that modern organized crime is led by the same principles as so-called old organized crime. At the basic level, organized crime, dated or modern, is carried out by elaborate networks that manage illicit drug trades, human trafficking, and weapons smuggling and is engaged in operations like money laundering, forgery, and production of counterfeit goods. However, there are some fundamental differences. What sets modern organized crime apart from the old form? It is the ability to exploit the technological advantages and the political and economic complexities of the 21st Century.

Often, the structures of modern organized crime groups do not exhibit or show the same structures and rigid, inflexible hierarchy of the more traditional ones. If we view modern organized crime globally, it is a dynamic entity that continuously adapts to its environment. With each passing day, organized crime is becoming more multinational, more heterogenic, and more flexible. To illustrate the difference, before the advent of the Internet, the street was the

field of operations. This implies that the carriers of organized crime had to be in physical contact to maintain a network and to carry out their activities. Now, criminal networks have replaced the street with the vastness of cyberspace. Cyberspace is lucrative because it exists on a transnational stage with very little governance and too many transactions. Some organized criminal networks are entirely virtual and carry out illicit activities online. Their members rarely meet in person, and individuals may be known by nicknames in online networks, making this form of crime difficult to prosecute.

Apart from defining it, our immediate concern is to identify the ways in which organized crime infiltrates and damages the security and stability of our countries. It is like a virus attacking a human body. The virus that destroys a healthy body requires medicine, but the medicine which can tackle the virus can prove ineffective over time because the virus gets updated or modified. The medicine then also needs to modify itself to fight back. Similarly, the revenues of organized crime throw off balance a country's economy and lead to destabilization of societies and political systems. Organized crime pollutes or infects the public sphere by corrupting public officials in order to escape investigation, prosecution, or punishment. A corrupt political elite will not fight organized crime effectively. Why? They have a stake in it.

The consequences are dire because, by infiltrating the political elite, organized crime undermines and threatens democracy and the public loses trust in state institutions. Illegal transactions – such as counterfeiting software, identify theft and credit card fraud – infiltrate legitimate businesses, because they are buried in billions of illegal computer transactions across the globe. These transactions are very difficult to monitor and police because in order to uphold the basic principles of democracy, we need to respect the privacy of our citizens.

Modern organized crime is a major issue and one of the toughest to deal with. Organized criminals are dangerous individuals who have no limits to achieve their goals: to profit and to gain power. The South-Eastern part of Europe, the Balkans and my country of Kosovo are no exception to this rule. Modern organized crime neither begins nor ends in the Balkans, but it was facilitated by a long period of vulnerability in the region during the transition from totalitarianism to democracy. Post-war, weak states with economic sanctions provided a long period without sufficient security. The upheavals and disturbances of the last two decades caused unemployment and

economic devastation, and left behind a terrain ripe for organized criminal activity, as well as the potential for corruption in the privatization process without a sound legal infrastructure.

Regional organized crime networks are generally connected to drug trafficking, trafficking of stolen vehicles, oil-smuggling, money laundering and human trafficking. Similarly, in Kosovo, these types of crime have been present, but lately we are seeing an increase in Internet theft. How can our societies confront this issue? To prevent and punish organized crime we need clear and decisive political will. This means that our efforts have to start from the top by cutting the ties between organized crime and structures in power, surveying lines of communication that enable the criminal structures to conduct illicit trade or that allow them to have a monopoly on privatization deals and public tenders. We need to strengthen our legislation so that politicians and influential individuals within society, including media tycoons, are conditioned by the law to remain an honest caste. In particular, we need clear legal articles that require the declaration of assets and of their origin in addition to a law for the confiscation of assets suspected to be fruits of organized crime and other illegal activity. This will have to be coupled with a strict implementation of national policies and strategies against organized crime in accordance with international standards. Without these two elements, governments will inevitably fail in preventing and fighting modern organized crime.

The establishment of democratic governance is of a very high importance in countries in transition. In today's interconnected world, a failure in the transition of one country may lead to failure across the board. What is the key element of the joining response? It is regional, cross-regional, and international cooperation. As was said earlier, organized criminal groups become powerful by seizing new opportunities and by using modern communication technology to create, preserve, and broaden their national and international connections. By establishing transnational alliances, they become more dangerous, more unreachable, and more flexible. Keeping in mind this international dimension of organized crime, it is impossible to be successful in confronting their threat without cooperation between regional and international law enforcement agencies.

We need to confront organized crime networks jointly, by working together in drafting strategies that would best respond to their threats regardless of where they appear. Our police forces and judiciaries must exchange information and cooperate with each other

and should be ready to share their best practices and expertise. Institutions need to invest in educating their citizens so that they don't participate in crime and instead work to prevent it. As leaders, we are aware that organized crime activities are sowing the seeds of distrust amongst us and are corroding our moral values. Justice, peace, equality, fairness, compassion, and responsibility bind us all together. However, we need to encourage a culture of trust between countries, states, organizations, individuals, and institutions. In fighting organized crime, we need to be on the same page and speak with one voice to show that we have zero tolerance.

Please allow me to conclude by saying that modern organized crime, along with terrorism, is amongst the greatest threats that humankind has faced. We need to pool all of our resources to confront it. The price our societies will pay because of this is much too high, and I don't believe that anybody, individually or collectively, is ready to pay this price. But we have already been paying. We cannot allow organized crime to become a stakeholder in the public sphere because it will dictate the fabric of our societies and the nature of our democracy.

In 1900, Albert Einstein said, *"Awarding government powers adequate to guarantee security is not a remote ideal for the distant future. It is an urgent necessity if our civilization is to survive."* The 34th President of the United States of America, Dwight D. Eisenhower said, *"The world no longer has a choice between force and the law; if civilization is to survive it must choose the rule of law."* I believe that the mayor of New York, Rudy Giuliani, said it best when he said, *"It's about time law enforcement got as organized as organized crime."*

Uzi Arad: Thank you very much Madame President for the comprehensive overview as well as the leadership that you have shown in stating the goals that you think need to be addressed on the international level. And now we have Professor Gilinsky.

Yakov Gilinsky: First of all, I will say something in general and then something about Russia. There are many definitions of organized crime, however, we have to keep in mind that its main feature is that it is a business, an entrepreneurial activity. All organized crime activity is linked to a business. It could be drug trafficking, human trafficking or human organ trafficking, arms trafficking or other types of organized criminal activity. Since this is primarily a business, accordingly there must be some training materials published in New

York on the management of organized crime. The second distinctive feature of modern organized crime is its globalization. The majority of crime organizations all over the world, to a greater or lesser extent, seek to operate not only in the country of their origin but also abroad. The third very important feature of organized crime – viewed as a complex social phenomenon – is the level of organization, increasing the degree of the organization of criminal activities, is a continuation of the same order of phenomenon that increases the level of organization of the economy, finance, politics, military activities, and so on and so forth. Therefore, from my perspective, organized crime and the higher degree of organization of criminal activities will be increasing all over the world. We have to keep in mind that, unfortunately, this is a logical and unavoidable process.

Organized crime has gone through four phases in the Russian Federation. The first phase, i.e. from the late 1970s and during the early 1980s, was the time of the institution of Russian organized crime. The second phase lasted from the end of the 1980s into the mid-1990s. This was the institution of organized crime in a similar form to that of other crime organizations throughout the e-world; in the USA, in Italy, in the countries of Southeast Asia, etc. The third phase occurred from the mid-1990s until the early 2000s. This was the world of the common, recognizable forms of organized crime, traditional throughout the whole world in all its features, its hierarchy, with a preoccupation with the types of activities that I have already listed and those also referred to by Madame President. These changes in the Russian organized crime showed fully in so far the last, fourth phase, commencing in the early 2000s.

Currently, organized crime in Russia is characterized by the fact that underworld leaders are becoming more and more a part of the legitimate economy, they are involved with the legal authorities, they employ corruption to a greater and greater extent; corruption of law enforcement agencies, the police, the Public Prosecutor's office, the Federal Security Service and local authorities, etc. And this modern, form of organized crime, unique to Russia and perhaps unknown in the rest of the world, involves merging the joint activities of criminal organizations with both legal and semi-legal businesses and corrupted authorities, and police forces. In many regions of the Russian Federation this linked web of organized crime, the police, and the local authorities start to control both the regions and the cities. This is a rather grave and frightening situation and one that is quite typical of the fourth phase. In several cities, the mayors

have also been the heads of criminal organizations – for example in Vladivostok, where Mr. Nikolayev, the underworld leader nicknamed Winnie-the-Pooh was the mayor, or the former mayor of Leningrad-Kuznetsky. There's the tragic well-known story of the massacre in Kuznetskaya at the end of 2010 when Sergei Tsapok, the leader of a criminal organization that ruled in the region for 20 years, was a deputy of the local council, a deputy of the regional council and who, in addition to that, also had a PhD in sociology. That was a brief summary of the situation in Russia. Thank you.

Uzi Arad: Thank you very much Professor Gilinsky for observing the fact that sometimes organized crime is characterized by local conditions and circumstances.

José María Argueta: Organized crime is nothing more and nothing less from my perspective than economic crime plus violence as a part of the business plan. It is based on human greed. If we want to deal with organized crime, be it traditional organized crime or modern organized crime, we have to deal with human greed. It is true that modern organized crime takes advantage of the most advanced technologies, but it is also true that it takes advantage of the best business schools in the world. The amount of money and the resources that they manage allows them to buy the best talent available. Young professionals or older professionals with no access to better-paid jobs easily fall in the trap of easy money offered by organized crime. To give you a perspective of what is going on in my part of the world, economic crime came about through our democratic process, and it flourished with our democracy.

Up until 1985, we had military regimes that only permitted bribes and unlawful enrichment at the top levels of government. In 1986, our first democratically elected president took office and his legacy is that he democratized corruption. Ever since, most offices and governments have been for sale. Most politicians have accepted money to finance political campaigns without truly examining the source of the funding. To flourish, economic crime had to capture the national decision-making process of the state. To do so they engendered widespread corruption throughout the government, and, by controlling media, they made corruption socially acceptable. In Guatemala, it doesn't matter how you make your money. You will be welcome at the most expensive schools and at the most exclusive clubs.

The pillars of controlling legislature were financing political campaigns, directly bribing government officials, controlling media to shape political opinion, controlling non-enforcement of the law, securing contraband corridors, and, particularly important, the secret wealth-movement systems that were not put in place by organized crime. They were put in place due to economic crime and the need to hide profits. Here is my definition of economic crime: Business hiding profits. You take a business hiding profits and add violence, and you have organized crime. If you take a business hiding profits and add violence and global reach, you have modern organized crime. My suggestion is not to be too concerned about fighting global organized crime. Let us deal locally with economic crime and we make progress.

I respectfully disagree with those who believe that organized crime can be fought with bullets. Mexico has tried that, and I don't think it has worked. Money under the mattress has no value. For money to have value, it needs to be inserted into the financial system. We need to deal with those loopholes in the law that allow illegal flows of money, and the best group of individuals to do that is the group of individuals that put it in place. Those individuals know how it was placed there, so we don't have to guess on how to go around it. Maybe we need to go back to basics and talk to the most successful businessmen in our own countries and persuade them that it is time to stop hiding profits. The moment they do so, the whole corrupt system will collapse, and with it modern or traditional organized crime will have a hard time surviving. If they do not find the way to make their money, an instrument of power, then they will have no power. If they don't get the money to buy homes, to buy political campaigns, or to bribe officials locally then they will not regain power.

We need to look inside ourselves, stop having to go to church to ask for forgiveness, and we will be leaving a positive legacy for the next generation. My generation has failed mankind. I am totally ashamed. I am passing on to my daughters a country worse-off than the one I received from my parents, and I am not proud of it. If we can persuade those in power to feel the way I feel, I am hopeful that we will be able to put an end to the biggest recognized threat humanity faces, which is human greed. Organized crime is just a consequence.

Uzi Arad: Each statement was completely different in focus, in emphasis, and in line of action, which only attests to the complexity of this issue and that it may take different forms and have different priorities in different places. Nevertheless, I appreciate, and receive with great interest, the diverse approaches expressed here. Now, we will turn to Professor Kostyukovsky to see what his angle is on the same issue.

Yakov Kostyukovsky: Recently, criminology and sociology have been facing the problem of confusion in terminology. First of all, obviously, we need to clarify what constitutes organized crime. It is clear that there is no need to give you a lecture, as you are a competent audience, I just want to make a distinction between two terms that are often confused by the media: organized crime and the organizing of crime. Organized crime involves certain clan-like business relations within the organization. The colleagues present here have already mentioned several times that organized crime first-and-foremost involves business. This leads us to the second aspect of this topic. A weak government is not able to guarantee the normal functioning of its bodies, i.e. law enforcement authorities, the courts, the public prosecutor's office. The authorities are losing power and these powers may not remain fulfilled.

Organized crime appears on the scene as the only power that is able to reintroduce order. This also means that organized crime not only becomes a business, but also obtains a certain power, one that defines the set-up, the politics and the morals of the local society that we are discussing now. The Russian president, the Russian prime minister and the Russian ministers are in agreement that it is not possible to undertake a small-scale, a medium-sized or even a big business in today's Russia without violating the law. The fact is that breaking the law becomes routine, it is an everyday practice. We are not talking here about contract murders, money laundering but rather about minor infringements of the law – mainly related, let's say, to the tax system, official documents, etc. Despite the fact that these infringements are not seriously dangerous for the society, they destroy its morals. They become common day-to-day practice. The process can be defined as the criminalization of economic activities. The second aspect of this problem is the criminal business activity itself. Criminal business is an international problem. I will speak of modern Russia, but there is little difference in comparison with criminal business activity in other countries. It is clear that it is

focused mainly on drug trafficking, arms trafficking, human trafficking and, let's say, other matters. However, if we say that organized crime occupies as important a sphere of human life as does business, and that no country can do without business, this means that criminal business has merged fully with legitimate business.

When Professor Gilinsky talked about the procedures of the legalization of certain criminal organizations, this does not mean that, in the past, we had to deal with criminal organizations, but that they have now become legal companies that engage in honest business. It is nothing like that. Criminal organizations always have been, always are and always will be criminal. To conclude, I will try to answer briefly the questions that you might have. It seems that as long as any human society exists, mankind always has and always will be interested in drugs, will facilitate prostitution, will buy weapons, etc. Somebody has to take care of these activities. The fact is that no one is specially nominated. A possible scenario is that on one side of the barricade, there is an organized criminal entity, on the other there are law enforcement authorities of the state. When we face a situation in which organized crime is represented by the wheels of state this means that the drugs and all the rest of it – weapons and prostitution – is organized by the wheels of state, then there appears to be something wrong with the society.

Unfortunately, in no normally structured state, a well-functioning state, have I heard about a fight, a successful fight, against organized crime. Accordingly, we talk about successful control over organized crime, about restricting those areas to which relationships that are established as a result of organized crime can penetrate. As for developments in the short-term future, organized crime will most probably develop and there are processes of the globalization and internationalization of organized crime that are becoming more and more complex, eventually adopting the form of international corporations. This process is on-going. It seems that efforts to curb the activities of organized crime are dependent on cooperation between nations. Here, we face a problem that neither sociology nor criminology can resolve. It involves mutual understanding between the leaders of nations. It is also a question of the local relations with organized crime; how national leaders deal with the organized crime that exists in their countries. Successful cooperation and successfully coordinated activities in this regard will probably result in successful control over organized crime. I underline, once again, control. I think that unfortunately we will not succeed in defeating it.

Uzi Arad: We will now take questions from the audience, but I would like to have the privilege of being the first to ask my colleagues one question that intrigues me very much. The interface between democracy and organized crime was a concept that came across in all of your speeches. One could not fail to notice the tragic observation made, that through elections democracy endows a leader with legitimacy, and we now have a process in which criminals and heads of organizations may get elected. We had yet another sad and true observation that democracy allows the legitimization and the democratization of corruption. We have here a very delicate relationship where democracy, the very structure that most people would like to preserve, often allows, permits and gives even an advantage to the criminal elements within society to prosper, rule, and lead. My question to you is, before we get to the point of combating organized crime per se, what can democracy do? What can democratic societies do in the short term to defend themselves from being abused in such a way? Are there any measures that you can contemplate that could control that process before it is too late?

Atifete Jahjaga: Professor Arad, I agree with you that from the perspective of all of us, as speakers, legitimization of organized crime has been seen not only in the global perspective, but also from the perspective of each of our countries. In terms of your question, I agree with José María that countries have to start locally to address the issues of organized crime, corruption, and other elements of crime. I consider the base of action on the issue of democratization, steps which my country undertook about ten years or twelve years ago, to be proper legislation and a proper legislative framework. For about ten or twelve years, we had a law on elections and a law on political parties, which did not address general activities except some of the main rules that must be followed by political parties during elections.

Five months ago, we initiated a revision on the law on elections and the law on political parties, particularly in the aspect of campaign financing. All political leaders and political parties must openly declare their finances and the financing of their campaigns regardless of the time period. My country is the first country in the Balkans to have proposed such a law, and we started about six months ago and are going to continue. Some other countries in our region have followed our example. In my opening remarks, I mentioned another initiative taken in my country which has shown a lot of progress and a high degree of success. It concerns the declaration of assets and

their origin and the confiscation of assets suspected to be the fruits of organized crime. This was a big change for our society.

I think somebody here mentioned public perception and the control of the media, which became a part of daily life for normal citizens. In Russia, I heard it is impossible to start a small or a medium-sized business without violating the law. The initial step is trying to use the media to get such perceptions out of people's minds. Perceptions are something that have attacked my country for about 10 years. Now we have a clear strategy to break that, which is using non-governmental organizations and some of the media organizations. The other media campaign was specifically based on those two latest initiatives by our government, which are the declaration of assets and their origin and the confiscation of assets, concerning which we have developed laws that will be signed at the end of this year.

Three other methods have proven very successful in the fight against organized crime and corruption. In my country, we have been particularly successful in our effort to rebuild our police organization, which many of the panelists mentioned as an especially corrupt organization in their countries. How can you tackle crime when you can't even trust the people you are supposed to be reporting cases to? We rebuilt the organization from scratch twelve years ago. The second method was rebuilding the security service. My country formed a totally new organization made up of newly recruited people who were newly trained and educated and also undertook background checks of activities both inside the country and abroad using the Interpol and the Europol channels. Third and most important are the reform and rebuilding of juridical and prosecutorial bodies, i.e. the pillars of the state. We did that about two years ago in our country and this has proven very successful and very much in line with today's requirements. All public officials, in particular those working in the fight against organized crime, corruption, and other elements of crime, are obliged to declare their property and whatever is held under their names. No matter whether it is a judge, a prosecutor, a police officer, a member of a security agency, or whoever else, he or she is obliged, on a three or six month basis, to declare all his or her income and profits from their assets.

These are the processes countries must undergo in order to combat organized crime and corruption, and then they may concentrate on defining their rules and manner of cooperation with other countries in the region. Unfortunately, my country has not had the good fortune of other regions, and as I stated in my initial remarks, the

golden rule for fighting organized crime and corruption is regional, cross-regional, and international cooperation. After the war 12 years ago, my country was not lucky enough to become a member of a regional and international crime fighting organization, due to obstacles from neighboring countries. We have experienced firsthand the principle that fighting this type of crime is very difficult to carry out in isolation. Institutions, organizations, and states have to open themselves up in order to fight organized crime more effectively.

Yakov Gilinsky: It is well known that every activity on the planet has both its positive and negative consequences. Democracy is a very good form of government – though Churchill thought it was the worst form of government, but that nothing better had yet been invented. Together with all the merits of democracy there are also minuses, one of them being that totalitarian authorities have been relatively more successful in fighting against organized crime. For example Mussolini's Italy, Hitler's Germany or Stalin's Soviet Union had almost no organized crime. If any occurred, then it was only in the early stages. However, in these instances doesn't the state or the government itself act as a Mafia? That is the question.

