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The Select Committee on Soft Power and the UK’s Influence

Inquiry on

SOFT POWER AND THE UK’S INFLUENCE

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Witnesses: Ian Bond, Lord Leach of Fairford and Graham Mather
Members present

Lord Howell of Guildford (Chairman)
Baroness Armstrong of Hill Top
Lord Foulkes of Cumnock
Baroness Goudie
Baroness Hussein-Ece
Lord Janvrin
Baroness Nicholson of Winterbourne
Lord Ramsbotham

Examination of Witnesses

Ian Bond, Director of Foreign Policy, Centre for European Reform, Lord Leach of Fairford, Chairman, Open Europe, and Graham Mather, President, European Policy Forum

Q165 The Chairman: Can I begin by welcoming the witnesses and making the formal statement I am required to make that the declared interests of this Committee are before you on pieces of paper, I hope? Thank you very much for coming. The Committee’s label is, as you know, that we are examining soft power and Britain’s influence overseas. Part of the remit, we believe, is to look at the great institutions that Britain belongs to and see two things: one, how our membership of those institutions—in this case, we are talking about the European Union—help Britain’s strength, diplomacy, persuasion, attractiveness and our ability to pursue our interests around the world in soft or smart ways; and, two, what the institution itself—in this case, the European Union—wields in the way of soft power and influence in the world. Inevitably, these two aspects will overlap as we discuss them, but those are the two main questions for us.

I know that our witnesses would like to make initial comments on how they see this remit of ours, and I am very happy that that should be so. I begin by asking Lord Leach of Fairford, who as we know is the founder of Open Europe, which is an extremely active body in illuminating the European scene. I will then ask other witnesses whether they would like to speak briefly as well.

Lord Leach of Fairford: Thank you. I apologise for my [bruised] appearance, and if slight concussion appears in my remarks I hope my inquisitors will be forgiving. A business colleague recently met a member of the standing committee of the Chinese politburo, who expressed the view that Sino-British relations were far more than a matter of trade figures. The UK was the only country to have refrained from protectionist measures against China. Since the industrial revolution, the British have designed most of the rules of international engagement, from sports to standards of governance. It was the home of the English language. It had a strong role in education, science and technology, and in services, especially the financial sector, it was a—perhaps the—world leader. Without ports or harbours—there are not so many ships nowadays—we were the world’s shipping hub because of our advanced impartial legal system. This, he said, added up to significant soft power, placing us as the nation that is always worth consulting on multinational issues.
Now, these ingredients of soft power, in the eyes of an independent observer of great insight who possesses both soft and hard power, may be of interest to your Committee because they are, I think, at variance with the usual way in which the term is used. They are specific, not vague. They are embedded in the culture of a nation with a long history of stability and continuity through difficult and changing times. The EU essentially defines soft power by contrasting it to the real military power and the concentrated economic power that it does not possess. The USA defines it in terms of the limitations of hard power, the need also to be effective to win hearts and minds through alliances of the willing.

It is only a phrase, so define it how you will, but I found the Chinese usage compelling. If you broadly divide soft power into trade negotiations and foreign and defence matters, it is, I think, self-evident that the EU’s influence is proportionate to its own internal agreement or disagreement. Where member states are split, for example between protectionism and free trade or between armed intervention and neutrality, the EU’s effectiveness is slight. In some cases it can be counterproductive. Even where there is internal agreement, it is always fair to ask—I am not prejudging the answer—whether the states might not have done equally well to agree independently rather than within the institutional framework of the Commission or the External Action Service.

That is by way of introduction, trying to give the Chinese view, which I do find compelling, of what soft power really is.

Q166 The Chairman: That is extremely helpful and clarifying. Thank you very much. Could we just ask Mr Bond to cover the same ground briefly?