It was very pleasant to hear about those achievements, to listen to Madame President talking about the achievements that this small European country has managed to attain. It was very interesting to hear about the concept that they had to start from scratch with the police force. I would like to remind you that a similar situation occurred in Georgia when President Saakashvili came to power. Georgia was a very corrupt country and Saakashvili did artificially what Kosovo had already been facing: he disbanded the police. Thereby he started from scratch and this helped him to eliminate corruption, particularly in the police. Unfortunately, the situation in Russia is quite different. In Russia, the corruption is total; all levels and all aspects of the administration and of the law enforcement agencies, etc., are exposed to corruption. It was exactly relevant when Madame President talked about the principle of the confiscation of the assets of those whose property and/or actual finances significantly exceed their official income. This follows the well-known principle of *in rem*. It is anchored in the relevant international convention. Russia signed this convention, with the exception of Article 20 which relates to *in rem*. Today's Russian authorities in principle do not wish – though according to their words they do wish – to fight organized crime, corruption. Nothing is done in this direction.

Uzi Arad: Mr. Argueta it is now your turn, but I will ask you to answer a question posited by one or two participants here. Following on the suggestions that you made, how would you incentivize business owners and those in control of financial markets to cease hiding profits and cooperate with efforts to combat organized crime? Clearly if the law doesn't stop people, they will have no reasons to give up their profits. Would you address that one please?

José María Argueta: I will try to answer that, but first let me go back to the previous question. I believe that the answer to the problem emerging democracies face is well known. The biggest problem we face is private money funding of political campaigns, and we need to persuade our citizens that the best investment the state can make is to fund political campaigns and not allow any private funding to come into the politics. Number two, we must limit the number of terms in office for any elected official, particularly in congress. In Guatemala, not only do officials get re-elected time and time again, but they also bring their brothers, their sons, their wives, and I dare to say their significant others into public office as well. Politics in Guatemala is a family business that resembles the Mafia. In the newly elected congress of Guatemala, we have full families as congressmen and congresswomen. Limiting the number of terms, taking money out of politics, and enforcing laws requiring politicians to declare their assets before taking office are all essential.

Here is what is funny about the question you talked about. Some of the opposition to these three things that I have mentioned comes from organized business associations. They do not want to disclose any of their assets because of the risk of being kidnapped if people know what they own. They have been lobbying against the novelization of a law that is already in place. I mention Guatemala here again because the situation exemplifies the unintended consequences that may occur with such laws. We signed peace accords after 36 years of war in 1996, and one of the recommendations or one of the commitments of the parties was the dismantling of the security apparatus in the country because it had committed crimes against humanity and violated human rights in the war against the insurgency. The apparatus was dismantled, and a power vacuum was created, which was immediately filled by organized crime. That is an unintended consequence. In the mid-1990s the US became capable of closing down the drug trafficking routes in the Caribbean Sea. The narcotic traffickers were forced to look for alternative routes,

and Guatemala happens to be between those producing cocaine and those using cocaine. That is another unintended consequence. In defense of the security and economic officials in my country, they are actually making an effort to fight organized crime, but are thwarted by unintended consequences of their actions.

There is also good news, and it will be my answer to the question. The good news is that since it was economic crime that created the conditions for organized crime to flourish, there is an overlap in this shady area where both criminals and the country as a whole benefit from the existing system. However, organized crime has become so powerful that Al Jazeera, reporting on the Guatemalan elections two weeks ago said, *“As the Guatemalans go to the second round of elections they face the choice of voting for the representative of the organized private sector, meaning the economic elite, or voting for the candidate funded by the emerging economic elite, meaning organized crime.”* Reality may not be as dramatic as this statement, but it is very close to the truth. Organized crime has become a threat to the grip that the traditional economic elite has on the country. My hope is that we will be able to persuade the emerging economic elite that it is in their best interest to stop hiding profits and to break the system that they created to prevent organized crime from becoming a greater power threat. In Guatemala there is hope, and I am an optimist.

Uzi Arad: That is very reassuring, sir, but you, Mr. Kostyukovsky, will have the last word. Are you optimistic about your locale, Russia, where things are unique in so many ways? Could you say what can be done in Russia to arrest increasing criminal influence in politics, in such a way that would not complicate things for Russia regionally, as well as internationally. Which steps would you suggest to be taken on this account?

Yakov Kostyukovsky: Well, once again it is confirmed, despite the fact that all countries are different and though in fact all the countries have, let us say, a different political experience and a different situation, that the effects on social life caused by organized crime are, as a rule, exactly the same. That is the first thing. Secondly, fighting organized crime is mainly in hands of country leaders, and I believe that it is specifically the political will of the country’s leader who wishes his/her country to live, let’s say, with organized crime within certain limits; organized crime that would not interfere with the economic and political life of the country. This was well demonstrated specifically in the speech of

Madame President. One cannot object. What needs to be done, regarding organized crime in Russia? Leaders of countries frequently cannot reach agreement, whereas the leaders of criminal organizations almost always do. This means that efforts should be directed in this direction, in order to break-up the social links that contribute to the establishment of criminal organizations. When illicit activities and infringement of laws become a habit, when inhabitants enjoy violating the law, because this means to them a comfortable life, and life is becoming more comfortable as a result of criminal activities, then this will lead to the destruction of the nation, of societal links and, finally, of the wheels of state. As for optimism with respect to Russia, let me simply state the following: I would like to be an optimist.

Uzi Arad: Thank you very much, sir. We are coming to the end, so let me just share one more reflection with you. It has been said here that organized crime and modern organized crime may become the most prominent threat internationally. These are very powerful words. But at the same time, the organizers noted that there is insufficient awareness of the gravity of the corrupting and corroding effect that organized crime has on society. There is not sufficient attention from elites, and there is not even sufficient public attention. Without such attention, one could not marshal the kind of political will necessary to affect things like human greed in Guatemala or to overcome powerful political forces as they exist in Russia.

To accomplish these things, one needs much more energy and the reason there is not much energy directed towards this issue is that people are not often killed by organized crime. Yes, it happens here and there, but it does not encompass the drama of international terrorism with hijacked airlines and big explosions. It is more like a silent killer, and it causes not only violence, but corruption in the wider sense of the word, for it not only corrupts in the sense that people are doing things illegally, but it corrupts the fabric of the society. It corrupts democratic society, and in that sense it is a very deadly threat, but because it is relatively silent it does not acquire the kind of mobilization of will that is necessary to affect many of the things that have been referred to as vital to try to eradicate it. Why not end on a note of optimism? There is much to do. There is much to do locally. I think the examples given of things that have been attempted, be it here in Europe, in Latin America, or in Russia, are encouraging. Maybe in the conflict between the spreading of international crime and putting a stop to it, the good side will win in the long haul.

DEMOCRACY AND THE RULE OF LAW

10th FORUM 2000 Conference | October 9–11, 2011 | Prague

- What is the threat of a “hollowing” of democracy?
- How can civil society contribute to a better perception of the rule of law?
- What role of ethical principles in the legal system eroding?
- How does the threat of international terrorism impact basic human rights and freedoms?

- What is the impact of the international human rights movement for the human rights situation in countries such as China or Russia?
- To what extent is the concept of human rights universal?

- In what way do various religious traditions address the relationship between the religious community and the rights of the individual?
- What are the causes of the tensions frequently between them and what are the causes?
- What relationship do individual religions have with the state?
- How can we ensure that public tenders are fair and transparent?

- In retrospect, how can we assess the importance of social movements such as the Arab Spring?
- How do we deal with these new information and communication technologies in democratic societies in the future?



Economic Globalization and Human Rights

Tuesday, October 11, 2011, Žofín Palace, Conference Hall

Keynote Speech:

Aryeh Neier, President, Open Society Foundations, USA

Moderator:

Jiří Schneider, First Deputy Minister, Ministry of Foreign Affairs, Czech Republic

Participants:

Ales Michalevic, Politician, Former Presidential Candidate, Belarus

Šimon Pánek, Co-founder and Director, People in Need, Czech Republic

Jiří Schneider: I wonder what you say about, first of all, the perception of globalization, and secondly, about the activities of other actors. NGOs, corporations and businesses are exploring the opportunities of globalization in the countries where human rights are not in good shape. We will probably hear you address a couple of things: the role of non-state actors, and how the idea of human rights is shaped under this influence of globalization in the economic field. Without further delay I would like to pass the floor to our keynote speaker to start our debate.

Aryeh Neier: Thank you very much. Obviously, there are a great many of people who have benefitted greatly from economic globalization. There are hundreds of millions of people in India and China, who previously would have been among the impoverished of the world, but now live much more affluent lives as a consequence of economic globalization. At the same time, economic globalization has great costs for some other persons. It has impoverished them, created national debt, displacement, unemployment, and has caused damage to the environment. In a world in which they are both beneficiaries and victims of economic globalization, there are bound to be many more struggles. These are very often struggles over resources, or because people are driven from their traditional lands by the phenomenon of climate change and the world has to have mechanisms to deal with those issues.

Human rights underwent their globalization on an entirely separate trajectory. At the point that the United Nation's Charter was drafted, it committed the world body to promote human rights and fundamental freedoms for all. It did not indicate the existence of any geographic boundaries, racial boundaries, or sexual boundaries. In fact it was quite expressive that those kinds of criteria could not be acceptable in the promotion of human rights. The UN Charter required not only the United Nations itself to promote respect for human rights, but that the member states, in cooperation with the organization, jointly and separately ought to promote an acceptance of the human rights. This broad commitment to the human rights was spelled out in the text of the Universal Declaration of Human Rights, adopted a few years later. Essentially, it represents a global commitment to protect human rights for all.

In practice, the way human rights are promoted involves a number of different parts of our society. It involves multilateral institutions and a variety of regional bodies which are often much more

effective in promoting human rights than the United Nations. For example, the European system has the European Court of Human Rights, and the Latin America has the Inter-American Court of Human Rights. In other parts of the world, the comparable systems do not exist or are not well developed. However, those existing regional bodies that promote human rights are among the more effective means of protecting human rights.

There has been the emergence of a large non-governmental movement to protect human rights. Going back to the 18th Century, there were human rights organizations focusing on ending slavery and the slave trade, particularly in England at that time. People had had efforts to protect their own rights before, but that was probably the first time that they joined together to protect the rights of others. Because the slave trade was inherently international, that was also the first time they looked beyond their own borders in protecting human rights.

If you think of a global effort to protect human rights on the non-governmental level, it began with the establishment of Amnesty International in 1961. Right from the start, Amnesty was concerned with certain abuses of human rights everywhere in the world. It also wanted to enlist people everywhere in the world in opposing or protesting those abuses of human rights.

Since the establishment of Amnesty International, the human rights protection on a non-governmental level has proliferated. Except in the most repressive countries on Earth like North Korea and Turkmenistan, there exist human rights organizations that regularly try to promote human rights. Moreover, there are international human rights organizations interacting with those within their own countries. The two depend upon each other. The people who operate in their own countries know what is going on, or where to look, they have the first-hand information. However, they are very often targets for abuse and are not listened to because there is not a free press. In their country, the press is controlled or closely allied by the government and the international press does not know who they are. They need the international organizations to give resonance to what they do and protect them when they are the subject of reprisals. The international organizations need them in order to be pointed in the right direction when gathering information on human rights abuses. While there are a vast number of human rights organizations, they are not federated in some giant association. It is nevertheless the case that there is a high level cooperation worldwide between the

thousands of non-governmental organizations that exist to protect human rights.

Governments or multilateral institutions used to be the main method of protecting human rights. That began to change in the 1970s and it was largely a Cold War phenomenon. It was criticism of Soviet bloc human rights abuses by Western governments and Western non-governmental organizations. Later, the same non-governmental organizations had to deal with abuses by anti-communist tyranny, because they discredited the activities of the Western states. That was the way the non-governmental effort truly got to be a global effort.

I do not think the global human rights movement, even though it is global, is actually able to solve the many difficulties that arise out of economic globalization and the struggles resulting from it. However, the human rights movement is capable of trying to make sure that peaceful forms of expression are protected and that people are not forced into acting in destructive ways. That is the only method by which they can get attention to their causes, attention to the difficulties they face.

The most significant role that the human rights movement can play is protecting people struggling over resources and the consequences of economic globalization by getting their day in court, their day in the forum of public opinion. Part of what has happened with these struggles over resources is that most of the armed conflicts nowadays are not ideologically-driven as in the past. They are in fact driven by control of natural resources. Another major role that the global human rights movement performs today is that it has introduced the concept of human rights in the ways that people assess armed conflicts. Today, we can judge armed conflicts according to the number of civilian casualties and the measures which are taken to prevent them. It can be conflict in Afghanistan, Iraq, short-term conflict in Kosovo or the war between Georgia and Russia. The new role of the human rights movement in focusing on human rights violations in the context of armed conflict occurred only recently. For example, Amnesty International was not focusing on this issue when it was created, but today it is a significant part of the way that the human rights process works.

Economic globalization goes in hand with information globalization and the human rights movement considers information its lifeblood. Receiving information on abuses of human rights quickly and being able to disseminate reliable data is the most effective way

that has been found to protect human rights in most circumstances. The information revolution, an aspect of globalization, has been a tremendous boost to the emergence and the effectiveness of the international human rights movement.

However, economic globalization cuts in different directions. Dealing with the many problems that it creates is one of the significant tasks of the international human rights movement today. Because governments have very often not performed well, the non-governmental human rights movement spends less time leveraging the power, press and influence of governments. It spends more time using its own resources to embarrass those who engage in human rights abuses. That way they are trying to reshape their conduct. Thank you.

Jiří Schneider: Thank you for setting the stage. I think you raised good points. We will definitely come back to them in the debate and maybe even earlier. Considering the material element *vis-à-vis* human rights: Struggle over resources as a basic problem, is this a clue to the situation in Belarus and human rights abuses there? Or is there still some element, which is not related to resources and economic development, and is not ideological, but more related to some basic needs of people, like dignity and the right to speak freely and participate? Ales, what is your take on this?

Ales Michalevic: First of all, thank you very much for the opportunity to be here. Belarus is really a very interesting and unique case. It was part of the first, and very global, union – the Union of Soviet Socialist Republics. It was an attempt to establish a unique Soviet nation. If this attempt was successful somewhere, definitely Belarus was one part where the Soviet nation was raised. It was raised partly in eastern Ukraine as well, where Yulia Tymoshenko is sentenced to seven years of imprisonment.

My general idea is that the economy is not directly influencing human rights. Belarus was the most privileged part of the Soviet Union, with the highest level of economic development of infrastructure and roads and profitable and modern enterprises. When the Soviet Union collapsed, Belarusians started to think that they needed something more global, something bigger. In terms of the economy it was a special investigation, a special report made by Deutsche Bank. After the collapse of the Soviet Union, Belarus was among the countries which were most prepared economically for integration into the

European Union. At the same time, in terms of society, we were the most Soviet nation. We were still very Soviet and totally against the civilized world. Therefore, we did not speak about human rights.

I would like to stress some very important issues. In my opinion, Belarus is today competing in very bad terms. We are competing in terms of human rights with countries where human rights are violated on a much bigger scale than in Belarus. Definitely, it is impossible to compare Belarus with Burma or China where hundreds or thousands of people are being killed. Considering Ukraine, my idea is that there are some countries which are like a contagion, like an illness of human rights violation by authoritarian regimes.

After the collapse of the Soviet Union, Belarus was a country in the European part of the former Soviet Union, which first introduced authoritarian rules and had human rights violations on a very huge scale. Finally, we can see it was transferred, and served as an example, to other countries. The Russian Federation first of all introduced direct vertical governance without local self-governance. At the beginning of the 1990s, Russia was probably the most democratic country of the former Soviet Union with freedom of speech and other freedoms. However, some Belarusian patterns and models started to be introduced in Russia and Ukraine. I already talked about a quite well-known name – Yulia Tymoshenko. It is like the Belarusization of the Ukrainian situation, which means that bad models within the region are influencing other countries. This is a process we can see at the moment.

At the same time, considering economy and economic globalization, Belarus is economically very strong. For example, Lithuanian seaports are totally controlled by Belarusians, because the biggest economic partner of Lithuanian seaports is Belarus. Lithuania, for example, gave the official bank accounts of Belarusian opposition leader, deputy head of International Federation of Human Rights, Ales Byalyatski. He is now sitting in prison in Belarus, because of so-called economic crime. He did not pay taxes from grant money. The money was coming to his bank account (his organization was officially closed) in order to pay for legal services, for advocates, attorneys and for families of those people who are in prison. Because of economic dependence on Belarus, Lithuanian state started to cooperate with Belarus. They started to speak both in favor of and against human rights. It is a very popular question of what is more important – economic growth or human rights? When foreign governments are speaking about Belarus, many of them are saying we

should decide whether economic development or human rights are more important for Belarus. They speak like it is impossible to combine both, human rights and economic development.

To conclude, I would like to say one funny remark. There was a social survey in Belarus three or four years ago with a question for people: Are you in favor of becoming part of a union with the Russian Federation? The next question was: Are you in favor of becoming part of the European Union? Interesting is that more than 70% of people answered yes for both questions. It means that many people are in favor of globalization, in favor of being part of something bigger than just their own borders. Belarus is just an example of a state where the majority of people are extremely in favor of globalization because they were part of the global, unfortunately global, Soviet Union. Despite that, the majority of people are in favor.

Thank you very much.

Jiří Schneider: Thank you for your contribution. Šimon, Aryeh has mentioned concerns about human security, the consequences of globalization and conflicts stemming from globalization on human security. That is the concern about the negative impact. On the other hand, there is a whole discourse extending human rights into the sphere of development. In my opinion, one consequence of economic globalization is that some people consider their right to develop themselves, their societies and nations as a basic human right. I know that you are dealing with development as well. What is your take on this? What is the relationship between the concerns about life and basic human rights and this extended notion of human rights, which is related to development and linked to the notion of economic globalization?

Šimon Pánek: Thank you, Jiří. You are mentioning an extended understanding of human rights. The people from a developmental camp consider it the basic understanding of the human rights. And that is one of the differences we had between the two camps until quite recently. I would like to start from the beginning. I am from an NGO, which is not a watchdog or have the ambition to be active everywhere. Our experience and some of the paradigms, which we are trying to discuss in the organization, are based on 30 to 40 countries we used to work in during the last 15 or 20 years. My opinions come from observations and some may be provocative thoughts on where we are and where we are heading. Unfortunately, I think the picture will not be very optimistic.

Surely, it is very interesting that there exist ongoing debate between the developmental and human rights and pro-democracy approach. People in Need has both things under one roof, because we have relatively strong development programs and projects in Africa dealing typically with poverty, agriculture, and education. On the other hand, we have very typical human rights and pro-democracy activities starting from working in the hard case countries and doing strongly illegal things, which are against the governments. Smuggling cash to the people, who are hiding or are guided over the border, smuggling equipment, laptops, cameras or newly the video equipment. Those things are seen by the government as very illegal. From a higher point of view, we think it is legal compared to the laws of the respective dictatorships.

At the same time, we have a lot of the typical non-political developmental work. After all, it is often about empowering the people and helping them to be more sustainable, self-confident and emancipated *vis-à-vis* the power. It is two approaches from different sides. Recently, there has been understanding within developmental camp (typically Oxfam, Care, World Vision) that no long-term sustainable development bringing benefits to the lower and poor classes is possible without a basic democratic functioning. Some exceptions can be China, but who knows if it is sustainable and at what cost the development is going on so quickly in China.

I am not talking about the Western democracies with all the nuances and romanticism, but a basic democracy where people have the chance to change the government at least once in eight or ten years. As we can see everywhere, people in power tend to be corrupt and to misuse the power and absolute power corrupts absolutely. There are many cases of such behavior in developing and it has a very harsh impact on the basic freedoms of the people and the quality of life and economic development. In developing countries, between 50 and 80% of society sees representation as only putting the vote in the ballot box once in four years. There is also a lack of a strong media. The result is that people in power do not care about votes, voting system and most of their society. Moreover, they do not have to compete in the political competition and are not under the threat of being changed or held accountable. Of course, then they are prone to misuse the financial resources, the welfare of the country, and also their power.

Basic human rights, as the people from the developmental camp say, means the right not to live in harsh poverty, the right to have ba-

sic education, basic access to healthcare, drinking water, a couple of basic things. In my opinion, these should be considered as basic human rights in the era of globalization. If you ask the people in the Ethiopia or Afghanistan about the most important things for them, freedom and democracy will not be the first two. The first things will be their lives, lives of their kids, water or food. Then if you give them questions which are part of the democracy and affect their own lives, such as: Do you want to influence where the school will be located? Do you want to influence how the water will be distributed in the irrigation system? Do you want to influence where the road will be built? Most of them will say, *“Yes, of course, we want to be part of that.”* If you ask them about democracy, they sometimes say, *“We do not know what it means.”* I have a good friend in one Asian country and they have a democratic history for the last 20 years. He always says: *“Oh, our demo-crazy, where are we getting with that?”* The turns in democracy can be very complicated.

Another important factor is that more poor people are now living in the middle-income countries than in the poorest countries. To improve their lives, we do not need anymore the typical development of basic things. We need to empower the civil society and the citizens in order to demand on the governments of their countries to distribute the welfare in a fair manner. To conclude, it is again about human rights, empowering the people, and basically building the fundamentals for the democracy from the bottom, from the ground. Not only economic globalization, but globalization generally, brings one very positive thing: Much quicker exchange of information. The ways of documenting, spreading and sending the information about violation of human rights is more sophisticated and unquestionable. The politicians of the democratic world in the UN are exposed to more and more clear proof and evidence from countries like Iran, Burma, or recently, Syria. However, it does not ultimately create more effective actions. What is the world able to do? Not much more than 20 years ago when we had only pieces of such information. We were not exposed to shootings and today’s crimes that were committed against basic human rights and the demonstrating people. Unfortunately, we did not improve our ability to act.

I think there are no basic changes in the substance of the rights. There are some changes in the circumstances. The most important is the ability to act in order to protect and promote the human rights and push for at least the basic power of people to be able to change their elites or their governments. Unfortunately, with globalization,

the rise of China, and the return of Russia on the global political playground we wasted the 1990s to a certain extent. After the end of communism it was a golden era for promoting democracy and human rights. The last decade's policies, under US President Bush, brought another devastating effect to democracy and human rights issues. The global economic crisis is also contributing to a decrease of influence for the Euro-American partnership. We are witnessing the weakening of Euro-US team which, throughout the last century, was the main pusher for human rights and democracy. You can see an example in the last development in Security Council when China and Russia easily vetoed the soft resolution on Syria.

I think it is even more important to work not from a top-down approach, but more from the bottom-up approach by supporting civil society, organizations, movements, and proactive citizens. We must engage self-confident people in developing countries which are often not respecting human rights or functioning in a basic democratic way. For the future, it will be even more important to invest into building of civil society and civic capacity in developing countries. Then, it will be increasingly in the hands of the people there. As we can see in the case of the Arab Spring, without the people who decide to risk their lives and fight, nothing changes. In my opinion, Europe and the US, the main promoters of the human rights who were able to fight for that sometimes, are getting weaker. Therefore, the people in the non-democratic countries will have less support. At the same time, with the bottom-up approach and support, they might be more ready to support democracy and the respect of human rights. We cannot export democracy, we cannot impose it either. We can support the people in the undemocratic countries where human rights are violated to oppose it. However, the main burden is on the people of those countries.

To conclude, we should hope for the traditional globalized corporate sphere to be more serious about the human rights and democracy in the future. We, NGOs, people from media and activists, need them. Without them many things will not be possible in the future. I hope they will show a more responsible face and join the effort to support respect for human rights in non-democratic or non-respecting countries.

Thank you.

Aryeh Neier: Let me react on the corporations. There are many examples of corporations aiding and abetting human rights abuses. There

are a couple of contrary examples worth mentioning. One is only indirectly concerned with human rights, but nevertheless, very significant. Starting in 2002, The Extractive Industries Transparency Initiative was established. It was an effort to disclose the payments of corporations to governments for taking out minerals, oil, lumber or other things which involved the extractive industries.

Most countries, whose income depends upon natural resources, are vulnerable to corruption. The people are often impoverished even though vast wealth comes from natural resources. Corporations pay large bribes to governments in connection with the extraction of natural resources. Therefore, there has been an effort to make corporations disclose their payments to governments. The effort has gotten some traction and there are a certain number of corporations who disclose their payments today. These corporations became members of the Extractive Industries Transparency Initiative and they agreed to respect certain standards. Some governments also became members and agreed to disclose the payments they received.

This started in 2002 and it is now based in Norway. As far as I know, Norway is the only country that derives the bulk of its income from oil and is not highly corrupt and abusive of human rights. The reason is that Norway developed democracy and was respectful of human rights, before it started acquiring income from oil. On the contrary, African countries, Asian countries, and Middle Eastern countries, which derive their income from natural resources, tend to be highly abusive. Some oil companies are members, some are not. As an example, Shell Oil is a member of the Extractive Industries Transparency Initiative, but Exxon is not. Some companies have agreed to live up to certain standards, other companies have not.

Concerning the information industry, there was a lot of publicity about four years ago, when the various large Internet companies all furnished information to China to track down dissidents. Microsoft, Google, or Yahoo gave China information, which the government wanted in order to find out who was engaged in disseminating various dissenting materials. Since then, there has been a draft of industry standards where these companies agreed not to furnish that information. Google has been the strongest in refusing to turn over this kind of information. This has clearly hurt Google's business in China. China is trying to develop local industries which will provide the capacities that Google provides, but also monitor the use of the Internet for the government in ways that Google refuses to. The other companies have not followed.

I think it is worth paying attention when a corporation takes a responsible stand and tries to protect human rights. There are many such battles taking place all the time. A London-based organization, Business and Human Rights Resource Centre, takes the investigations by Amnesty International and Human Rights Watch and looks at where corporations are involved. Then, they engage in correspondence with the corporations and ask them to account for their activities. By now, they have compiled substantial dossiers of about 4,000 corporations dealing with their human rights practices. There are ways of trying to monitor the responsible behavior of corporations.

Ales Michalevic: I would like to stress that not only human rights organizations and activists have their networks. Just to remind you, the main partners of Lukashenko's Belarusian regime are Venezuela, and previously the Libya of Muammar Gaddafi. In the speeches of Lukashenko, Muammar Gaddafi used to be the most popular figure. Lukashenko was monitoring the situation and it was very harmful to him that Gaddafi lost. Muammar Gaddafi had a lot of corrupted income from oil. Lukashenko can only wish to be in such situation because Belarus has no oil or gas. He ordered our geologists to learn Belarus better in order to find oil and gas. He said they definitely must be close, but at the moment have failed.

Another interesting example of the global network is falsification of elections. The Belarusian election committee organized some seminars with countries like Venezuela, Libya, and several countries of the Commonwealth of Independent States. It was a seminar on sharing experience on organizing election process. It means that they are sharing experience on how to falsify elections: new technologies, what is possible to do, or how to deal with foreign observers.

Globalization is not a process which only human rights activists are using even though they are sharing experience of their own. Moreover, Belarusian observers are very experienced. As an example: If someone from Germany came to observe elections in Azerbaijan, it is definitely important, but he is almost senseless in real observation on polling stations. On the contrary, someone from Belarus, who knows the process and technology, is a completely different observer. Globalization is a mutual process, where human rights activists all over the world are sharing experiences. We know how to deal with and fight for human rights. From the other side, the dictators

know the standard of international cooperation and are aware of the importance of international cooperation against human rights.

Thank you.

Jiří Schneider: Thank you. This was a very interesting point. Whenever debating globalization, there are both bright sides and dark sides. We should be aware of the fact that it is not just good guys sharing the best practices, but also bad guys sharing the worst practices. They are empowered by globalization as well. Globalization and economic globalization empower people in their efforts to achieve their goals or to grasp opportunities. In this man-made panel we have not mentioned women. However, I think it is connected. In my opinion, the impact of economic globalization on empowering women, especially where they have access to certain tools of globalization, is remarkable. You have noticed the three Nobel Prize winners recently. I think it has something to do with globalization and with new opportunities.

To conclude, I would like to mention one thing, which should be mentioned whenever we talk about human rights. Human rights should not be mentioned in singularity without responsibility. There has been a panel devoted to responsibility to protect human rights. In my opinion, we should talk with one voice, about both rights and responsibilities. These are the two sides of the same coin. Otherwise, we end up with a void. Who are the objects of these rights? Responsible citizens, responsible governments, and responsible corporations. I am glad you mentioned accountability and the opportunity to make governments, corporations and subjects accountable for their deeds. I think this is a fantastic achievement. On the other hand, it is countered by sharing the worst practices. The governments and corporations are always trying to hide from transparency and accountability.



Recent Developments in the Middle East and North Africa: The Perspectives for Democracy and the Rule of Law

Tuesday, October 11, 2011, Žofin Palace, Forum Hall

In cooperation with West Asia-North Africa Forum, Jordan

Keynote Speech:

Prince El Hassan bin Talal, Chairman, West Asia-North Africa Forum, Jordan

Moderator:

Sultan Barakat, Director, Post-war Reconstruction and Development Unit, University of York, United Kingdom/Jordan

Participants:

Shahira Amin, Journalist, Egypt

Shlomo Avineri, Professor of Political Science, The Hebrew University of Jerusalem, Israel

Mai Yamani, Author, Broadcaster and Lecturer, United Kingdom

Sultan Barakat: Your Royal Highness, your excellencies, ladies and gentlemen, welcome to the panel on “*Recent Developments in the Middle East and North Africa*,” organized jointly by the West Asia-North Africa Forum (WANA) and Forum 2000. My name is Sultan Barakat, I am Jordanian, and I have the honor to moderate this very distinguished panel.

The idea for this panel was first proposed by Mr. Yohei Sasakawa, who felt the time was right to bring together the two parallel civil society discourses in which he has been involved: the Forum 2000 and its younger sister, the WANA. WANA was established under the patronage of His Royal Highness, Prince El Hassan bin Talal, in 2009. Over the last three years, the WANA Forum has given the opportunity to hundreds, if not thousands, of people from across our region to come together. They can debate issues concerning the most pressing challenges faced across the region, from Morocco in the west to Afghanistan and Iran in the east, and from Turkey in the north to Yemen and Somalia in the south. They often address issues of conflict and the need to reconstruct them.

We also would like to address those issues in the WANA Forum in an integrated manner that tackles the issues of economy, job creation, environment and most importantly social cohesion. While we are blessed to live in a region containing a mosaic of sub-identities and subcultures, many of whom have lived together in harmony for centuries. It is unfortunate that today our region has the highest number of ongoing conflicts and displaced people. We are honored to have H.R.H. Prince El Hassan bin Talal as the panel’s keynote speaker. He is known internationally for dedicating his life to serving others and, in particular, those he calls the *silenced majority*. In a region full of confusion and contradictions, people are extremely privileged to have someone amongst them who is able to articulate their needs, and offer guidance and inspiration, in the darkest of times.

Prince El Hassan bin Talal: Ladies and gentlemen, the current events in the West Asia, North Africa region and the Arab world coincide with three other historic developments: the economic crisis in the United States, turmoil in the eurozone, and the economic power shift from the West to the East. I refer to this in the context of the paradox of European reaction to the Arab Spring, which I prefer to call the new Arab Awakening, and I question hyper-globalization’s incompatibility with democracy. In that regard, the importance of the Arab

Awakening and the Israeli-Palestinian connection, as addressed by Tony Klug, my colleague from the Oxford Research Group, is worth bearing in mind. Events concerning the world economic crisis, the eurozone crisis and the economic crisis on Wall Street, seem to have carried the Arab Spring into an American Spring. Additionally, there appears to have been the Israeli Summer. Overall, these seasonalities are worth mentioning to bring into light the seismic shift throughout the West, which first engulfed the Arab world. Yet, international commentaries have failed to foresee the effects. This is reason enough to be guarded about what commentators are now telling us about the causes and the meanings of the uprisings.

Until events proved otherwise, many self-appointed experts sometimes arrogantly explained that the global moment toward democracy had been spared. There is a common belief, when discussing the global movement towards democracy, that liberty and equality are not a part of the Arab World's make-up. If that is not racist, I do not know what is. I am glad to say that the Arab people turned out to be not so different from the rest of the human race. In other words, there is still hope for a democratic Arab world.

While the future course of events is not yet clear, there are certain deductions that can tentatively be made. The first is that there are opportunities and dangers; as witnessed in Libya and potentially in Syria. In some places, where the ruling parties decide to fight anti-government protesters to the bitter end, there is an ominous prospect to prolong civil wars. Regimes, which have always regarded themselves as revolutionary, are among the last to come to terms with the new revolutionary mood.

Secondly, autocratic regimes cannot deliver stability. Autocratic regimes born in the war against terror have exceeded demands of security to the point where the wealthiest association of ministers is that of the ministry of the interior. At the same time, the ministries and associations of health, education, welfare, women, or youth, are placed in a much different bracket of priority. Usually, there are no mechanisms to change these brutal regimes and bring down the entire system.

Additionally, I would like to make another deduction: Non-violent mass action is not the weaker and poorer relative of an armed uprising, because it can often be more effective in achieving a more sustainable change. Therefore, I would like to thank all of those who have been involved in non-violence, non-violence studies and its promotions. However, at the same time, I would like to make note that

slogans alone are not enough. Yet, if the popular rebellions in Tunisia and Egypt had been promoted and commandeered by the men and women of the gun, they most likely would have met an overwhelming counter-violence lead by the respective regimes. It is possible that they might have seized this opportunity to crush the incipient protests.

The grievances of the Arab streets may be similar. However, the contexts are different in each country. Thus, if the revolutions and the responses they provoke take divergent paths, it should not come as a surprise. Not one faction, be they religious, nationalist or ideological, owns the revolution – except perhaps the Arab youth, who broke through wall of fear and no longer wanted to settle with the old slogans.

Social media have also revolutionized the way people communicated with each other during the revolution. Facebook, Twitter and YouTube present challenges by suggesting that the time has come to focus on content, which is difficult in an area that still is without base regional knowledge. There are perceptions built on prejudice rather than on epistemological knowledge. Unlike the revolutions in Eastern Europe in 1989, which aimed to transform the despotic governments into Western-style liberal democracies, the Arab uprisings do not appear to have clear goals, apart from the general consensus for change in the political systems. Whether this is a strength or a weakness, is yet to be seen.

Finally, there is an undeniable pan-Arab dimension to all unrests. The protests are essentially about the internal rather than external affairs of a state or issues concerning Israel or Palestine. However, if freedom spreads into the region, then the denial of Palestinian rights and their lack of statehood will appear even more anomalous. The short-term and copious media coverage of the Arab revolutions has mostly knocked the Palestinian issue off the front pages. Furthermore, the openly brutal responses of some Arab regimes have diminished the common portrayal of Israel as a uniquely repressive force in the region.

How will the Arab revolutions affect the matters between Israel and Palestine? I would like to suggest that Israel does have a genuine concern that the long-standing peace treaties with two of its four immediate neighbors, Egypt and Jordan, could be at risk. Presently, there are no indications of moves to nullify these treaties. Barring the probable takeover of these countries by extreme ideological factions, or possibly another prolonged Israeli bombardment of Gaza,

it is unlikely to formally happen. However, if the treaties were unilaterally terminated on the Arab side, this would be first step on the road to war. Despite the youthful rebellions fighting for liberty and freedom, they do not fight for war, I want to stress the possibility of external factors derailing the Arab Spring and the peace in the entire region.

One slogan of the Israeli tent protests is worth noting: “*The people demand social justice,*” which has an obvious resonance with the popular slogan across the world: “*The people demand the fall of the regime.*” Another Israeli slogan was even blunter: “*Mubarak, Assad, Netanyahu.*” Although the demands of this burgeoning youth movement are still relatively modest and inward focusing, there is no knowing how far the Israeli Awakening may go.

September marked the anniversary of an aspiration, voiced by President Obama at the General Assembly last September. He wanted to secure a Middle-East deal within a year and welcome a new member Palestine state into the world organization. As well, it coincided with the end of the two-year period of infrastructure institution-building proclaimed by Prime Minister Fayyad. He was preparing the Palestinian Authority for the declaration of the Palestine state. The renewed push for Palestinian unity in the recent effort with the Fatah and Hamas remains a variable to be considered.

I believe that there have been three phases of changes in our region: the post-colonial change, followed by the nationalist change, and lastly, the fundamentalist or Islamist change. In the wake of Israel and PLO’s failure in achieving a negotiated peace, some Western governments may be contemplating a cautious engagement with Hamas. However, Hamas, like Fatah, shows a major Palestinian political current that cannot be simply wished away.

As I return to the topic of democracy, I would like to mention a remark of Jimmy Carter’s, when he supervised the elections in Gaza that lead to the election of Hamas. He and other witnesses from the impartial international commission said it was a fair election. Yet, to paraphrase, he said that it would be difficult to take Hamas off the terrorist list.

A problematic issue is Israel’s demand for its recognition as a Jewish state. However, why should Arabs characterize what the nature of Israel should be? Should it be a secular state? Ethan Bronner, in *The International Herald Tribune*, discussed similarities between the religious parties in Israel and those in Turkey. Both secular states have become ethno-religious populist. Overall, I presume some truth

in the fact that the region, as a whole, is becoming ethno-religious populist. I conclude on the Israel-Palestinian dimension by adding the words of Tony Klug: *"If Israel is to have a future in the region of which it shows to be a part, it is up to its leaders and the whole nation to join the new tide and seize the new opportunities while they remain alive."*

In terms of the rule of law, I wish to restate the importance of closing the human dignity deficit, not the GDP deficit. There is importance in the centrality of the human dignity in any reform movement. The term "rule of law" is also a somewhat ambivalent phrase. It should also evoke the access of justice and essential rights. Human rights have a certain Western connotation and are a part of a civilizing mission. Essential rights: the rights to citizenship, life, and proscription of all forms of discrimination, are imperative to regional declaration of rights. We must express ourselves as the West-Asian region did before and shed all discrimination between nationalities.

Michael Melchior, while suggesting the symbolism of what happened in Tahrir Square, mentioned the word "exodus," the movement of the Arabs out of the region. I would suggest that casting off oppression was a historical and innate process, one that all humans, at some level, relate to. Nevertheless, there is a recent xenophobia in my country against dual nationalism, for example. Unfortunately, we have developed sensitivity to foreign ideas and interpretations of our developments, both social and political, to the point where populist movements seem to be gaining. For that reason, I want to note the exodus of young, qualified Arabs, particularly in science, maths and reading, to the United States. In the American universities, a significant percent of overseas educators are Arabs. I think we are exchanging a populist future for what could have been the contribution of an educated population, educated in both worlds.

We have seen protests in Greece, Spain, on Wall Street, and *descamisados* in Argentina in the past. Today, these conflicts are not about left and right, they are about trust, or rather the lack of it. They are also about haves and have-nots. The free world is learning a lesson in citizen activism. On my visit to the Czech organization People in Need, I was happy to see Czechs, Slovaks, Poles, and Hungarians working together to show another model of activism. This is not a fight against something. It is a fight for something. That something is real democracy based on separation of powers, constitutionality and participation. It is also a manner of justice, which balances individual rights with individual responsibilities. In my opinion, we should consider reversing the cliché of rights and responsibilities

and talk more about responsibilities and rights. In school, or post school, you have to learn like a parrot what the party line is and stick to it. A declaration of rights and responsibilities applies to the new social charter for our region, as well as other regions of the world. There cannot be social cohesion when there is no social mobility. Wealth is not simply material, but social and psychological.