Ian Bond: Thank you very much Lord Chairman. I will do my best on both scores. I will start by accepting the Joseph Nye classical definition of soft power: that it is the power of attraction rather than coercion or bribery. From that perspective, the EU seems to me to be pre-eminently a soft power actor. It would be fair to say that its economic soft power has been diminished by the crisis in the eurozone over recent years—there is no question about that. But it does retain a significant degree of soft power in other ways, for example through the continuation of the enlargement process and through the relationships that it has with its neighbours. That in turn reflects the attractions that the values of Europe have.

I saw a very interesting example of this in a rather unexpected area. As you probably know, negotiations are going to start, if the Americans reopen their Government, on the Transatlantic Trade and Investment Partnership. One of the attractions for Americans in the TTIP by comparison with some of the free trade agreements that they have entered into with other countries, for example in Latin America, is that the EU will be setting high standards in areas such as labour and environment, which is seen as quite attractive, rather than having to worry about human rights standards or labour standards in third countries. That underlines a point one of your previous witnesses from the Department for Business, Innovation and Skills made, which is that the EU has an important role in setting the rules of the game.

In many parts of the world, the EU can be a force multiplier for the UK. It is not always the case, but it is often the case, whether it is in the Middle East or the Sahel. The problem for the UK is that sometimes our attitudes to the EU make it more difficult for us to exercise the leverage within the Union that would best enable us to pursue our objectives.

The Chairman: Thank you. Graham Mather, would you like to give us a little opening sally on these themes?
Graham Mather: Thank you, my Lord Chairman. I will follow and adopt much of what was said by the previous witnesses. I agree that Joe Nye is right that hard power is push, soft power is pull. For me, the EU’s primary attraction in the soft power sense concerns the norms which it espouses: democracy, human rights and market logic. The techniques are fourfold. The first, as Mr Bond mentioned, is enlargement. The second, which he also mentioned, is the neighbourhood policy, to which I would add bilateralism with great powers as number three, and finally what one might call inter-regionalism: that is, relating with other regional groupings in the world.

I think the EU’s soft power is unbalanced in that enlargement is a much stronger form of soft power than the others. It seems to me that it gets progressively weaker through the neighbourhood policy, bilateralism and regionalism. Ultimately you have to ask, for those out of its region that are not going to join the EU: what is this soft power? Is the EU purely a European experience, or are its values truly more universal and capable of attracting? I will, if I may, just borrow a definition from Lee Kuan Yew, which the Committee may have heard: “Soft power is achieved only when other nations admire and want to emulate aspects of that nation’s civilisation”—so here we are talking, mutatis mutandis, of the admiration of the EU.

I would just like to say two or three words on the British relationship. What is at the heart of Britain’s soft power? May I suggest one or two? The BBC is enormously important globally. Then there is the City of London, and the Crown and Commonwealth—we have just heard from the Commonwealth. Conceivably, the Church of England could play such a role, as the two previous popes did for the Catholic Church. Then there is the English language. We saw in the Eurostat figures last month that 94% of upper secondary students across the EU learn English—an astonishing bridge and connection. So the question I really ask myself is: what does the EU add to these? In some areas it might inadvertently subtract. I do not think it has impeded the BBC in any way, but some recent measures and some of the directives, such as the AIFM directive in the City of London, will certainly not help the City globally.

In conclusion, it is difficult for the EU to create the focused structure of credibility that Lee Kuan Yew was talking about.

Q167 The Chairman: Thank you very much indeed. That raises some interesting questions. Would any of the Committee like to pursue that? I think you have made, first, the very obvious point, a very good point, that the EU clearly has magnetism for countries that wish to join. That is always a sign. This Committee discussed earlier the Commonwealth and the countries that wish to join that. There must be some soft power attraction of a kind. Nevertheless, there is also criticism that when it comes to the EU thinking of itself as an influence in the world through its Diplomatic Service, its EAS and so on, it does not seem to have made a major impact on the current issues that worry us in Syria, Afghanistan, Libya and Egypt. Where is the EU? I do not know whether any of our witnesses would like to comment on that broader question as well as, if necessary, coming back to the question of how it helps Britain.