I thank Madeleine Albright for supporting our commission for the legal empowerment of the poor, making the law work for everyone. Unfortunately, we still have sultan-like rulers in the East and emperor-like banks in the West. Between the two, many hoard hundreds of billions of Islamic banking funds. However, for me, Islam is a religion and should not be attached to Islamic banking, or Islamic socialism. Why should it be attached, as an adjective? I have yet to see one of these emperor's and sultan's portfolio managers – usually blue-eyed because we do not know how to manage and invest – spending money in a social cohesion fund or on reconstruction and development.

In Egypt, it is reported that Hosni Mubarak left office with \$10 billion stored away in assets in the US. The top four banks now hold more deposits than they did when the recession started, while the top six financial institutions in America have assets equivalent to 60% of GDP. Additionally, all six are planning to cut thousands of jobs. Much like Hosni Mubarak, they want us to think they are too big to fail. Yet, I would like to suggest that perhaps small is beautiful and big is vulnerable.

Change is coming and the forces seem to be converging or splintering out in the unlikeliest places. In Turkey, for example, we see a country that has been positioning itself as the forefront supporter of the Palestinian cause. At the same time, the prime minister has said, and I quote: *“Turkey represents democracy in the Muslim countries strongly supporting both the Palestinians and the real pro-democrats in the Arab Spring.”* His words, not mine. Your conclusions, not mine.

The tragedy of the burning of a mosque raises the issue of the religious strife between Muslims and Christians. Christians wanted to have the article, which says Islam is the religion of the state, removed from the constitution. If there was a regional declaration of rights, would it be possible to suggest that everyone had the right to their own beliefs, as a preamble to the proposed change in such constitutional writing? When people speak of national, secular, or civil state arrangements, they are essentially addressing this idea and are stepping away from the concept of theologies. In the end, it is not up

to us to say whether Israel is a Jewish state. It is for them to decide their own future.

Israel still has a massive military advantage in the region, but its strategic assets are sinking, especially concerning Egypt and Turkey. Gareth Evans, my Australian colleague, recently wrote an article warning of the possibility that Israel and the United States may be on the wrong side and that a backlash could be detrimental. It is possible to say that there is a porous quality to the borders of the region. There have been many people uprooted, including Palestinians, Iraqis and Syrians. There are approximately 1 million Libyan refugees in southern Tunisia. How will the Tunisia handle 1 million refugees? The movement and changes occurring within the populations comes down to T.I.M.: territoriality, identity and migration. In Syria, it is estimated that over 2,000 people have been killed in the oncoming tanks and heavy artillery. The Arab movement for change – *quo vadis*? Syria's ethnic and religious makeup and the ability to export its troubles has put Syria and its Gulf neighbors on the sideline for the past few months. Saudi Arabia has made it no secret that it is circumspect, at best, in its acceptance of the Arab sentiment for change. Saudi Arabia's recent comments, in regard to the proposed US veto in the UN, has also been potentially antagonistic. With respect to Palestine, there is an ongoing refugee issue that has been called temporary. However, how long is temporary?

In Jordan, the parliament stayed in session to debate and vote on constitutional changes recommended by the Royal Commission. Changes included establishing a constitutional court, curtailing the role of the executive branch, pursuing temporary laws, and lowering the age of nominees from 30 to 25. These appeasement measures should also be balanced with the need for developing a national agenda and bill of rights within the context of the regional bill of rights. Dr. Marwan Muasher, vice president of the Carnegie Endowment for International Peace, said: "*In order to protect itself, the regime created a loyal political and bureaucratic group, but this group is now entrenched and has no qualms about turning against its creator when its interests – as opposed to those of the country – are threatened.*" For me, this is somewhat alarming, especially coming from Jordan and working with the Carnegie Endowment.

The USA is a main actor in the region's events. In this regard, I want to add that not one banker, CEO or any of those responsible for the economic collapse has been brought to justice. Therefore, what hope is there for countries like my own to bring down those

who have crossed the red line of justice? We do appreciate the American way of life and we should not be vindictive, or promote witch-hunts. If America seems to be entering a period of introspection, let us hope it is a good thing. Let us hope that we can promote our own priorities, and regional and national commons together.

Concerning the strategic balance, will Syria remain in alliance with Iran? Will Bahrain drift from Saudi Arabia's influence? Just how far can Turkey distance itself from Israel? Will stability in Iraq suffer? Sudan is partitioned. Yemen is torn between rebellions. People and parts of Iraqi Kurdistan teeter on the edge of separation. Can the world continue to deal ad hoc with each of these issues? Is crisis management enough? Or, do we need the proffered Paris International Conference for the West Asia region? Or perhaps the Moscow International Conference for the West Asia region?

One cannot believe in democracy and rule of law in abstract. Both are predicated on the belief in individual human beings and the choices they make. In the events of modernization, we must recognize that justice is the first casualty of war and the truth often reveals itself in the end.

Sultan Barakat: Thank you, Your Royal Highness, for those inspiring words and for shifting the discussion from the phenomena of the transition to its substance. It is very important to focus on the future and to stop reflecting on what has happened. It is time to delve into the issues that matter for the better future of our region's citizens.

Our next panelist is Ms. Shahira Amin, one of the most influential journalists in our region. She is known for her courage and determination in reporting issues that other mainstream journalists shy away from. Such subjects include woman's health, particularly girl's health, the plight of refugees, and the discrimination against minorities. Her efforts had been recognized internationally. She was the winner of CNN's Best News Report competition in 2004 and 2008.

Shahira Amin: Thank you, Sultan. One thing Sultan Barakat forgot to mention was that I became famous for all the wrong reasons. I became famous for quitting my job. I walked out during the uprisings in protest of how the state television was covering the uprisings. Please, let us observe a moment of silence for the 26 Christian protesters who were killed yesterday in Egypt in clashes with the military police. It is very sad that in post-revolutionary Egypt, excessive

force is still being used to silence people who are simply expressing legitimate demands.

Thank you. The mass uprisings in Tahrir were just the beginning of a long process of change. Where will the change lead Egypt? No one knows for sure. However, Egyptians hope it will lead to democracy, a more open society, greater equality, social justice and greater freedoms for the people who have lived under military dictatorship for over 60 years. In fact, these were the demands of the pro democracy activists who went to the streets to protest in January. The slogan often repeated in Tahrir was, *“Raise your head up high, you are Egyptian.”* We can still see it today on stickers, car windows, graffiti, and on the walls in the streets of Cairo.

Clearly, this revolution was about winning their dignity back after years of humiliation and oppression at the hands of a ruthless regime, its brutal police and security forces. Egyptians were fed up with having their rights violated, torture in prisons, rampant corruption, and no freedom to choose their religion. Their voices were unheard and elections were not fair. Nevertheless, in order to win back their dignity, one must also have the ability to put bread on the table. If you go to bed hungry at night, you will not care much about your political rights. Sadly, this is what we have been hearing in the recent weeks on the streets of Cairo. People are saying: *“Enough is enough. The protests are disrupting our lives and our work. We need to earn a livelihood. The activists must return home and give us a chance to go back to work because we have kids to feed.”* Yet, it has only been eight months.

With 40% of Egyptians living under the \$2-a-day poverty line, the revolution is a luxury many Egyptians cannot afford. The economy is in shambles and foreign investors are holding back until stability is restored. The crime rate has risen and there is a security vacuum, as police forces have not redeployed in full force since they went off the streets during the uprising. Tourism revenues, Egypt’s biggest foreign currency earner, have dramatically declined because tourists are afraid to come during these turbulent times. Unemployment rates are high and it is difficult for young university graduates to find jobs. I quote an analyst who said: *“If political transitions in elections are not accompanied by economic opportunities, access to power and resources will remain in hands of a few.”*

We are at a crossroads and have a long and difficult struggle ahead. At best, it may take years to overcome. There are ongoing strikes with public transport workers, teachers, doctors, and university professors. This week, air traffic controllers at the airport almost

prevented me from coming here. These strikes all demand better work conditions and higher wages. Piling pressure on the military rulers has helped the activists gain some concessions, but it is a very slow and tedious process. Many Egyptians do not want to return to life under an authoritarian regime. Therefore, we keep going back to Tahrir every Friday, calling for a handover to a civilian rule during the transitional phase. We have had our first taste of freedom and it is too good to abandon for anything.

We have waited eight months and little has happened. Yet we have to see Mubarak and his regime brought to justice. Their trials in civilian courts have dragged on without transparency. Despite the fact that the activists had asked for public trials for the former regime, there is a media blackout. When Mubarak's trial opened, the next day all the headlines in the state dailies read: "*Mission accomplished,*" "*The revolution is over,*" "*It's been a success.*" We are far from it, and that only tells us one thing: the media is still under the control of those in the authority.

The dictator has fallen, but the military continues to use the same repressive tactics. Security forces and military police assault peaceful protesters, as we saw in recent days. Excessive force is used to break up peaceful rallies calling for a faster pace of reforms. The emergency law has been revitalized in its wider scope. Under Mubarak, it was restricted to terrorism and drug dealing crimes. Now it is used for disrupting traffic, disrupting work, spreading rumors, and the list goes on. Civilians are being tried in military courts, which are known to be hasty and unfair. Human rights activists claim that 12,000 civilians have been tried in military tribunals over the past eight months. That is more than during 30 years of Mubarak. No one knows how many are still behind bars to this day and torture in prisons remains a common practice. A blogger has been sentenced to three years in jail for expressing his views on Facebook and it is his 50th day on hunger strike today. He could die at any moment. The military generals in control of the country claimed that he used inappropriate language to defame the military.

Moreover, as if the internal turmoil is not enough, there are tensions on the border with Israel. Several Egyptian security guards were shot and killed near the border with Israel, which has fuelled the already anti-Israeli sentiment prevailing in Egypt. Activists have been calling for an annulment of the Camp David Peace Accords and for the dismissal of the Israeli ambassador from Egypt. Some even tried to storm the embassy and managed to pull down the Is-

raeli flag and replace it with the national flag. However, if this would allay fears, let me assure you that not one Egyptian wants a state of war with Israel. What we are demanding, now that we have regained some of our dignity, is peace based on mutual respect. We want to be treated as equal partners. Therefore, we would like to see Israel help us to have this peace that we aspire for. I apologize for focusing on the bad news. However let us look at the brighter side of things: the fact that people are able to assemble and demand their rights is a welcomed novelty in Egypt.

A great deal of energy and political activism is still there from the revolution, which is unprecedented. Everyone wants to take part in building a new Egypt, including women. I have seen this with the new political parties being launched every day. Women who do not have any political experience want to be on board. The Muslim Brotherhood, Egypt's largest, most organized opposition, and other Islamists have surfaced and are being allowed to integrate into the political process. For decades they have been the boogiemens under Mubarak and were barred from taking part in the elections as a party. It is expected that they will win between 15 to 30% of the votes in parliament, although overall, their support seems to be dwindling now that Mubarak is out of power. People had supported them because they were the only oppositional choice. Some analysts are now optimistic that Islamists will not dominate the parliament. The Brotherhood's role in Egypt's new political environment has yet to be determined, but on the positive side, we now have full inclusion of all forces in Egypt. No one gets marginalized. Also, labor syndicates and trade unions are forming and people feel that they have claimed Egypt back from the grip of dictatorship. We have already seen examples of this in the early days of the transition: young people have cleaned the streets, collected garbage, and repainted areas of the city. A women's alliance has also formed among civil society organizations.

Now, what is next for Egypt? We have been promised parliamentary elections in late November, were assured that the military has no interest in staying in power, and that a new constitution will be drafted. Egyptians are preparing for the election, hoping they will be free and fair compared to the sham elections in November 2010. International observers will be allowed to enter the country in order to observe the process. Lastly, presidential elections are set to occur at the end of next year. However, the presidential hopefuls are

pushing to move the date forward to next April in order to keep the process from dragging on.

Egypt is still very far from a real democracy, but I am optimistic that Egypt is now a democracy in the making. Many Egyptians have a glimmer of hope that the country can progress and even follow the Turkish model. They want to be a country where the military steps back and all institutions are transparent and held accountable for their actions. In order to attain this goal, Egypt will need the guidance and support of the international community and to continue to fight all forces that wish to have a negative hold upon the society. Thank you very much.

Sultan Barakat: Thank you Shahira, for reminding us of the pitfalls of a protracted transition. There seems to be a lot of prolonged states of conflict in our region. Hopefully they will not encourage a protracted transition in Egypt as well.

Our next panelist, Professor Shlomo Avineri, is a political scientist at the Hebrew University in Jerusalem. He held visiting positions at a number of renowned academic institutions including Yale, the University of California, Oxford and the Central European University in Budapest. Between 1975 and 1977, he served as director general of Israel's Foreign Ministry. He is the author of many books, including "*Israel and the Palestinians*" and "*The Making of Modern Zionism*."

Shlomo Avineri: Thank you very much. First of all, I am very glad that H.R.H. Prince Hassan renamed the events of the region as the new Arab Awakening because it refers to George Antonius classic book, *The Arab Awakening*. It also recaptures bits of local spirit. Springs in the Middle East can come unseen, but now there is a storm. An awakening is not so ambiguous.

Secondly, the recent developments in the Middle East have answered a question people asked after 1989. At that time, there were democratic developments in Central and Eastern Europe, and similar things were happening or had happened in Latin America and Southeast Asia. People asked if the Arab Middle East was an exception to the democratic developments. The recent events have proved that there is no exception, perhaps only a time lag. It is important to realize that a very possible outcome of this new Arab Awakening is a democratic Middle East. Such outcome would be great thing for

Israel, Arabs, and the world. Liberal democratic societies do not go to war against each other.

I would also like to briefly address the situation by comparing the events in the Middle East to those in Central and Eastern Europe's history. Currently, only two dictatorial regimes were brought down by peaceful demonstrations, Tunisian and Egyptian. For now, the situation in Libya is complicated due to NATO intervention and the path of Syria is also unknown. The future of democracy in the Arab World is still shadowed. In Central and Eastern Europe, when the Berlin Wall fell, all the communist regimes in the area collapsed. Yet, 20 years later, there are differences in the countries. Poland, Czech Republic, Slovakia and Hungary have developed towards a consolidated, liberal democracy with free market economies and elections. On the other hand, Russia, for example, is a very different case where an authoritarian regime is in control. Why is there this difference? These countries had more-or-less the same kind of regime in the 1990s.

The answer to the question is linked to each country's traditions and history. For example, the Czech Republic experienced a democratic Czechoslovakia in the early 20th Century and Poland and Hungary have a tradition of civil society, tolerance, pluralism and secularism. Their transition to democracy and liberalism was relatively easy. There were problems, of course, but in a country like Russia, there has never been a strong tradition of civil society. On the contrary, the state was always under the tsarist or the communist rule. With respect to the future of the Arab Middle East, perhaps something can be learned from it.

It seems that the direction of developments in countries like Tunisia or Egypt depends on the level of their civil society. For one, is there a tradition of tolerance that can be translated into the modern, post-revolutionary situation? As well, bringing down dictators is one thing, but building up a new institution, based on the social traditions of democracy and liberalism is completely different and even more difficult task. The elements of the civil society, of tolerance, of inter-religious acceptance, must be strengthened. Problems in Egypt have already arisen. Therefore, the future of the new Arab Awakening will depend on the ability of those societies to internally foster the liberalism of civil society, a necessary foundation for modern democracy.

Another aspect which must be considered is the association of democracy to the West. In Central and Eastern Europe, a western

model of democracy was accepted. However, some people of the Arab countries may view democracy as a Western imposition, or a product of the West. Therefore, as H.R.H. Prince Hassan mentioned, it is important that traditional elements of Islam and the Arab culture are strengthened and open to democracy, pluralism, and liberalism. There must be internal legitimacy for democracy in order to take hold and become a dominant element of society. It cannot be imported from outside, as in the terrible experience of Iraq. Democratic values and society must stem from local traditions, which are just as prominent in Islamic society as in Christian, Judaic or others.

It is my hope that, despite the difficulties and my realist perspective, the region will be built up democratically. After all, Rome was not built in a day. Even Western European countries, Britain and France for example, took a long time until they developed democratic, consolidated institutions. Central and Eastern European countries are success stories, but Russia is not. To conclude, it must be reminded that one should look to the local conditions and foster them accordingly. Thank you very much.

Sultan Barakat: Thank you, Professor Avineri, for reminding us of the importance of civil society in sustaining a constructive outcome during the transition. Also, that civil society is not limited to non-governmental organizations and its Western definitions, as there are also regional, local, and traditional forms of civil societies that have served this area for a long time.

Our last panelist is Dr. Mai Yamani, an eminent scholar and broadcaster who started her academic career at the University of King Abdulaziz in Jeddah in Saudi Arabia. Since then, she has been associated with a number of distinguished academic institutions and think-tanks in Europe, the United States and the Middle East. Institutions where she has been active include Chatham House, the School of Oriental and African Studies in London, the Brookings Institute and the Carnegie program. She is the author numerous books, including *“The Cradle of Islam – The Hijaz and a Quest for an Identity in Saudi Arabia”* and *“The Changed Identities: The Challenge of the New Generation in Saudi Arabia.”*

Mai Yamani: Your Royal Highness, your excellencies, ladies and gentlemen. The rule of law and democracy is not a stranger to Arab Muslim societies. H.R.H. El Sharaf bin Hassan bin Talal’s grandfathers, who ruled over Mecca and the capital of Hijaz for 1,500 years

until 1926, understood democracy. They acknowledged the consent of the governed and consistently respected the rule of law. At that time, Mecca was not only about pilgrimage and prayer, but also a focal point of cultural exchange, mutual borrowing and peaceful co-existence.

However, in more recent decades, the rule of law has been abused. The region has had the highest concentration of dictatorships in the world. People rebelled because they sensed humiliation and inequality. The Arab Awakening, or the Arab Spring, demonstrated that people hold deep expectations for the rule of law, but did not see it in practice. The unexpected assertiveness of people in the unfolding revolutions across the Arab world has been a driving force. Ideas of change stirred in the minds and lives of the individuals, helping them to break out of the constraints of the past in order to live as free, productive, and dignified human beings.

The winds of globalization have blown away the robes of the autocratic Arab rulers. Their acolytes continue to assure them that they are still fully dressed, but in reality, their nakedness is now completely visible to the people. The population has lost faith in the ruler's ability to reform. They filled Tahrir Square in Cairo for freedom. The change flooded across the frozen borders of the Arab World like a tsunami. Facebook, YouTube, Twitter, bloggers and NGOs have all helped bring down these walls of opacity. Seventy percent of the young Arab population is fairly Internet-savvy.

The protesters of the Arab Spring did not need to use or abuse Islam to achieve their ends. Neither did they wait for God to change their condition. Instead, they had the initiative to peacefully confront their oppressors. This action is based on the Quran verse: *"God will not change the condition of a people until they change it themselves."* The Arab revolutions mark the emergence of a pluralist, post-Islamist banner for all citizens. In Tahrir Square, Egyptians from all walks of life chanted: *"Muslims, Christians: We are one."* It is only through justice and fairness that the rulers can live together in greater consensus, harmony and equality. The Khalifa Umar bin al-Khattab said: *"Since when do you enslave people when their mothers gave birth to them as free men?"*

The pursuit of accountability and social justice is neither easy nor immediate. However, now, they have reached a point of no return. The people have exchanged their fear for organization. Their movement is indigenous, legitimate and unified, and it cannot be

broken. The foundation of respect for the rule of law and democracy that once existed in Mecca, is being formed again.

I would like to end by thanking the Forum, which is a testimony to former President Václav Havel's belief in the power of the powerless.

Sultan Barakat: Thank you, Dr. Yamani, for illustrating our rich traditions and, as Professor Shlomo said, they need to use such traditions in order to establish the foundations of the future. This is what our WANA Forum is about. Thank you very much.



Closing of the Conference

Tuesday, October 11, 2011, Žofín Palace, Forum Hall

Remarks:

Václav Havel, Former President, Czech Republic

Moderator:

Jacques Rupnik, Political Scientist, France

Jacques Rupnik: Ladies and gentlemen, I have been given the formidable task to provide some concluding remarks. I will return to the initial point: democracy and the rule of law, the state and the political regime. The state talks about the law, and the regime asks the question about politics. One of the oldest thoughts in political philosophy since the 18th Century is: Democracies need the rule of law and constitutional constraints. However, as Professor Stiglitz asked: *“Who will constraint the markets? Who will establish the norms for the markets? The nation-states? How will it work in the globalized world we live in?”*

During the panel discussion of the euro crisis, panelists raised the issue of changing the governance of the euro system. Mr. Macháček, a Czech journalist, said: *“We need a new European constitution for the euro to work.”* It must be reminded that a new constitution for the euro cannot be done without the democratic support of the citizens. Rules may be changed only as long as it is done legitimately. The Arab Spring has led to the rise of similar issues in the region. Is a new constitution needed in order to generate democratic transition? Or, is a new constitution the result of the democratic transition? Czechs and other countries of Central and Eastern Europe underwent the changes now occurring in the Middle East. It is a crucial issue, and many are hoping they will succeed. It is now their turn to experience what they did in Prague in 1989, which was led by former President Václav Havel and his friends.

Now, I must address the rule of law. In German, it is called *Rechtsstaat*, and in French, *L'état de Droit*. The rule of law is bound to the idea of the legal state. In other words, there is no rule of law without a functioning state. However, what is state sovereignty and what does it mean in a globalized world? Or, from another point of view, and as the President of Kosovo asked earlier: *“How does one build the rule of law when one does not know the state that is being built?”* As we can see, questions and problems concerning the state and law are closely connected.

Two other issues raised during the conference were corruption and human rights. Confronting corruption requires transparency and accountability and transparency requires free, independent media. Nonetheless, it is not sufficient, as accountability is also needed. Functional independent judiciaries are a necessity of law. Both are needed to tackle corruption, even corruption in democracies. The Forum covered a wide range of countries, from Russia to Burma, where these issues are of major importance. These are old topics,

but here they were addressed in a new, changing context. Whether we have succeeded or not in providing hypotheses and answers, the questions are up for you to judge. Let us hope that we can continue this discussion in the Forum's future.

Václav Havel: Ladies and gentlemen, dear guests. This Forum was the 15th consecutive conference, and most likely the most extensive. Preparations were demanding and more than 130 delegates were invited from countries around the world. Over a period of 4 days, 54 events took place. Despite the Forum continuing for a fifth day tomorrow, I chose to speak now, because it is my last opportunity to address so many of you together.

The Forum took place at 16 venues in Prague. As in many past Forum conferences, a number of prominent personalities took part: people of different professions, opinions, and countries. We also welcomed many heads of states this year, including President Saakashvili of the Republic of Georgia and President Jahjaga, who is the president of probably the youngest state represented here, Kosovo.

The Forum traditionally invites guests who traditionally cannot or do not come. I would like us to remember some of them as well: Oswaldo Payá Sardiñas from Cuba – he has been forbidden from leaving his country; Mr. Liu Xiaobo from China – he did not arrive because he was afraid that he might not be able to return afterwards; and Mrs. Aung San Suu Kyi from Burma – did not come because she too was afraid that she would not be able to return home.

As it was during the previous Forums, contributions will fund published proceedings of this conference. I have the feeling that during the course of the conference, nobody overturned my belief that legal codes must be preceded by a moral code. Laws can be created when the moral code is absent. However, they are to little avail. We cannot forget that it is important to link the theme of the legal code and the moral code, which then bonds to create the theme of decency and respect for human rights.

I thank all of the delegates who came here from different parts of the world. I thank all of the observers and the organizers, who worked hard to make this Forum as success. I look forward to next year and hope I will be able to meet many of you again. Then, we will have the opportunity to reflect on the basic issues of today's very complex world again. Thank you.



Delegates on the Žofín Palace staircase





Overview of Other Conference Panels and Events



Organized Crime, Corruption and Politics

Sunday, October 9, 2011, New Stage, National Theatre

In cooperation with Open Society Fund Prague

Moderator:

Monika Ladmanová, Chair of the Board, Open Society Fund Prague, Czech Republic

Participants:

Peter Eigen, Founder, Chairman of the Advisory Council, Transparency International, Germany

Yakov Gilinsky, Professor of Criminology, Herzen State Pedagogical University, Russia

Norman L. Eisen, Ambassador to the Czech Republic, USA

José María Argueta, Former National Security Advisor, Guatemala

Karel Randák, Former Director General, Office for Foreign Relations and Information, Czech Republic

Internet, Social Networks and the Arab Spring

Monday, October 10, 2011 Goethe-Institut

Moderator:

Steven Gan, Editor, Malaysiakini, Malaysia

Participants:

Mohammad Gawdat, Managing Director for Emerging Markets, Google, Egypt

Shahira Amin, Journalist, Egypt

Sultan Barakat, Director, Post-war Reconstruction and Development Unit, University of York, United Kingdom/Jordan



The Limits of Regulation

Monday, October 10, 2011, CERGE-EI

In cooperation with CERGE-EI

Keynote Speech:

Robert Hahn, Director of Economics, Smith School of Enterprise and the Environment, Oxford University, United Kingdom

Moderator:

Hana Lešnarová, Member, Corporate Council, Forum 2000 Foundation, Associate Director, Control Risks Deutschland, Germany/Czech Republic

Participants:

Hassane Cisse, Deputy General Counsel, Knowledge and Research, The World Bank, Senegal

Zdeněk Tůma, Former Governor, Czech National Bank, Czech Republic

Exhibition: Drops of Water Project

Monday, October 10 and Tuesday, October 11, 2011, Žofín Palace, Knight's Hall

In cooperation with Energie AG Bohemia



Campaign: Prisoners of Conscience, 3 Minutes with Amnesty International

Monday, October 10 and Tuesday, October 11, 2011, Žofín Palace, Foyer

In cooperation with Amnesty International Czech Republic

Religious Law and Human Rights

Monday, October 10, 2011, Žofín Palace, Conference Hall

Moderator:

Prince El Hassan bin Talal, Chairman, West Asia-North Africa Forum, Jordan

Participants:

Michael Melchior, Politician, Chief Rabbi of Norway, Israel

Václav Malý, Titular Bishop of Marcelliana and Auxiliary Bishop of Prague,
Czech Republic

Geshe Tenzin Dhargye, Buddhist Scholar, Austria/Tibet

Shahira Amin, Journalist, Egypt



Roundtable: Sustain the Future, International Response to Climate Change

Monday, October 10, 2011, Goethe-Institut

In cooperation with the Embassy of Brazil, the Embassy of Denmark, the Embassy of Mexico, the Embassy of South Africa, and the UN Information Center Prague

Moderator:

Jan Dusík, Deputy Director and Officer-in-Charge, UNEP Regional Office for Europe, Switzerland/Czech Republic

Participants:

Martin Bursík, Former Minister of Environment, Czech Republic

Bedřich Moldan, Director, Environment Center, Charles University, Czech Republic

José Luis Bernal, Ambassador to the Czech Republic, Mexico

Aspasia Camargo, State Legislator, Brazil

Karsten Duer, Director for Standardization, Velux Group, Denmark

Drahomíra Mandíková, Director of Corporate Affairs and Communication, Plzeňský Prazdroj, Czech Republic

Debate: Our Corruption

Monday, October 10, 2011, Academy of Sciences

In cooperation with People In Need's One World in Schools educational program

Moderator:

Jan Urban, Journalist, Czech Republic

Participants:

Ondřej Liška, Chairman, Green Party, Czech Republic

Marie Benešová, Vice-chairwoman, Czech Social Democratic Party, Czech Republic

Pavel Severa, Secretary General, TOP 09, Czech Republic

Karolína Peake, Deputy Prime Minister, Czech Republic



Roundtable: Connecting Generations

Monday, October 10, 2011, Goethe-Institut, Seminary Room

In cooperation with the Czech Safer Internet National Centre

Participants:

Maria Ivanova, Professor of Policy Studies, University of Massachusetts, USA/Bulgaria

Marek Ehrenberger, Member, Together Association, Czech Republic

Kamila Brožová, Member of the Youth Panel, National Safer Internet Centre, Czech Republic

Tomáš Botlík, Chairman, National Parliament of Children and Youth, Czech Republic

Aleš Sedláček, Chairman, Czech Council of Children and Youth, Czech Republic

Zdeněk Metoděj Záliš, External Affairs Manager, National Safer Internet Centre, Czech Republic

Philanthropy Session: Strategic Approaches to Private Philanthropy

Monday, October 10, 2011, Goethe-Institut

In cooperation with the British Chamber of Commerce Czech Republic and the British Embassy Prague

Moderator:

Jiří Bárta, Executive Director, Via Foundation, Czech Republic

Participants:

Stephanie Shirley, British Government's Founding Ambassador for Philanthropy, United Kingdom

Jerry Hirsch, Philanthropist, Chairman and Founder, The Lodestar Foundation, USA

Karel Janeček, Mathematician, CEO, RSJ Algorithmic Trading, Czech Republic



Democracy and the Rule of Law: Legality vs. Legitimacy?

Monday, October 10, 2011, Žofin Palace, Forum Hall

Opening Remarks:

Mikheil Saakashvili, President, Georgia

Pavel Rychetský, President, Constitutional Court, Czech Republic

Moderator:

Jan Urban, Journalist, Czech Republic

Participants:

Olusegun Obasanjo, Former President, Nigeria

Grigory Yavlinsky, Economist and Politician, Russia

José María Argueta, Former National Security Advisor, Guatemala

Meeting Dissidents as a Democracy Support Tool: From Van der Stoep and Patočka to Cuba, Belarus and the Dalai Lama

Monday, October 10, 2011, Hotel InterContinental

In cooperation with the Embassy of the Kingdom of the Netherlands

Moderator:

Marek Svoboda, Director, Human Rights and Democracy Department, People in Need, Czech Republic

Participants:

Frans Timmermans, Politician, Diplomat, The Netherlands

Jiřina Šiklová, Sociologist, Czech Republic

Vladimír Galuška, Deputy Minister, Ministry of Foreign Affairs, Czech Republic

Ales Michalevic, Politician, Former Presidential Candidate, Belarus

Ivan Chvatík, Jan Patočka Archive, Czech Republic



Anna's Days: Doing Business in Russia

Monday, October 10, 2011, Faculty of Law, Charles University

In cooperation with People in Need

Moderator:

Rostislav Valvoda, People in Need, Czech Republic

Participants:

Vadim Klyuvgant, Lawyer, Russia

William Browder, Founder and CEO, Hermitage Capital Management, United Kingdom

Shattering the Glass Ceiling: Women Leaders in Tomorrow's World

Monday, October 10, 2011, Goethe-Institut

In cooperation with CERGE-EI and the International Herald Tribune

Introduction:

Jan Bubeník, Chairman, Corporate Council, Forum 2000 Foundation, Czech Republic

Moderator:

Susan E. Walton, Board Member, CERGE-EI Foundation, United Kingdom

Participants:

Stephanie Shirley, British Government's Founding Ambassador for Philanthropy, United Kingdom

Mariko Gakiya, Advisor, Harvard International Negotiation Program, USA/Japan

Magdaléna Vášáryová, Politician, Diplomat, Slovakia



Responsibility to Protect

Monday, October 10, 2011, Žofin Palace, Conference Hall

Keynote Speech:

Gareth Evans, Former Minister of Foreign Affairs, Chancellor, Australian National University, Australia

Moderator:

Jared Genser, President, Freedom Now, USA

Participants:

Francis Deng, Special Adviser for the Prevention of Genocide, United Nations, USA/Sudan

Cem Özdemir, Co-chair, Alliance 90/The Greens, Germany

Šimon Pánek, Co-founder and Director, People in Need, Czech Republic

Debate: Business and Corruption

Monday, October 10, 2011, Prague Business Club

In cooperation with Prague Business Club

Moderator:

Luboš Drobík, President, Prague Business Club, Czech Republic

Participant:

Peter Eigen, Founder, Chairman of the Advisory Council, Transparency International, Germany

DEMOCRACY AND THE RULE OF LAW

15th FORUM 2000 Conference | October 9–11, 2011 | Prague

- How real is the threat of a "hollowing" of democracy?
- How can civil society contribute to a better perception of the rule of law?
- Is the role of ethical principles in the legal system eroding?
- How does the threat of international terrorism impact basic human rights and freedoms?

- What is the impact of the international human rights movement on the human rights situation in countries such as Russia?
- To what extent is the international human rights movement effective?

- In what way do various religious traditions address the balance between religious community and the rights of the individual? Where does conflict frequently between them and what are the causes?
- What relationship do individual religions have with the modern concept of democracy?
- How can we ensure that public tenders are fair and transparent?
- In retrospect, how can we assess the importance of social networks and the Arab Spring?
- Can these new information and communication channels be used in democratic societies in the future? How?



The Rule of Law in Russia

Monday, October 10, 2011, Žofín Palace, Conference Hall

Keynote Speech:

Grigory Yavlinsky, Economist and Politician, Russia

Moderator:

Gregory Feifer, Senior Correspondent, RFE/RL, Czech Republic/USA

Participants:

William Browder, Founder and CEO, Hermitage Capital Management, United Kingdom

Vadim Klyuvgant, Lawyer, Russia

Bobo Lo, Independent Scholar and Consultant on Russia and China, United Kingdom/Australia

Development Aid and Good Governance

Monday, October 10, 2011, Žofín Palace, Knight's Hall

Keynote Speech:

Mou-Shih Ding, Senior Advisor to the President, Taiwan

Moderator:

Jan Urban, Journalist, Czech Republic

Participants:

Frans Timmermans, Politician, Diplomat, The Netherlands

Gérard Roland, Professor of Economics, University of California, Berkeley, USA

Marcus Cornaro, Director, Development and Cooperation, European Commission, Belgium/Austria



Still Failing to Protect: The International Community and Gross Human Rights Violations

Monday, October 10, 2011, New York University in Prague

In cooperation with Oxford and Cambridge Alumni Society Czech Republic

Moderator:

Ondřej Ditrych, Executive Secretary, Oxford and Cambridge Alumni Society, Czech Republic

Participants:

Francis Deng, Special Adviser for the Prevention of Genocide, United Nations, USA/Sudan

Gareth Evans, Former Minister of Foreign Affairs, Chancellor, Australian National University, Australia

Veronika Bílková, International Lawyer and Lecturer, Faculty of Law, Charles University, Czech Republic

Pavel Barša, Professor of Political Science, Charles University, Czech Republic

Exhibition: The Internally Displaced of Georgia

Monday, October 10, 2011, NAPA Bar & Art Gallery

In cooperation with the L.A.F. Project



Roundtable: Greening the Economy in a Time of Austerity

Monday, October 10, 2011, Goethe-Institut

In cooperation with Heinrich Böll Foundation and Green Academy

Keynote Speech:

Cem Özdemir, Co-chair, Alliance 90/The Greens, Germany

Moderator:

Jan Macháček, Journalist, Czech Republic

Participants:

Randall K. Filer, President, CERGE-EI Foundation, Professor of Economics, CUNY, Czech Republic/USA

Ondřej Liška, Chairman, Green Party, Czech Republic

Concert: Marta Töpferová and Zuzana Lapčíková

Monday, October 10, 2011, Žofín Palace, Conference Hall



Breakfast: Business and Corruption, Best Practices for Anti-Bribery Policy

Tuesday, October 11, 2011, Café Rozmar

In cooperation with Business Leaders Forum

Opening Remarks:

Ivan Pilný, President, Tuesday Business Network, Czech Republic

Moderator:

Iva Petříčková, Executive Director, Business Leaders Forum, Czech Republic

Remarks:

Jiří Knitl, Manager, Transparency and Public Responsibility Program, Open Society Fund Prague, Czech Republic

Tomáš Urban, Executive Director, Det Norske Veritas, Czech Republic

Karel Janeček, Mathematician, CEO, RSJ Algorithmic Trading, Czech Republic

Eurozone Crisis: A Constitutional Challenge for Europe

Tuesday, October 11, 2011, Municipal Library

In cooperation with CERGE-EI

Moderator:

Karel Kovanda, Former Director-General, DG External Relations, European Commission, Czech Republic

Participants:

Jan Macháček, Journalist, Czech Republic

Alan Brown, Group Chief Investment Officer, Schroder Investment Management, United Kingdom

Vladimír Dlouhý, Economist, International Advisor, Goldman Sachs, Czech Republic

Jacques Rupnik, Political Scientist, France

Zdeněk Kudrna, Institut für europäische Integrationsforschung, Austria/
Czech Republic



Responsibility to Protect: Challenges and Prospects

Tuesday, October 11, 2011, Žofin Palace, Knight's Hall

Moderator:

Howard Hensel, Professor of Politico-Military Affairs, Air War College, USA

Participants:

Sai Felicia Krishna-Hensel, Professor of Anthropology, Auburn, Montgomery, USA

Pierre Lévy, Ambassador to the Czech Republic, France

George Andreopoulos, Professor of Political Science, The City University of New York, USA

Jared Genser, President, Freedom Now, USA

Ukraine: A Fast Track Away From Democracy?

Tuesday, October 11, 2011, Goethe-Institut

Moderator:

Natalia Churikova, Ukrainian Service, RFE/RL, Czech Republic/Ukraine

Participants:

Tomáš Vrba, Chairman, Board of Directors, Forum 2000 Foundation, Czech Republic

Bohdan Danylyshyn, Former Minister of Economy, Czech Republic / Ukraine

Christopher Walker, Director of Studies, Freedom House, USA

Mustafa Dzhemiliev, Chairman, Mejlis of the Crimean Tatar People, Member of Parliament, Ukraine



Religion, Ethics and Law

Tuesday, October 11, 2011, Žofin Palace, Forum Hall

Moderator:

Jiří Pehe, Director, New York University, Prague, Czech Republic

Participants:

Vartan Gregorian, President, Carnegie Corporation of New York, USA

Günter Virt, Professor of Theology, University of Vienna, Austria

Mark L. Movsesian, Director, Center for Law and Religion, St. John's University, USA

Tomáš Halík, Sociologist, President, Czech Christian Academy, Czech Republic

William Cook, Professor of History and Religion, State University of New York, USA

Corruption and Society

Tuesday, October 11, 2011, Žofin Palace, Forum Hall

In cooperation with CERGE-EI and Open Society Fund Prague

Keynote Speech:

Peter Eigen, Founder, Chairman of the Advisory Council, Transparency International, Germany

Moderator:

Randall K. Filer, President, CERGE-EI Foundation, Professor of Economics, CUNY, Czech Republic/USA

Participants:

Grigory Yavlinsky, Economist and Politician, Russia

Laurent Weill, Professor of Economics, University of Strasbourg, France

Christopher Walker, Director of Studies, Freedom House, USA

Avi Dichter, Former Minister of Internal Security, Israel



Europe's Future: Constitutional or Populist Democracy?