Graham Mather: If I might carry on with that theme, let us think about the Chancellor of the Exchequer’s very important visit to China, which is currently under way. The Chancellor almost made it explicitly clear that this was a bilateral initiative, and it has been reported as such. He went so far as to say, in picking up what was said earlier about the propensity of some countries to protectionism vis-à-vis China, that this included some European member states but not, of course, the United Kingdom. In a way, we see that very important interaction as almost entirely bilateral, but—I must just nod in this direction—the
Chancellor has announced a pilot programme to ameliorate visa requirements, which have seriously upset our Chinese colleagues. He is doing so, I understand, by piggy-backing on the Schengen system, so that if a Chinese visitor applies for a Schengen visa it will be accepted by the United Kingdom, but it does not mean that the United Kingdom will join Schengen.

Lord Leach of Fairford: Assisted by a flying squad of officers going around Chengdu and Chongqing, I have to add, in order to get an accelerated VIP service. It is not quite joining Schengen. The French, I think, are talking about disjoining Schengen, I saw the other day.

Ian Bond: If I may add a word on this question, first, the Chancellor’s visit is an example of where the member states sometimes undercut the effectiveness of the EU. The fact is that in a number of areas we need the Commission and its weight to be able to negotiate with the Chinese on issues of market access and so on. Yet, what we—we are not alone in this—and a number of the other member states tend to do is to turn to the Commission when we have difficult questions to raise with the Chinese and then go to the Chinese and say, “Of course, we’re much more open to co-operation with you than our partners are, and we certainly don’t agree with what the Commission is doing”. You saw an excellent example of the results of that when the Chinese appeared to be dumping solar panels on the European market. The Commission took action to look after European producers who were being unfairly undercut by Chinese competition, and the Chinese went not to the Commission to negotiate a solution but to the Germans to lay down the law to the Commission. That is actually not in our interests in the long term.

Baroness Nicholson of Winterbourne: What extraordinarily interesting contributions we have just had. Could I go to something very basic?

The Chairman: I am so sorry. I have to interrupt you; there is a Division downstairs, which means that the Committee must adjourn for five minutes. It is very inconvenient, I am afraid, but that is what we have to do. When we come back, you can go on with your question. I apologise to our witnesses but that is the way this place works.

Session suspended for a Division in the House.

The Chairman: I think, despite Lord Leach not coming back to us, that we will push on. He can join in when he returns. Baroness Nicholson, you were just putting a question when the bell interrupted.

Q168 Baroness Nicholson of Winterbourne: Thank you very much indeed. Both Graham and Mr Bond made points on the enlargement of the EU being its greatest strength and in a sense the soft power being derived from that strength rather than sitting on its own, independent of it. You then mentioned the neighbourhood policy as a slightly less strong instrument. Earlier, Mr Bond or Lord Leach mentioned trade and industry influence in the Gulf, for example. As I perceive it, the further we get away from the enlargement countries, the weaker the EU becomes. Therefore I can see the immediate temptation, perhaps rightly taken by the UK, of treating China as bilateral. But the enlargement of the EU has brought problems of its own, say with the less stable single market of 28 members than previously with the 15. My suggestion might be that the real strength of the EU is, curiously, depleted internally by enlargement, by the weakening of the fight against corruption and a number of important legislative matters internally given the weakening of the free market. How will this balance play out in the future since Turkey is not necessarily coming into the EU? We are starting to see the growth of the eastern policies, taking people away such as Armenia,
which has now given way on a partnership association agreement in favour of the eastern partnership. How do you foresee this strength of the EU? Will it remain rather static where it is or will it have another way of enlarging its soft and underlying power?

The Chairman: I might add: does it need to change its doctrines of the 20th century, which were ones of centralisation, into a more decentralised pattern to fulfil the objectives for the future that Baroness Nicholson has just spoken about?

Lord Leach of Fairford: As I came late to the question, I might not get it completely right.

The Chairman: If you do not answer it satisfactorily, I am sure that Baroness Nicholson will intervene. Have a go.