Tuesday, October 11, 2011, Goethe-Institut

Moderator:

Karel Kovanda, Former Director-General, DG External Relations, European Commission, Czech Republic

Participants:

Adam Michnik, Editor-in-Chief, Gazeta Wyborcza, Poland

Ayşe Kadioğlu, Professor of Political Science, Sabanci University, Turkey

Shlomo Avineri, Professor of Political Science, The Hebrew University of Jerusalem, Israel

Jacques Rupnik, Political Scientist, France

Jiří Pehe, Director, New York University, Prague, Czech Republic

Russia: Can It Adapt to the Rapidly Changing World?

Tuesday, October 11, 2011, Žofín Palace, Conference Hall

Keynote Speech:

Boris Nemtsov, Politician and Opposition Leader, Russia

Moderator:

Josef Pazderka, Journalist, Czech Television, Czech Republic

Participants:

Bobo Lo, Independent Scholar and Consultant on Russia and China, United Kingdom/Australia

Gregory Feifer, Senior Correspondent, RFE/RL, Czech Republic/USA

Luboš Dobrovský, Former Ambassador to Russia, Czech Republic



We Are the Landscape

Tuesday, October 11, 2011, Academy of Sciences

In cooperation with CENELC

Moderator:

Mikuláš Huba, Environmentalist, Deputy Director, Institute of Geography, Slovak Academy of Sciences, Slovakia

Participants:

Martin Říha, Member of the Board, Society for Sustainable Life, Czech Republic

Jana Dlouhá, Lecturer, Environmental Center, Charles University, Czech Republic

Martin Stránský, Director, Centre of Networks for Implementation of European Landscape Convention, Czech Republic

Josef Fanta, Lecturer, University of South Bohemia, Czech Republic

Law and the Individual

Tuesday, October 11, 2011, Žofín Palace, Forum Hall

Keynote Speech:

André Glucksmann, Philosopher, France

Moderator:

Surendra Munshi, Sociologist, India

Participants:

Aryeh Neier, President, Open Society Foundations, USA

Tatsiana Reviaka, Human Rights Activist, Belarus

Vadim Klyuvgant, Lawyer, Russia

Bobo Lo, Independent Scholar and Consultant on Russia and China, United Kingdom/Australia



Roundtable: Water, Potential to Unite Rather Than Divide?

Tuesday, October 11, 2011, Žofín Palace, Knight's Hall

In cooperation with The Coca-Cola Company

Moderator:

Irena Kalhousová, Chief Analyst, Prague Security Studies Institute, Czech Republic

Participants:

Uri Shamir, Emeritus Professor, Technion – Israel Institute of Technology, Israel

Ivo Šilhavý, Head of the Representative Office in Ramallah, Czech Republic

Omar Rifai, Executive Director, West Asia-North Africa Forum, Jordan

Ladislav Bartoš, EHSS Manager, Veolia Voda, Czech Republic

Religious and Secular Law

Tuesday, October 11, 2011, Žofín Palace, Knight's Hall

Moderator:

Anna Teresa Arco, Chief Feature Writer, The Catholic Herald, United Kingdom/Austria

Participants:

Luboš Kropáček, Professor, Hussite Theological Faculty, Charles University, Czech Republic

Mark L. Movsesian, Director, Center for Law and Religion, St. John's University, USA

Ivana Hrdličková, Judge, Legal Expert of Council of Europe, Czech Republic



The Fate of Female Political Prisoners and the Rule of Law

Tuesday, October 11, 2011, Academy of Sciences

In cooperation with Politicalprisoners.eu

Moderator:

Tomáš Bouška, Director, Politicalprisoners.eu, Czech Republic

Participants:

Hana Truncová, Former Political Prisoner, Czech Republic

Anita Lackenberger, Director, Produktion West, Austria

How to Bring More Women Into Politics and Leadership: Gender Quotas, Yes or No?

Tuesday, October 11, 2011, Goethe-Institut

In cooperation with Forum 50%

Moderator:

Jana Šmídová, Journalist, Czech Radio 6, Czech Republic

Participants:

Maria Ivanova, Professor of Policy Studies, University of Massachusetts, USA/Bulgaria

Hana Havelková, Chair, Department of Gender Studies, Charles University, Czech Republic

Jana Smiggels Kavková, Director, Forum 50%, Czech Republic

OVERVIEW OF OTHER CONFERENCE PANELS AND EVENTS



Belarus: Trading Human Rights for Economic Support?

Tuesday, October 11, 2011, Goethe-Institut

In cooperation with People in Need and DEMAS – Association for Democracy Assistance and Human Rights

Moderator:

Lída Vacková, Belarus Projects Coordinator, People in Need, Czech Republic

Participants:

Ales Michalevic, Politician, Former Presidential Candidate, Belarus

Tatsiana Reviaka, Human Rights Activist, Belarus

Jan Maksymiuk, Senior Editor, RFE/RL'S Belarus Service, Czech Republic/Belarus

Concert: Clarinet Factory

Tuesday, October 11, 2011, Žofin Palace, Conference Hall



Corruption: How Can We Effectively Deal With It?

Wednesday, October 12, 2011, Czech Radio Pilsen

In cooperation with Pilsen 2015 and the Open Society Fund Prague

Moderator:

Erik Tabery, Editor-in-Chief, Respekt, Czech Republic

Participants:

Vladimíra Dvořáková, Head, Department of Political Science, University of Economics, Czech Republic

Jiří Knitl, Manager, Transparency and Public Responsibility Program, Open Society Fund Prague, Czech Republic

Adriana Krnáčová, Consultant, Czech Republic

Martin Kameník, Project Coordinator, Oživení, Czech Republic

The Future of Crimea

Wednesday, October 12, 2011, Goethe-Institut

In cooperation with the Association for International Affairs

Moderator:

Petruška Šustrová, Journalist and Former Dissident, Czech Republic

Participant:

Mustafa Dzhemiliev, Chairman, Mejlis of the Crimean Tatar People, Member of Parliament, Ukraine



The Rule of Law in the Western Balkans: Success or Failure of EU Conditionality?

Wednesday, October 12, 2011, Goethe-Institut

In cooperation with DEMAS – Association for Democracy Assistance and Human Rights

Moderator:

David Král, Director, EUROPEUM Institute for European Policy, Czech Republic

Participants:

Tija Memisević, Director, European Research Center, Bosnia and Herzegovina

Jelena Milić, Director, Center for Euro-Atlantic Studies, Serbia

Sandra Benčić, Director, Centre for Peace Studies, Croatia

Where is the Rule of Law and Real Democracy in Burma? Current Conditions and Perspectives for the Future

Wednesday, October 12, 2011, Goethe-Institut

In cooperation with People in Need

Moderator:

Scott Hudson, Burmese Projects Coordinator, People in Need, Czech Republic

Participants:

Naw Htoo Paw, Women's Human Rights Activist, Women League of Burma, Burma

Moe Zaw Oo, Former Political Prisoner, NLD-LA, Burma

Nai Aue Mon, Human Rights Activist, Human Rights Foundation of Monland, Burma

Kyaw Zwa Moe, Managing Editor, Irrawaddy Magazine, Thailand



DEMOCRACY AND THE R

13th FORUM 2030 Conference | October 9

- How real is the threat of a "backsliding" of democracy?
- How can civil society contribute to a better perception
- Is the role of ethical principles in the legal system eroding
- How can the fight against international terrorism be

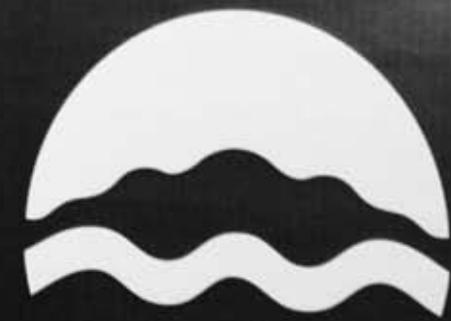


Georgian President Mikheil Saakashvili speaks

ULE OF LAW

-11, 2011 Prague

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Forum 2000 Delegates 1997–2011

TAHIR ABBAS, Director of Birmingham University's Center for the Study of Ethnicity and Culture, United Kingdom

SHARIF M. ABDULLAH, Director of the Commonway Institute, USA

IZZELDINE ABUELAISH, Doctor and Peace Activist, Palestine

HASAN ABU NIMAH, Director, Regional Human Security Center, Jordan

NASR HAMID ABU-ZAYD, Scholar of Islamic Studies, Egypt

PATRICIA ADAMS, Economist and Executive Director of Probe International, Canada

AKYAABA ADDAI-SEBO, Consultant on Preventive Diplomacy and Conflict Transformation, United Kingdom

MOHAMMAD AFZAL KHAN, Former Lord Mayor of Manchester, United Kingdom

FARISH AHMAD-NOOR, Historian and Political Scientist, Malaysia

YILMAZ AKYUZ, Economist and Scholar, Turkey

TARIQ JAWAID ALAM, Students' Forum 2000 Delegate, Pakistan

MADELEINE ALBRIGHT, Chair of the National Democratic Institute for International Affairs and President of the Truman Scholarship Foundation, Former Secretary of State, USA

MOHAMMED MOHAMMED ALI, Islamic Researcher and Politician, Human Rights Activist, Iraq

JITZSCHAK ALSTER, Partner at Shimoni, Alster & Rasiel, Israel

OSWALDO ALVAREZ PAZ, Founder, Popular Alliance, Venezuela

CHRISTIANE AMANPOUR, Chief International Correspondent, CNN, USA

SHAHIRA AMIN, Journalist, Egypt

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- MURIEL ANTON**, CEO, Vodafone Czech Republic, Czech Republic/Canada
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- UZI ARAD**, Former National Security Advisor, Israel
- MOHAMMAD BASHAR ARAFAT**, President of Civilizations Exchange and Cooperation Foundation, Syria/USA
- ANNA TERESA ARCO**, Chief Feature Writer, The Catholic Herald, United Kingdom/Austria
- MAEN RASHID AREIKAT**, Coordinator General, Negotiation Affairs Department of the PLO, Palestine
- JOSE MARIA ARGUETA**, Former National Security Advisor of Guatemala, Guatemala
- OSCAR ARIAS SANCHEZ**, Former President, Nobel Peace Prize Laureate (1987), Costa Rica
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- HANAN ASHRAWI**, Former Minister of Education, Palestine
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- MEHMET AYDIN**, Dean, Faculty of Theology at the University of Dokuy Eylul in Izmir, Turkey
- PATRICIO AYLWIN AZOCAR**, Former President, Chile
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- KHASSAN BAIEV**, Chairman, International Committee for the Children of Chechnya, USA/Russia
- ZDENĚK BAKALA**, Entrepreneur and Investor, Czech Republic
- MIRIAM BALABAN**, Secretary General of the European Desalination Society, USA
- LESZEK BALCEROWICZ**, Former Deputy Prime Minister and Minister of Finance, Poland
- EHUD BARAK**, Deputy Prime Minister and Minister of Defense, Israel

SULTAN BARAKAT, Director, Post-War Reconstruction and Development Unit, University of York, United Kingdom/Jordan

CATHERINE BARBER, Economic Policy Adviser, Oxfam, United Kingdom

ANDRIS BARBLAN, Historian and Political Scientist, Secretary General of the Association of European Universities, Switzerland

DEBI BARKER, Executive Director of the International Forum on Globalization, USA

ALEXANDRE CHAMBRIER BARRO, Economist, Gabon

HIS ALL HOLINESS BARTHOLOMEW, Head of the Orthodox Church, Greece

LADISLAV BARTOŠ, EHSS Manager, Veolia Voda, Czech Republic

WADYSŁAW BARTOSZEWSKI, Historian, Author and Diplomat, Poland

THOMAS BATA, Czech-born Businessman, Canada

ZYGMUNT BAUMAN, Sociologist, United Kingdom/Poland

STEFAN BEHNISCH, Architect, Partner, Behnisch Architekten, Germany/ USA

WALDEN BELLO, Professor of Sociology and Public Administration, Philippines

CARLOS FELIPE XIMENES BELO, Nobel Peace Prize Laureate (1996), East Timor

PAVEL BÉM, Lord Mayor of the City of Prague, Czech Republic

FRANCISCO BERMUDEZ, Former Minister of National Defense, Guatemala

ROBERT L. BERNSTEIN, President of Human Rights Watch, USA

KURT BIEDENKOPF, Prime Minister of Saxony, Germany

MURAD J. BINO, Executive Director of the Inter-Islamic Network on Water Resources Development and Management, Jordan

PRINCE EL HASSAN BIN TALAL, Chairman, West Asia-North Africa Forum, Jordan

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JEAN-LOUIS BOURLANGES, Chairman of the European Movement, France

JOSEF BRICALL, Former President of the Association of European Universities, France

HANS VAN DEN BROEK, Member of the European Commission, The Netherlands

DAVID B. BROOKS, Senior Advisor of Fresh Water, Friends of the Earth, Canada

WILLIAM BROWDER, Founder and CEO, Hermitage Capital Management, United Kingdom

- ALAN BROWN**, Group Chief Investment Officer, Schroder Investment Management, United Kingdom
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- MARTIN BÚTORA**, Sociologist, Writer and President of the Institute for Public Affairs in Bratislava, Slovakia
- MARIO CAFIERO**, Politician, Argentina
- KIM CAMPBELL**, Former Prime Minister, Canada
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- NATASHA CARMİ-HANNA**, Policy Advisor, Negotiations Support Unit, Negotiation Affairs Department, Palestine
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- CORNELIUS CASTORIADIS**, Philosopher, Greece/France
- VOJTĚCH CEPL**, Professor at the Faculty of Law of Charles University, Czech Republic
- VLADISLAV ČERYCH**, Educational Expert, Czech Republic
- CHI STEVE CHAN**, Politician, Taiwan
- JOSEPH CHAN**, Sociology Professor at the University of Hong Kong, China
- CLEMENT C. P. CHANG**, Founder of Tamkang University, Taiwan
- TZE CHI CHAO**, President of World League for Freedom and Democracy, Taiwan
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- SHIH-MENG CHEN**, Politician and Economist, President of the KetagalanInstitute, Taiwan
- TAIN-JY CHEN**, Former Minister, Council for Economic Planning and Development, Taiwan
- ALEXANDER CHERKASOV**, Board Member, Memorial, Russia
- PAVEL CHIKOV**, Chair, Interregional Human Rights Association "AGOR A", Russia
- ROBIN CHRISTOPHER**, Former British Ambassador to Argentina, Indonesia, Ethiopia and Eritrea, United Kingdom
- NATALIA CHURIKOVA**, Ukrainian Service, RFE/RL, Czech Republic/Ukraine
- IVAN CHVATÍK**, Director Jan Patočka Archive, Czech Republic
- VACLAV CÍLEK**, Writer and Geologist, Czech Republic
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YAVUZ CUBUKCU, Water Adviser Ministry of Foreign Affairs, Turkey

JAMES A. CUSUMANO, Chairman and Owner, Chateau Mclay–Castle Hotel, Czech Republic/USA

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HIS HOLINESS THE DALAI LAMA, Supreme Spiritual Representative, Tibet

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MARTIN DAVIDSON, Chief Executive, British Council, United Kingdom

GRACE DAVIE, Sociologist of Religion, University of Exeter, United Kingdom

JOYCE DAVIS, Director of Broadcasting of the Radio Free Europe / Radio Liberty in Prague, USA

STEPHEN M. DAVIS, Specialist on International Corporate Governance, USA

THOMAS C. DAWSON, Director, External Relations Department of the International Monetary Fund, USA

FRANCIS DENG, Special Advisor on the Prevention of Genocide, United Nations, USA/Sudan

PEPPER DE CALLIER, Member, Corporate Council, Forum 2000 Foundation, Czech Republic/USA

LIEVEN DE CAUTER, Philosopher and Art Historian, Belgium

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HERNANDO DE SOTO, President, Institute for Liberty and Democracy, Peru

JAYANTHA DHANAPALA, Chairman of the UN University Council, Sri Lanka

GESHE TENZIN DHARGYE, Buddhist Scholar, Austria/Tibet

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THOMAS A. DINE, President of Radio Free Europe / Radio Liberty, USA

MOU-SHIH DING, Senior Advisor to the President, Taiwan

WARIS DIRIE, Human Rights Activist and Fashion Supermodel, Somalia

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JIRÍ DRAHOŠ, President, Academy of Sciences, Czech Republic

JAN DUSÍK, Deputy Director and Officer-in-Charge, UNEP Regional Officer for Europe, Switzerland/Czech Republic

VLADMÍRA DVOŘÁKOVÁ, Head of Department of Political Sciences, University of Economics Prague, Czech Republic

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NORMAN L. EISEN, Ambassador to the Czech Republic, USA

RIANE EISLER, Cultural Historian, USA

KAKUHAN ENAMI, Representative of the Tendai School of Buddhism, Japan

AMITAI ETZIONI, Sociologist and Social Psychologist, Germany/USA

TOMAŠ ETZLER, Journalist, Reporter, Editor, and Producer, Czech Republic

GARETH EVANS, Former Minister of Foreign Affairs, Australia

- SHEIKH FAWZY FADEL EL ZEFZAF**, President of Al Azhar Permanent Committee of Dialogue among Heavenly Religions, Egypt
- GREGORY FEIFER**, Senior Correspondent, RFE /RL, Czech Republic/USA
- MARIA CELINA DEL FELICE**, Students' Forum 2000 Delegate, Argentina
- CHARLES D. FERGUSON**, President, Federation of American Scientists, USA
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- FRANZ FISCHLER**, European Commissioner and Former Federal Minister of Agriculture and Forestry, Austria
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- RIAN FOKKER**, Spokesperson of NO VIB Oxfam, The Netherlands
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- ALBERT FRIEDLANDER**, Rabbi, Westminster Synagogue in London, United Kingdom
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- PETER GABRIEL**, Singer and Composer, United Kingdom
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- HENRY LOUIS GATES**, Director of Harvard's W.E.B. Du Bois Institute for Afro-American Research, USA
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- MOHAMMAD GAWDAT**, Managing Director for Emerging Markets, Google, Egypt

FARA GAYE, Sufi Sheikh, involved in the Sulha Peace Project, Promoter of Islamic-Jewish Dialogue, Senegal

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BOB GELDOLF, Musician and Political Activist, Ireland/United Kingdom

JARED GENSER, President, Freedom Now, USA

SUSAN GEORGE, Political Scientist, USA/France

HUMBERTO CELLI GERBASI, First Vice-chairman of the Consultative Council of the Latin-American Parliament, Venezuela

BRONISLAW GEREMEK, Historian and Member of the European Parliament, Poland

RONALD E. GEREVAS, Former US Presidential Appointee in the Ford Administration, USA

WOLFGANG GERHARDT, Chair of the Friedrich Naumann Stiftung, Germany

ANTHONY GIDDENS, Sociologist, Director of the London School of Economics, United Kingdom

ANTHONY C. GIFFARD, Scholar, Member of the Board of the Inter Press Service, USA

YAKOV GILINSKY, Professor of Criminology, Herzen State Pedagogical University, Russia

HANS VAN GINKEL, Rector of the United Nations University in Tokyo, Japan

MARY ANNE GLENDON, Ambassador to the Holy See, USA

MISHA GLENNY, Journalist, United Kingdom

ANDRÉ GLUCKSMANN, Philosopher and Writer, France

EDWARD GOLDSMITH, Scientist, Ecologist and Scholar, Founder of The Ecologist Magazine, United Kingdom

ARPAD GONCZ, Former President, Hungary

CARLOS GONZÁLES SHÁÑĚL, Political Analyst and Journalist, Czech Republic/Argentina

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MICHAEL GREEN, Co-author, "Philanthrocapitalism: How the Rich Can Save the World", United Kingdom

VARTAN GREGORIAN, President, Carnegie Corporation of New York, USA

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DAGMAR GROSSMAN, CEO of Grossman Jet Service, Austria/Czech Republic