Lord Leach of Fairford: I think that the centralisation of power, which was understandable at the beginning of the creation of what is now the EU, was necessary. There is the usual stuff: the wounds of war and very high tariffs. All those things had to be brought together in a centralised way. Here we are, nearly 70 years after the war, with a far more diverse state and a world that is far more globalised and networked rather than concentrated and regionalised. In those circumstances, the centralisation doctrine has gone from positive through neutral and is becoming counterproductive. A classic case of that is the euro itself, stated to be the currency of the Union although clearly it is not. It is admittedly counterproductive. That does not mean that it is easy to unwind it. Of course, it is extremely difficult to do so. But that is a classic case of where centralisation went too far and was a mistake. There is a strong case, one I hope the Government will put—I begin already to see signs of that in murmurings about the undesirability of resolving all problems through ever closer union—towards decentralisation. It is a personal view but I would like to see Europe redefine itself as the single market, so that if you are in good standing with the single market you are a member in good standing of the European Union. That is obviously an economic issue but leaving monetary, political and social arrangements much more in the hands of the national democracies. I think that would greatly increase the soft power of the European Union, although by traditional doctrines it would decrease it—some would say destroy it. It is the coalition of the willing as opposed to the coerced, one size fits all set of policies.

The Chairman: Mr Bond, what would you say to that? Those are interesting thoughts.

Ian Bond: I was interested in the idea of a centralisation doctrine. There has been an accretion of power. Some of it is rather more necessary than Lord Leach allows for ensuring that you have a single market that works. It is a little while ago, but if you take the example of the UK and BSE crisis, it was the Commission that ultimately forced France to accept that it had to start importing British beef again. It is not clear to me that we could have achieved that bilaterally, other than by possibly sanctioning a lot of French Champagne. It seems to me that having the Commission as quite a powerful referee is quite important to the running of the single market, which matters to us. That is not to say that there are not a lot of areas that can be left to the member states to decide. I do not think the working time directive is as bad a thing as is sometimes portrayed in the UK, but there is a fair case to be made that not every country in Europe needs to run its health service rosters in precisely the same way. That is an example of where I would say you could pass some power back to the member states.

Q169 Baroness Nicholson of Winterbourne: I raised a point about the weakening, as I perceive it at the moment, of the single market by the 28 member states—at the moment—with what I would suggest is the great weakening of the fight against corruption and the rise
of corruption. In other words, there is a lack of consistency in national legislation and in the culture nationally of certain member states to fight corruption at all. That has weakened the single market dramatically. I wondered whether Graham felt that that was so. If so, how does he feel that should be tackled? More to the point, what other strength does the EU have with which to balance its power outside the EU if the single market is in a little bit of trouble?

Graham Mather: Lord Chairman, I agree with Lord Leach that the single market is at the heart of the EU and that economic power is the primary attraction for countries that want to join and, to a slightly lesser extent, to neighbouring countries that may want to associate with it. Both of those show soft power in operation. It can be complex. A Swiss friend said the other day, “So long as Europe remains liberal, we will not want to sign an association agreement, but if you become really protectionist then we would have to join”. There are tensions there. If we just extend it to the difficulties that Baroness Nicholson mentioned, as an example the Polish Government have some special economic zones that are very important to them. The EU said that they must phase them out by 2019. The Polish Government have now, of their own volition, said that they will not phase them out until 2026. They may never get round to it. That will be a different sort of single market in that there will be more flexibility in it to adjust tax rates and regulation, but I would see that as desirable rather than undesirable, and not necessarily as a weakening.

Finally, if one may look at the still further regions, Europe has for example the ACP—the Afro-Caribbean Pacific—relationship. There is some soft power there but it seems mainly to the benefit of the French. It seems to preoccupy the francophone countries. There is a soft power in Mercosur but the links seem primarily to be trade-related. The Asia-Europe dialogue does not seem to have any real soft power benefits for Europe because Asia does not seem to think it has anything to gain. If we come back to the question, if there is nothing to gain there is not much soft power.