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- AMMAR AL-HAKIM**, Vice President of the Supreme Islamic Iraqi Council, Iraq
- TOMÁŠ HALÍK**, Sociologist, President, Czech Christian Academy, Czech Republic
- JOHN HALL**, Sociologist and Professor, McGill University in Montreal, Canada
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- FAOUZIA HARICHE**, Communal Politician, Algeria/Belgium
- LEE HARRIS**, Essayist and Contributing Editor, Tech Central Station, USA
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- HAZEL HENDERSON**, Futurologist, USA
- PHILLIP HENDERSON**, Vice President, the German Marshall Fund, USA
- HOWARD HENSEL**, Professor of Politico-Military Affairs, Air War College, USA
- EVELINE HERFKENS**, UN Secretary General's Executive Coordinator for the Millennium Development Goals Campaign, The Netherlands
- THOR HEYERDAHL**, Ocean Traveler and Author, Norway
- COLIN HINES**, Author of "Localization: A Global Manifesto", United Kingdom
- JERRY HIRSCH**, Philanthropist, Chairman and Founder, The Lodestar Foundation, USA
- MAE-WAN HO**, Professor of Biology at the Open University, United Kingdom
- JEREMY HOBBS**, Executive Director of Oxfam, USA
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- HELENA HOUDOVÁ**, Founder and President, Sunflower Children Foundation, USA/Czech Republic
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- ELLEN HUME**, Former White House Correspondent for The Wall Street Journal, USA

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- MIHOKO ITO**, Students' Forum 2000 Delegate, Japan
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- ATIFETE JAHJAGA**, President, Kosovo
- MARTIN JAHN**, Member of the Board of Management of Škoda Auto, Czech Republic
- KAREL JANEČEK**, Mathematician, CEO, RSJ Algorithmic Trading, Czech Republic
- JOSEF JAŘAB**, Former Chairman of the Senate Committee on Foreign Affairs, Defense and Security, Czech Republic
- CLAUDE JASMIN**, Professor of Oncology, France
- MICHAELLE JEAN**, Governor General, Canada
- WEI JINGSHENG**, Dissident and Father of the Chinese Movement for Modern Pro-Western Democracy, China
- ERIK JONNAERT**, Chairman of the European Center for Public Affairs, Belgium
- JONAS JONSON**, Bishop of Strängnäs and Member of the World Council of Churches, Sweden
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- WAHU KAARA**, Activist and Member of the Women's Environment and Development Organisation, Kenya
- AYŞE KADIOĞLU**, Professor of Political Science, Sabanci University, Turkey
- JURGEN KAISER**, Former Coordinator of the Jubilee 2000 Campaign, Germany

MARY KALDOR, Professor of Economics at the London School of Economics, United Kingdom

NOERINE KALEEBA, Activist fighting HIV/AIDS, Uganda

SANDRA KALNIETE, Member of European Parliament, Former EU Commissioner, Latvia

AHMAD KAMEL, Bureau Chief of Al-Jazeera's North and Central Europe, Belgium

MARTIN KAMENÍK, Project Coordinator, Oživení, Czech Republic

KOEI KANI, Representative of the Tendai Buddhist School, Japan

DANI KARAVAN, Sculptor, Israel

JOSHUA KARLINER, Senior Fellow of Corp Watch, USA

MATS KARLSSON, Economist and Vice President, The World Bank, Sweden

JAN KASL, Architect and former Lord Mayor of Prague, Czech Republic

GARR Y KASPAROV, Opposition Leader, Russia

MIKHAIL KASYANOV, Former Russian Prime Minister, Russia

INGE KAUL, Director of the Office of Development Studies at the United Nations Development Program, Germany

GILLES KEPEL, Sociologist, Sciences Po, France

ELLA LAZAROVNA KESAEVA, Co-chair, The Voice of Beslan, Russia

NADER SALEEM AL-KHATEEB, Director of the Water and Environmental Development Organization, Palestine

DAUD KHATTAK, Journalist, Radio Mashaal (Pakistan Service of RFE /RL), Pakistan

YOUSIF KHOEI, Director of the Al Khoei Foundation, Iraq/United Kingdom

HILDE KIEBOOM, President of the European Federation of the Communities of S. Edigo, Belgium

KENZO KIIKUNI, Professor at Tokyo Women's Medical University, Japan

HENRY A. KISSINGER, Politician and Diplomat, Nobel Peace Prize Laureate (1973), USA

MICHAEL U. KLEIN, Vice President of the World Bank Group's Private Sector Advisory Services, Germany

IVAN KLÍMA, Writer, Czech Republic

VADIM KLYUVGANT, Lawyer, Russia

JIŘÍ KNITL, Manager, Transparency and Public Responsibility Program, Open Society Fund Prague, Czech Republic

LESZEK KOLAKOWSKI, Philosopher, Poland/United Kingdom

PETR KOLÁŘ, Deputy Minister of Foreign Affairs, Czech Republic

TED KOPPEL, Anchor and Managing Editor of ABC News' "Nightline", USA

DAVID C. KORTEN, Economist, President of The People Centered Development Forum, USA

- YAKOV KOSTYUKOVSKY**, Criminologist, Sociological Institute, Academy of Science, Russia
- SERGEI KOVALYOV**, Deputy of State Duma and Human Rights Activist, Russia
- KAREL KOVANDA**, Director-General (Acting), DG External Relations, European Commission, Belgium/Czech Republic
- SAI FELICIA KRISHNA-HENSEL**, Professor of Anthropology, Auburn Montgomery, USA
- MEENA KRISHNAMOORTHY**, Students' Forum 2000 Delegate, Australia
- MARTIN KRYL**, Students' Forum 2000 Delegate, Czech Republic
- JÁN KUBIŠ**, Executive Secretary, United Nations Economic Commission for Europe, Switzerland/Slovakia
- ZDENĚK KUDRNA**, Economist, Institut für europäische Integrationsforschung, Austria/Czech Republic
- JOHN AGYEKUM KUFUOR**, Former President, Ghana
- KRISHAN KUMAR**, Professor of Social Political Science, USA
- SATISH KUMAR**, Editor, Resurgence Magazine, United Kingdom/India
- HANS KUNG**, President of the Foundation for Global Ethics, Germany
- MONIKA LADMANOVÁ**, Chair of the Board, Open Society Fund Prague, Czech Republic
- RICARDO LAGOS**, Former President, Chile
- FRANK LAMPL**, President of Bovis Lend Lease, United Kingdom
- JACK LANG**, Former Minister of Culture, France
- MEIR LAU**, Chief Rabbi, Israel
- ANWEI LAW**, Founder of Hansen's Disease Association, USA
- PETR LEBEDA**, Students' Forum 2000 Delegate, Czech Republic
- JOSHUA LEDERBERG**, Nobel Prize Laureate for Medicine (1958), USA
- MARGUERITE S. LEDERBERG**, Professor of Psychiatry at Cornell University, USA
- LEE TENG HUI**, Former President, Taiwan
- FRANCIS LEMOINE**, Senior Policy Analyst with European Network on Debt and Development, France
- HANA LEŠENAROVA**, Member, Corporate Council, Forum 2000 Foundation, Czech Republic
- CHARLES LEVESQUE**, Chief Operating Officer of the Interfaith Youth Core, USA
- BERYL LEVINGER**, Education Development Center, USA
- PIERRE LÉVY**, Ambassador to the Czech Republic, France
- FLORA LEWIS**, Correspondent of The New York Times, USA
- CHAN LIEN**, Politician, Former Vice President, Taiwan
- ONDŘEJ LIŠKA**, Chairman of the Green Party, Czech Republic
- CHAO-SHIUAN LIU**, Former Prime Minister, Taiwan
- BOBO LO**, Independent Scholar and Consultant on Russia and China, United Kingdom/Australia

- JAVIER LOAIZA**, Consultant and Political Analyst, Colombia
- MIKULÁŠ LOBKOWICZ**, Philosopher and Former Rector of Munich University, Germany
- BJÖRN LOMBORG**, Director of Environmental Assessment Institute, Denmark
- LEOPOLDO LOPEZ**, Mayor of the Municipality of Chacao of Caracas, Venezuela
- JAMES LOVELOCK**, Scientist and Writer, United Kingdom
- EDWARD LUCAS**, Journalist, The Economist, United Kingdom
- SERGEY LUKASHEVSKY**, Director, Museum and Social Center of Andrey Sakharov, Russia
- FYODOR LUKYANOV**, Editor-in-Chief, Russia in Global Affairs, Russia
- JEAN MARIE CARDINAL LUSTIGER**, Archbishop of Paris, France
- GRAHAM MACKAY**, CEO of South African Breweries, USA
- KISHORE MAHBUBANI**, Dean and Professor in the Practice of Public Policy at the Lee Kuan Yew School of Public Policy at the National University, Singapore
- JAN MACHÁČEK**, Journalist, Czech Republic
- JOSEPH MAILA**, Head, Religions Team, Ministry of Foreign Affairs, France
- KHOTSO MAKHULU**, Archbishop of Central Africa, South Africa
- FUMIHIKO MAKI**, Architect, Principal, Maki and Associates, Japan
- VÁCLAV MALÝ**, Titular Bishop of Marcelliana and Auxiliary Bishop of Prague, Czech Republic
- SIR JAMES MANCHAM**, Founding President, Republic of Seychelles
- IRSHAD MANJI**, Senior Fellow, European Foundation for Democracy, Brussels, Canada
- MICHAEL MANN**, Historian, USA
- DAVID MARTIN**, Professor of Sociology, London School of Economics and Political Science, United Kingdom
- JANA MATESOVÁ**, Economist and Senior Advisor to Executive Director, The World Bank, Czech Republic
- DON MCKINNON**, Former Secretary General of Commonwealth, New Zealand
- VLADIMIR PETIT MEDINA**, Political Analyst, Venezuela
- MICHAEL MELCHIOR**, Politician, Former Chief Rabbi of Norway, Israel
- ROBERT MENARD**, Journalist and Secretary General, Reporters Without Borders, France
- RAJA MIAH**, Director of Peacemaker, United Kingdom
- ALES MICHALEVIC**, Politician, Former Presidential Candidate, Belarus
- WOLFGANG MICHALSKI**, Managing Director, WM International, Former Chief Advisor to the Secretary General of the OECD, Germany
- ADAM MICHNIK**, Former Dissident, Editor in Chief Gazeta Wyborcza, Poland
- LADISLAV MIKO**, Director for Nature, Directorate General for Environment, European Commission, Belgium/Czech Republic
- ALYKSANDAR MILINKIEVICH**, Leading Opposition Politician, Belarus

ANURADHA MITTAL, Journalist, Co-director of the First Institute for Food and Development Policy, India

FESTUS G. MOGAE, Former President, Botswana

ABBAS MOHAJERANI, Professor and Leading Iranian-born Islamic Scholar, Australia/Iran

DOMINIQUE MOISI, Deputy Director of the Institute of International Affairs, France

BEDŘICH MOLDAN, Member, Senate of the Parliament, Czech Republic

GEORGE MONBIOT, Author and Columnist, The Guardian, United Kingdom

CARLOS ALBERTO MONTANER, Political Analyst, Cuba/Spain

MIKE MOORE, Director-General of the WTO, Former Prime Minister, New Zealand

FREDERIC MOUSSEAU, Independent Expert, Focusing on Humanitarian Aid, France

MARK L. MOVSESIAN, Director, Center for Law and Religion, St. John's University, USA

BEATRICE MTETWA, Lawyer, Human Rights Advocate, Zimbabwe

JAN MUHLFEIT, Vice President for Europe, Middle East and Africa at the Microsoft Corporation, Czech Republic

DAVISON MULELA, Deputy Minister of Foreign Affairs, Zambia

SURENDRA MUNSHI, Sociologist, India

JIRÍ MUSIL, Member, Board of Directors, Forum 2000 Foundation, Czech Republic

SHINICHI NAKAZAWA, Professor of Religion and Anthropology at the Chuo University, Japan

ASHIS NANDY, Director, Center for the Study of Developing Societies, India

SIMONETTA NARDIN, Senior External Relations Officer of IMF, Italy

HARSHA KUMARA NAVARATNE, Chairman, Sewalanka Foundation, Sri Lanka

RICARDO NAVARRO, Chairman of Friends of the Earth International, Salvador

MANFRED A. MAX NEEF, Rector of Universidad Austral, Chile

ARYEH NEIER, President, Open Society Foundations, USA

JACOB NELL, TN K-BP, Moscow, United Kingdom

BORIS NEMTSOV, Politician and Advisor to the President of Ukraine, Russia

WILLEM JAN NEUTELINGS, Architect, Principal, Neutelings Riedijk Architecten, The Netherlands

LUDEK NIEDERMAYER, Former Vice-Governor of the Czech National Bank, Czech Republic

MASASHI NISHIHARA, President, Research Institute for Peace and Security, Japan

GABRIEL NISSIM, Head of the World Catholic Association for Communication (SIGNIS), France

NJOKI NJOROGI NJEHU, Activist and Director of 50 Years Is Enough Network, Kenya

JOSE DE JESUS NOGUERA, Opposition Politician, Venezuela

HANS HEINRICH NOLTE, Professor of Eastern European History in Hannover, Germany

MICHAEL NOVAK, Theologian and Political Scientist, USA

OLUSEGUN OBASANJO, Former President, Nigeria

COLM O'CONNOR, Students' Forum 2000 Delegate, Ireland

Yael OHANA, Students' Forum 2000 Delegate, Ireland

VIKTOR ORBÁN, Former Prime Minister, Hungary

WIKTOR OSIATYNSKI, Helsinki Foundation for Human Rights, Poland

JOHN O'SULLIVAN, Political Commentator for Radio Free Europe, United Kingdom/USA

JEAN-FRANCOIS OTT, Founder and CEO of OR CO Property Group, France

CEM ÖZDEMİR, Co-chair, Alliance 90/The Greens, Germany

JUHANI PALLASMAA, Architect, Principal, Juhani Pallasmaa Architects, Finland

ŠIMON PÁNEK, Director, People in Need, Czech Republic

RAIMON PANIKKAR, Professor at the University of California, USA

JELENA PANZA, Students' Forum 2000 Delegate, former Yugoslavia

REMI PARMENTIER, Special Advisor to Greenpeace International, The Netherlands

CHRIS PATTEN, Politician and Former Governor of Hong Kong, United Kingdom

OSWALDO PAYÁ SARDIÑAS, Political Activist and Dissident, Cuba

JOSEF PAZDERKA, Former Moscow Correspondent, Czech Television, Czech Republic

JANA M. PETRENKO, Director, Coalition for Health, Czech Republic

JIRÍ PEHE, Director of the New York University in Prague, Czech Republic

MING MIN PENG, Political Scientist and Former Dissident, Taiwan

SHIMON PERES, Politician and Nobel Peace Prize Laureate (1995), Israel

WILLIAM PFAFF, Correspondent of the International Herald Tribune, USA

ZOYA PHAN, International Coordinator at Burma Campaign UK, Burma/United Kingdom

TIMOTHY PHILLIPS, Founder and Co-chair of The Project on Justice in Times of Transition of Harvard University, USA

SURIN PITSUWAN, Secretary General of ASEAN, Thailand

JORGE PIZZARO SOTO, President of the Latin American Parliament (PARLATINO), Chile

MARIANO PLOTKIN, Director of New York University in Buenos Aires, Argentina

ALEXANDR PODRABINEK, Journalist and Human Rights Activist, Russia

THOMAS POGGE, Leitner Professor of Philosophy and International Affairs, Yale University, USA

- TOMÁŠ POJAR**, Director of the People in Need Foundation, Czech Republic
- JOHN POLANYI**, Professor of Chemistry at Toronto University, Canada
- MARTIN PORUBJAK**, Theatre Director and Politician, Slovakia
- JEROME DELLI PRISCOLLI**, Senior Advisor on International Water Issues at the U.S. Army Engineer Institute for Water Resources, USA
- OCTAVIAN PURCAREA**, Director, Industry Market Development Europe World Wide Health Team, Microsoft, France
- MARTIN C. PUTNA**, Professor of Comparative Literature at Charles University, Czech Republic
- ZAFIR T. QASRAWI**, Students' Forum 2000 Delegate, Palestine
- MARCO QUINONES**, Sasakawa Africa Association Program Director, Mexico
- JORGE QUIROGA**, Former President, Bolivia
- DIVVYA S. RAJAGOPALAN**, Students' Forum 2000 Delegate, India
- T. RAJAMOORTHY**, Lawyer and Editor of Third World Resurgence, Malaysia
- JOSE GABRIEL RAMON CASTILLO**, Human Rights Defender, Sociologist, Journalist and Civil Society Promoter, Cuba
- JOSE RAMOS HORTA**, Nobel Peace Prize Laureate (1996), East Timor
- KAREL RANDÁK**, Former Director General, Office for Foreign Relations and Information, Czech Republic
- SIGRID RAUSING**, Founder of Sigrid Rausing Trust, United Kingdom
- SABAH AL-RAYES**, Founder and Managing Director of Pan-Arab Consulting Engineers, Kuwait
- ROBERT B. REICH**, Politician and Scholar, USA
- TATIANA REVIKA**, Human Rights Activist, Belarus
- FEDERICO REYES HEROLES**, Political Commentator and President of Transparency International, Mexico
- KELLY CRISTINE RIBEIRO**, Students' Forum 2000 Delegate, Brazil
- JAMES A. RICE**, Executive Vice President, Integrated Healthcare Strategies, USA
- OMAR RIFAI**, Executive Director, West Asia-North Africa Forum, Jordan
- JEAN-FRANCOIS RISCHARD**, Vice President of the World Bank for Europe, France
- ADAM ROBERTS**, President of the British Academy, United Kingdom
- GÉRARD ROLAND**, Professor of Economics, University of California Berkeley, USA
- HILTON L. ROOT**, Scholar, USA
- DAVID ROSEN**, Chief Rabbi, International Director of Interreligious Affairs, American Jewish Committee, Israel
- HEINZ ROTHERMUND**, Former Managing Director of Shell EP International BV, United Kingdom
- CHRISTINA ROUGHERI**, Students' Forum 2000 Delegate, Greece
- SEGOLENE ROYAL**, Politician, France

- JACQUES RUPNIK**, Political Scientist, France
PAVEL RYCHETSKÝ, President, Constitutional Court, Czech Republic
MIKHEIL SAAKASHVILI, President, Georgia
RADOMIR SABELA, Vice President and Regional Director of Philips Medical Systems, Czech Republic
NAJMA SADEQUE, Writer, Journalist and Researcher, Pakistan
JEFFREY D. SACHS, Economist, Director of the Harvard Institute for International Development, USA
GHASSAN SALAME, Former Minister of Culture, Lebanon
ELIZARDO SANCHEZ SANTA CRUZ, Dissident, Cuba
MARC D. SARKADY, Economist, USA
YOHEI SASAKAWA, Chairman, The Nippon Foundation, Japan
SHIGEKO SASAMORI, Hiroshima Survivor, Japan
SASKIA SASSEN, Sociologist, London School of Economics, Columbia University, United Kingdom/USA
SEIZABURO SATO, Professor Emeritus at the University of Tokyo, Japan
CAMILLA SCHIPPA, Senior Vice President of Global Peace Index, Australia
HELMUT SCHMIDT, Former Chancellor, Germany
JIRÍ SCHNEIDER, First Deputy Minister, Ministry of Foreign Affairs, Czech Republic
ADY SCHONMANN, Ministry of Foreign Affairs, Israel
GESINE SCHWAN, Politician, President, Humboldt-Viadrina School of Governance, Germany
KAREL SCHWARZENBERG, Minister of Foreign Affairs, Czech Republic
PETER SCOTT, Vice Chancellor at Kingston University, United Kingdom
ROGER SCRUTON, Philosopher, Political Scientist, United Kingdom
TOMÁŠ SEDLÁČEK, Chief Macroeconomic Strategist of ČSOB Bank, Czech Republic
RICHARD SENNETT, Sociologist, London School of Economics, New York University, United Kingdom/USA
ANNA SEVORTIAN, Deputy Director of the Center for the Development of Democracy and Human Rights, Russia
LEILA SHAHID, Former Journalist, Representative of Palestinian Authority in France, Palestine
URI SHAMIR, Professor Emeritus, Faculty of Civil and Environmental Engineering, Technion – Israel Institute of Technology, Israel
JOHN SHATTUCK, CEO of the John F. Kennedy Library Foundation, Former Ambassador to the Czech Republic, USA
SALIL SHETTY, Secretary General, Amnesty International, United Kingdom/India

- TOSHIMITSU SHIGEMURA**, Professor of International Relations, Waseda University, Japan
- TAKASHI SHIRAISHI**, Professor of Kyoto University, Japan
- STEPHANIE SHIRLEY**, British Government's Founding Ambassador for Philanthropy, United Kingdom
- VANDANA SHIVA**, Writer, Environmentalist and Feminist, India
- MIKE SHORT**, Chief Executive of Pilsner Urquell in the Czech Republic and UK
- HILLEL SHUVAL**, Water Expert, The Hebrew University of Jerusalem, Israel
- JIRINA ŠIKLOVÁ**, Sociologist, Charles University, Czech Republic
- HARIS SILAJDŽIČ**, Co-prime minister, Bosnia and Herzegovina
- JOHN SILBER**, Chancellor of Boston University, USA
- WAYNE SILBY**, Economist and Lawyer, USA
- IVO ŠILHAVÝ**, Head of the Liaison office in Ramallah, Czech Republic
- PETR ŠIMŮNEK**, Editor-in-Chief of Hospodářské noviny, Czech Republic
- KARAN SINGH**, Former Minister and Ambassador, India
- RENE SAMUEL SIRAT**, Grand Rabbi of French Consistory and President of the Council Conference of European Rabbis, France
- H.R.H. NORODOM SIRIVUDH**, Cambodian Institute for Cooperation and Peace, Kingdom of Cambodia
- SULAK SIVARAKSA**, Buddhist Thinker, Thailand
- MOHAMMED AMINE SMAILI**, Professor of Islamic Dogmatic and Compared Religions at the University of Rabat, Morocco
- ALISON SMALE**, Executive Editor, International Herald Tribune, France/USA
- PETR ŠMÍDA**, Chairman of the Board of Directors, Alfa-Bank, Czech Republic/Russia
- MARIO SOARES**, Socialist Politician and Lawyer, former President, Portugal
- TETSUSHI SONOBE**, Program Director, National Graduate Institute for Policy Studies, Japan
- GEORGE SOROS**, Financier, Philanthropist, and Founder of Soros Foundation, USA
- WOLE SOYINKA**, Author and Nobel Prize Laureate in Literature (1986), Nigeria
- TOM SPENCER**, Executive Director of the European Center for Public Affairs, United Kingdom
- RADEK ŠPICAR**, Director, External Affairs, Škoda Auto, Czech Republic
- KLÁRA STARKOVÁ**, Executive Committee Member and Head of Polish Operations, Generali PPF Holding, Czech Republic
- TRUDY STEVENSON**, Opposition Politician, Founding member of the Movement for Democratic Change, Zimbabwe
- JOSEPH STIGLITZ**, Nobel Prize Laureate in Economic Sciences, Professor, Columbia University, USA
- MARTIN JAN STRÁNSKY**, Neurologist and Publisher, Czech Republic

JOHN SUÁREZ, Human Rights Director, Cuban Democratic Directorate, Cuba/USA

DEYAN SUDJIC, Director, Design Museum, United Kingdom

HANNA SUCHOCKA, Minister of Justice and Former Prime Minister, Poland

TAMARA SUJÚ ROA, Attorney and Human Rights Activist, Venezuela

MIKLÓS SUKOSD, Sociologist, Hungary

ANNE SUMMERS, Board Chair of Greenpeace International, Australia

HAN SUNG JOO, Former Foreign Minister, Republic of Korea

OSVALDO SUNKEL, Economist, Chile

VETON SURROI, Writer, Editor in Chief of Koha Ditore, Albania/Kosovo

AUNG SAN SUU KYI, Opposition Leader, Nobel Peace Prize Laureate, Burma

JAN ŠVEJNAR, Professor of Business, Economics and Public Policy, University of Michigan, Chairman, CERGE-EI, USA/Czech Republic

ERIC TABERY, Editor-in-Chief, Respekt, Czech Republic

KEIZO TAKEMI, Former State Secretary for Foreign Affairs, Japan

SHIMON TAL, Former Water Commissioner, Israel

ABDULRAHMAN TAMIMI, Director General of the Palestinian Hydrology Group for Water and Environmental Resources Development, Palestine

PAUL TRẦN VAN THINH, Economist and Lawyer, Vietnam/France

FRANCISCO THOMPSON-FLORES, Deputy Director General of the World Trade Organization, Brazil

PETER THUM, Founder, Ethos Water, CEO, Fonderie47, USA

FRANS TIMMERMANS, Politician, Diplomat, The Netherlands

GAVAN TITLEY, Students' Forum 2000 Delegate, Ireland

JEAN-GUILLAUME DE TOCQUEVILLE, Corporate Lawyer, France

MOHAMMED SAID AL-TOURAIHI, Director of Kufa Academy for Oriental Studies, Rotterdam University, The Netherlands

ING-WEN TSAI, National Policy Advisor, Taiwan

WEIMING TU, Historian, Philosopher and Writer, China

ZDENĚK TŮMA, Former Governor, Czech National Bank, KPMG, Czech Republic

H.R.H. TURKI AL-FAISAL, Chairman of King Faisal Center for Research and Islamic Studies, Saudi Arabia

MIREK TOPOLÁNEK, Former Prime Minister, Czech Republic

JAKOB VON UEXKULL, Founder of the Right Livelihood Award, United Kingdom

DUBRAVKA UGREŠIĆ, Writer, Croatia

JAN URBAN, Journalist, Czech Republic

MAREK VÁCHA, Catholic Priest, Biologist, Ethicist, Czech Republic

SILJE MARIE BERNT SEN VALLESTAD, Students' Forum 2000 Delegate, Norway

MAGDALÉNA VAŠÁRYOVÁ, Former Czechoslovak Ambassador to Austria, President of the Slovak Association for International Affairs, Slovakia

- IVAN VEJVODA**, Political and Social Scientist, Former Yugoslavia
- IDA VAN VELDHIJZEN-ROTHENBÜCHER**, Ambassador to the Czech Republic, The Netherlands
- ALBERTO VILLAREAL**, Founding Member of RE DES, Friends of the Earth, Uruguay
- GÜNTER VIRT**, Professor of Theology, University of Vienna, Austria
- TOMÁŠ VÍŠEK**, Chairman, Supervisory Board, McKinsey & Company, Czech Republic
- MARITES VITUG**, Journalist, Chair, Advisory Board, Newsbreak, Philippines
- NATHALIE ISABELLE VOGEL**, Political Scientist and Head of the Prague Office of the World Security Network Foundation, France/Germany
- ANTJE VOLLMER**, Theologian and Deputy Speaker of the Federal Assembly, Germany
- ALEXANDR VONDRA**, Member of Senate of the Parliament, Former Deputy Prime Minister for European Affairs, Czech Republic
- TOMÁŠ VRBA**, Chairman of the Board, Forum 2000 Foundation, Czech Republic
- VINTSUK VYACHORKA**, Leading Opposition Politician, Belarus
- LUKÁŠ VÝLUPEK**, Students' Forum 2000 Delegate, Czech Republic
- ABDURRAHMAN WAHID**, Supporter of Democratic Reforms, Indonesia
- CHRISTOPHER WALKER**, Director of Studies, Freedom House, USA
- MARTIN WALKER**, Journalist, USA
- IMMANUEL WALLERSTEIN**, President of the International Sociological Association, USA
- SUSAN E. WALTON**, Board Member, CERGE-EI Foundation, USA
- JOSEPH WARUNGU**, Journalist, Teacher, Playwright and Writer, Kenya
- LORD ARTHUR GEORGE WEIDENFELD**, Journalist and Publisher, United Kingdom
- LAURENT WEILL**, Professor of Economics, University of Strasbourg, France
- RICHARD VON WEIZSÄCKER**, Former President, Germany
- CORNEL WEST**, Afro-American Writer and Professor at Harvard University, USA
- FRANCISCO WHITAKER**, Activist and Founder of World Social Forum, Brazil
- ELIE WIESEL**, Philosopher, Writer and Nobel Peace Prize Laureate (1986), USA
- MARION WIESEL**, Editor and Translator, USA
- NICHOLAS WINTON**, Rescued 669 Czech Children of Jewish Origin, United Kingdom
- AARON T. WOLF**, Professor of Geography in the Department of Geosciences at Oregon State University, USA
- PAUL WOLFOWITZ**, Former President, The World Bank, USA
- R. JAMES WOOLSEY**, Former Director of the CIA, USA
- MATTI WUORI**, Member of the European Parliament and Member of the Green Party, Finland

RAMA YADE, Secretary of State in Charge of Foreign Affairs and Human Rights, France

MAI YAMANI, Author, Broadcaster and Lecturer, United Kingdom

MASAKAZU YAMAZAKI, Playwright and Drama Critic, Japan

GRIGORY YAVLINSKY, Economist and Politician, Russia

RUFUS H. YERXA, Diplomat and Lawyer, USA

TUN DAIM ZAINUDDIN, Economist and Former Economic Advisor to the Malaysian Government, Malaysia

RUDOLF ZAJAC, Former Minister of Health, Slovakia

MICHAEL ŽANTOVSKÝ, Ambassador to the United Kingdom and Former Ambassador to Israel, Czech Republic

FAREED ZAKARIA, Editor-at-Large, Time Magazine, USA

MIROSLAV ZÁMEČNÍK, Partner, Boston Venture, Czech Republic

ELIA ZENGHELIS, Architect, Greece

CATHERINE ZENNSTRÖM, Co-founder and Chair of Zennström Philanthropies, United Kingdom

ZHELYU ZHELEV, Former President, Bulgaria

PHILIP ZIMBARDO, Psychologist, USA

MIN ZIN, Student, Pro-Democracy Activist, Burma

JAMES J. ZOGBY, Founder and President of the Arab American Institute, USA

JOHN ZOGBY, Founder and President, Zogby International, USA

LIDUINE ZUMPOLLE, Coordinator of the Latin America Program, Pax Christi, The Netherlands



Guest socialize in the Žofin garden



Conference Venues

Main Conference Venues

Žofín Palace

Žofín Palace is situated in the very heart of Prague on Slovanský Island. Constructed in honor of Archduchess Sophie – the Princess of Bavaria and the mother of Emperor Franz Josef I of Austria – the original classical building was redesigned by Jindřich Fialka and rebuilt in the neo-Renaissance style between 1885 and 1887. In the 1930s, a garden, restaurant and a music pavilion were added to the palace. The island's shores offer beautiful views of Prague and Prague Castle.

Academy of Sciences

Located on Národní třída opposite the New Stage and the National Theatre the main building of the Czech Academy of Sciences represents the neo-Renaissance architectural style of the second half of the 19th Century. It was built by Ignac Vojtěch Ullmann between the years 1857 and 1863 as the seat of Česká spořitelna (Czech Savings-Bank). In 1954 the building was transferred to the Czechoslovak Academy of Sciences. In 1992 the Academy was renamed Czech Academy of Sciences and kept the building as its main center of administration for the academy's 54 public research institutions.

Prague Crossroads

Located in Prague's Old Town, the former Gothic Church of St. Anne was built as a Dominican Convent between 1319 and 1330 on the site of an old rotunda and church. Closed during the reign of Joseph II, the church was deconsecrated in 1782, and its complex of buildings was turned into flats and a printing house that were in use until 1795. Established under the initiative of Vaclav Havel, the church today serves as a unique international spiritual and cultural center, the result of a joint venture of prominent architects and designers Adriena Šimotová, Bořek Šípek, Kurt Gebauer and Eva Jiřičná.

Goethe-Institut

Located in Prague's New Town, the institute is situated in the beautiful Art Nouveau building of the former First Czech General Insurance Bank. Inspired by the architectural design of Jiří Stibral, the building was built in 1905 and decorated with bronze sculptures by Ladislav Šaloun. Used by the Embassy of the German Democratic Republic until 1989, the building today hosts the Czech office of the Goethe-Institut (since 1990).

Other Conference Venues

CERGE-EI

Politických vězňů 7
Prague 1

Czech Radio Pilsen

Náměstí Míru 10
Pilsen

Faculty of Law, Charles University

Náměstí Curieových 7
Prague 1

Hotel Intercontinental Prague

Pařížská 30
Prague 1

Municipal Library

Mariánské náměstí 1/98
Prague 1

Napa Bar & Art Gallery

Prokopská 8
Prague 1

New Stage, National Theatre

Národní 4
Prague 1

New York University in Prague

Malé náměstí 2
Prague 1

ZOOM

Prague Congress Centre
5. května 65
Prague 4

About Forum 2000 Foundation

Mission

The Forum 2000 Foundation was established in 1996 as a joint initiative of Czech President Václav Havel, Japanese philanthropist Yohei Sasakawa, and Nobel Peace Prize Laureate Elie Wiesel.

The aims of the Forum 2000 Foundation are:

- To identify the key issues facing civilization and to explore ways in which to prevent the escalation of conflicts which are primarily driven by religious, cultural or ethnic tensions;
- To provide a platform to discuss these important topics openly and to enhance global dialogue;
- To promote democracy in non-democratic countries and to support civil society, respect for human rights and religious, cultural and ethnic tolerance in young democracies.

Projects

Forum 2000 Conferences

The annual Forum 2000 Conference is the most significant project of the foundation. Over fifteen years, it has evolved into a successful and widely recognized conference series which provides global leaders with a platform for open discussion about crucial global issues. Dozens of prominent personalities from all over the world take part in the conference every year.

Past participants include: Bill Clinton, Frederik Willem de Klerk, H.H. the Dalai Lama, Wole Soyinka, H.R.H. El Hassan bin Talal, Madeleine Albright, Nicholas Winton, Shimon Peres, and a number of other political, intellectual, spiritual, and business leaders.

Shared Concern Initiative

This project brings together recognized personalities who issue joint statements addressing the most important problems and challenges of today's world. The members of this initiative are: H.R.H. El Hassan bin Talal, H.H. the Dalai Lama, Frederik Willem de Klerk, André Glucksmann, Vartan Gregorian, Hans Küng, Michael Novak, Shimon Peres, Yohei Sasakawa, Karel Schwarzenberg, Desmond Tutu, Richard von Weizsäcker and Grigory Yavlinsky.

NGO Market

The main goal of this project is to strengthen civic society by providing a communication platform for non-governmental organizations (NGOs). This unique one-day event gives NGOs an opportunity to present their activities to the broad public, to establish new partnerships and to address potential sponsors and volunteers.

The 12th annual NGO Market took place on April 29, 2011 in the National Technical Library in Prague. A diverse cross section of the non-profit sector was presented to the public by a total of 156 exhibiting organizations focusing on various fields such as human rights and problems affecting Third World countries, the protection of fauna and the environment, leisure-time activities for children and seniors, aiding the impoverished and handicapped, as well as many other issues affecting society today. As 2011 was the European Year of Volunteering, the fair paid special attention to this issue, with the goal of showing the public the diversity of volunteer work, as well as presenting the opportunities for volunteering.

Interfaith Dialogue

Interfaith dialogue and multi-religious assemblies have been an integral and permanent part of the Forum 2000 project and culminate every year in the framework of the Forum 2000 Conference. Through frank dialogue, participants work for better collective understanding of global issues, explore the role of religion today and search for ways to increase mutual cooperation and understanding.

Water in the Middle East

The year 2011 marked the sixth year that the Forum 2000 Foundation has addressed the issue of water scarcity in the Middle East through this initiative that received joint support from Václav Havel and H.R.H. El Hassan bin Talal from Jordan. The aim of the project is to comprehensively address the issue through a series of events which stay abreast of political, economic, and technological developments, and ultimately, help facilitate a peaceful, equitable, and stable resolution that is shared by all stakeholders.

Other Events and Activities

The Forum 2000 Foundation is open to cooperation with other organizations on a wide variety of projects such as the “Conference on Forgotten Victims” (April 22–23, 2010) organized in cooperation with the Foundation “Remembrance, Responsibility and Future”, In IUSTITIA and Kulturburo Sachsen e.V., “Holocaust Era Assets Conference” (June 26–30, 2009) organized in cooperation with the Ministry of Foreign Affairs, Czech Government Office and other non-governmental and educational institutions. We also organize ad hoc events, such as the conference on “Peace, Democracy and Human Rights in Asia” (September 10–11, 2009) and various educational activities.

Relief Fund for Japan Campaign

The Forum 2000 Foundation engaged in helping people affected by the earthquake and tsunami that hit Japan in March 2011. We organized a two-month fundraising campaign in the Czech Republic to support the relief fund established by our long-term Japanese partner The Nippon Foundation, whose Chairman Yohei Sasakawa is one of the Forum 2000 founders.

The Nippon Foundation has extensive experience cooperating with local partners in areas devastated by natural disasters and this

enabled it to provide a quick and flexible response. It has used the funds collected to support the families of those who died or were missing and projects of local non-profit organizations and volunteer groups that focus mainly on helping children, pregnant women and the disabled. The Nippon Foundation also provided direct care and aid supplies to a great number of evacuees in shelters. The Forum 2000 Foundation expressed its solidarity with the victims immediately after the disaster and supported projects aiding Japan, including a children's charity concert in Aš and the "Lawyers for Japan!" concert which was held in Prague at the end of March under the auspices of the Ministry of Justice.

Workshop on Egyptian Transition

The Forum 2000 Foundation in cooperation with DEMAS (Association for Democracy Assistance and Human Rights) and EUROPEUM Institute for European Policy organized an international workshop on "How Can Central European Civil Society Assist the Egyptian Transition?" which was held in Prague in June 2011. Its aim was to open a discussion on the engagement of Central European non-profit organizations in the democratic transition in Egypt.

Democracy and Human Rights in Asia

Just over a year after Chinese dissident Liu Xiaobo was awarded the Nobel Peace Prize *in absentia* leaders in the global human rights arena gathered in Prague on December 11, 2011 for a discussion on human rights and democracy in Asia. Among the attendees were His Holiness the Dalai Lama, Iranian Nobel Peace Prize Laureate Shirin Ebadi and former French Foreign Minister Bernard Kouchner, among others, His Holiness the Dalai Lama also gave a public lecture at the Prague Congress Centre as part of his three-day visit.

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Organizing the Forum 2000 Conference would not have been possible without the enthusiasm and effort of our volunteers, who undertook many of the administrative tasks prior to the event, accompanied the conference delegates as personal assistants, worked as reporters, photographers, and performed a myriad of other crucial tasks. Their contribution should not go unnoticed and it is also thanks to them that Forum 2000 conferences have been successful.

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Gala Dinner



"Without rule of law no change that is undertaken will be sustained; unless there is rule of law our people will not know security. It is not enough to say that we are interested in democracy, we have to show that we intend to establish democracy firmly in our country and to do that we need rule of law. It is under rule of law that all people enjoy the security of just and balanced treatment from those that are in authority... Justice must not only be done, but seen to be done. Rule of law must not only be said to exist, it must be known to exist; we must all feel and understand the effects of rule of law."

Aung San Suu Kyi

Opposition Leader, Nobel Peace Prize Laureate, Burma

Addressing the Forum 2000 Conference, October 10, 2011



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