Lord Leach of Fairford: Can I make a brief comment on corruption, as that was raised? Clearly the time when there is most leverage over corruption is when a country is applying to join. Once it has applied successfully and joined we see clear examples—with no names and no pack drill—where the pressure comes off and it becomes much more difficult to eradicate. Of course you are right that it must weaken soft power if part of the Union is patently more corrupt than others.

Ian Bond: Just to add to that, I am sure that is right. I can think of a small number of countries where the Commission should probably have done more ahead of their accession to try to deal with the problem of corruption. Equally, I can see that in the last big wave of accession in 2004 a lot of the countries that joined, for example the Baltic States, brought with them quite a reasonable level of economic culture—if I can put it that way. So the picture is mixed. Where I do agree is that the further you get away from countries that have an ambition or a realistic chance of joining the Union, the weaker its ability to influence countries’ behaviour becomes.

Q170 Lord Ramsbotham: In a previous session we considered the Commonwealth. One witness was responsible in the Foreign Office for both the Commonwealth and the European Union—as bodies, rather than anything else. Thinking about the United Kingdom’s involvement in soft power as a partner member of the Commonwealth, we are involved not just in our own soft power projection but in a contribution to the soft power projection of the Commonwealth. We are also a member of the European Union, and I wonder what
particulars you feel we should concentrate on for soft power projection that is particularly European-related, over and above what we are doing as a member of the Commonwealth.

**Ian Bond:** The other two witnesses are looking at me. One area I would certainly look at is education. The European Union has a scholarship programme, mostly aimed at masters and doctoral students, called Erasmus Mundus. It is quite noticeable that the UK participates less in this programme than, for example, France or Spain. I can probably find some figures but I think it is something like 17 programmes involve British universities—some British universities are involved in more than one programme—while the French are involved in something like 23 or 24. It seems to me that that is an example where you have a European programme, funded in part by our contributions to the European Union, yet we do not seem to be actively pursuing that ourselves. It enables us to bring over high-quality graduates from countries outside the European Union and to inculcate into them something of the strengths of our academic and university system, our research strengths and so on. It seems that that is an undoubted benefit and we should make more use of it.

**Lord Leach of Fairford:** Can I give a slightly different answer without disagreeing with that? I go back to the remark—I cannot remember who made it; maybe it was Erhard or Kohl—that the EU without Britain is a mere torso. What did he mean? It is a phrase you quite often hear still repeated in Germany. It means that Britain is the principal voice for free trade, the principal voice for the reform of the common fisheries policy, which has been a moral outrage, and the principal voice for the reform of the agricultural policy, which has been another moral outrage. It is in contact with its own democracy in a way that countries that work on party lists never are. I am not accusing them of being undemocratic, of course, but it is a different, less direct and immediate form of democracy. These are qualities that Germans and others—I speak of Germans as standing for integration generally—see as a unique contribution of Britain. That is a genuinely valuable contribution to Europe. Were Britain for example to leave the EU—we have a referendum coming up in a few years’ time—that is what would be most missed in Europe.

**The Chairman:** That is very helpful. Graham Mather.

**Graham Mather:** I wonder whether I could make a sort of organisational suggestion against this background. I think many of us have found in Brussels that the City of London historically has been seen as Europe’s shared financial capital, and that the success of the City of London benefits the European Union as a whole. There is pride in its achievements and support for its work. That mood might recently have changed slightly. One certainly picks up vibrations now that say, in effect, “Oh, if you are having this referendum, if you are pulling away, if you are not interested any more, that is a different matter”. My point really is that we have talked about education, the BBC, the Commonwealth and the City, but these are very wide subjects to grapple with and to pull together. I wonder whether there ought not to be a sort of soft power unit somewhere, perhaps in the Cabinet Office, with the reach to get into the world of education, the world of finance, the world of the Commonwealth and broadcasting, to do this. The question is whether we are organised sufficiently to engage with the EU in securing those shared benefits in which the great strengths of Britain are also seen as great strengths of the European Union. Systematic efforts should be made to align and to inform.

**Q171 Lord Ramsbotham:** One of the things that worried us in our very first session was that we discovered that the NSC was essentially the organiser of soft power. Of all organisations that seems to me to be completely wrong, because everyone immediately
smells propaganda, and that is wrong. It is not a security matter, it is much more than that, and the security people should not be involved. I take your point about someone rejecting it.

The Chairman: My question is going to reinforce Lord Ramsbotham's. We have the EEAS, and we have European embassies being developed around the world. What is their message? Is it just that Europe is a good thing, which is really very near propaganda, or are they saying, “Look, we have all these assets within the space of the European Union, including this brilliant financial centre in London and many qualities throughout Europe which the world still values”? Are they telling the European story? What are they doing? That is quite a question to which we need to know the answer, just to know whether we are getting our money's worth. Would either Mr Bond or Lord Leach like to elaborate?

Lord Leach of Fairford: I should defer to him, but I would say that looking at embassies around the world, particularly in Asia, which I know best, all too often European soft power is expressed in, I am afraid, lectures about civil rights and about climate change, a subject which diplomats know even less about than the IPCC. I do not think that is what I would regard as a valuable projection of soft power, but I am afraid that is how it often comes across.

Ian Bond: I think that the role of EU delegations abroad depends very much on the country where they are posted. Before I joined the Centre for European Reform, I was a diplomat and served in Washington. The EU delegation in Washington is very heavily involved in trade issues, in aviation, in regulatory matters of one sort of another. It is doing a really important job on behalf of the member states in opening the US market in many cases. Does it do as much as it should to project Europe and European values? Arguably it does some things but probably not as much as it might. Equally we, the British Government, might get rather uncomfortable if it went too far down that road. Some of the delegations in, say, the countries of the eastern partnerships are disposing of quite large sums of money for technical assistance programmes to help those countries to harmonise more with EU legislation and to become readier to work with the European Union. You can see that in Ukraine, for example. The missions, just like British embassies, play very varied roles depending on where they are. Soft power is part of it, but the proportion varies from one to another.

The Chairman: Can you add to that, Graham Mather?

Graham Mather: I would just add if I might, Lord Chairman, that there is a distinction between useful diplomatic functions in which the EEAS is very new and the effective deployment of soft power in changing opinions towards the institution. There is no evidence yet that it has made much progress in doing that. I would just add, following Lord Ramsbotham's question, that the conflict between hard and soft power might increase for the EU as it strengthens its attempts to become a hard power and to have credible military forces and a mechanism to use them without prejudice to NATO. It may be difficult to attract support for these soft power values if at the same time Europe is attempting to become a hard power system.

The Chairman: Baroness Nicholson again, and then I have one more question.

Q172 Baroness Nicholson of Winterbourne: Thank you. I have a rather blunt question. What benefit is the UK going to have in the future from the EU's soft power or other strengths? After all, as we know, the EU spends a very tiny proportion of its effort on foreign policy in any shape or form. Almost all its time, certainly I would say from my decade in Brussels as deputy chairman of the Foreign Policy Committee, is spent on trying to keep
its own house in order, and given what I would suggest is the growth of corruption internally
that is exactly what it should be doing. Britain is different. I am not an empty chair policy
person at all, but we have a far wider international history and reach than any other
members of the EU. Despite the fact that countries such as the Netherlands and so on had
vast empires, Britain for some reason, perhaps the Commonwealth, has a completely
different perspective from that of our fellow member states. We have the UN Security
Council, the Commonwealth and very strong and unique relationships with the USA. We are
different, and perhaps that is reflected in the way in which the population of the UK is
looking at membership of the EU at the moment, and our Government are responding. So
given Britain’s difficult position in Brussels—desirable or undesirable is not the point—how
at all are we going to be able to benefit from the EU as the EU progresses?

Graham Mather: I will, if I may, give an example, following exactly what Baroness Nicholson
said. I was looking at the speech by Lord Hall at the BBC about the reach of BBC news: “It
now is relied upon”, he said, “by a quarter of a billion people around the world”, and his
ambitious aim is to double that global audience by 2022 to half a billion people. It seems to
me that the EU does not really have anything great to add to that.

Baroness Nicholson of Winterbourne: And 1.2 billion people on the globe speak English.

Graham Mather: Yes, so the EU addition may be rather marginal.

The Chairman: This exchange is moving towards a rather limited conclusion to the
question of what soft power the EU adds to HMG and the UK or what soft power capacity
the EU has. I have a feeling, Mr Bond, that you might feel that that is going too far the wrong
way.

Ian Bond: I think it depends on the area. I would not dissent at all from the BBC example. It
is quite clear that Euro news is never going to be a competitor for the BBC. That is obvious.
But it does seem to me that in other areas, particularly trade policy, we are still going to get
quite a lot of benefit from the EU, both in the neighbourhood and more widely. More than
one American has said to me that they would not be interested in negotiating a free trade
agreement with the UK alone; it is simply not a big enough market to be significant enough
to devote the political effort to it. But a European Union that is a market of 450 million is
worth negotiating with.

The Chairman: Because the chances are good? After all, this is going to lead straight into
agriculture, is it not? It will be the clash of American agricultural interests against European
ones, so might not the very size of this body, the European Union, be an obstacle to clearing
up some of these trade barriers?

Ian Bond: It clearly is not going to be an easy discussion, but trade discussions never are.
That does not make the payoff to our economies, from an American point of view or indeed
from ours, less worth while.

Q173 Baroness Goudie: I just wanted to ask one question. You talked about the
American delegation. The Americans have a huge delegation both to the Commission and to
the parliaments in Europe. Is that right? I have met various of them when I have been around
Europe. They are basically looking at trade not through soft power but through their
influence into Europe and the Community as a whole, and to protect some of their own
policies.

Ian Bond: I do not know the complete details of the US delegation in Brussels. I have met a
lot of people who are following trade issues, but there are certainly also people who follow
justice and home affairs issues, and I assume that there are some who follow external foreign policy issues. There are certainly very close and direct links between the External Action Service and the State Department. They pick up the telephone to each other on a very regular basis. The Americans engage across the whole range of EU activity.

Baroness Goudie: That is what I thought. I just needed it clarifying, because of the points that we were talking about. It is very helpful to hear that.

The Chairman: We hear from time to time from the State Department that it is American policy still to see Europe as a united whole, and that tends to jar through British sensibilities because we are not so keen on ever closer union and so on. Do you think American policy towards Europe is changing as they realise some of the problems, particularly from the euro crisis and the divisions that this causes? Are they being a little less enthusiastic?

Lord Leach of Fairford: I think it has become a mantra for dealing with Europe, really going all the way back to the CIA days when they wanted a political Europe as opposed to NATO, so there was no political soft underbelly behind the protection against the Soviet empire. It is just something that they say the whole time. There are various things that nations say the whole time. When you get down to hard tacks, they are not at all averse to separation. For example, if one agrees with them on some military intervention, they do not say, “I do not think we will work with you”, because unless the whole of Europe works with them they simply will not do it. So they act as though they thought the real power resided in Germany, in Britain, in France and in some other countries, although the mantra is always the same.

The Chairman: That is an interesting answer.

Q174 Baroness Nicholson of Winterbourne: At the same time as we signed the treaty of Brussels in 1947, we were also a founder member of the Council of Europe. Do our kind witnesses feel that Britain could make more use of and put more effort into the Council of Europe, which has its own different aura further to the north and the east? Should we make a greater effort there? I leave aside the temptation to criticise or not criticise the Court of Human Rights, which is a different story.

The Chairman: It is a good question.

Baroness Nicholson of Winterbourne: Should be make more effort there? We are very strong in the Council of Europe.

The Chairman: I am going to elaborate on that, because it is a fascinating question. We are founder members of the Council of Europe. It is a containment vessel of the values and everyone wants to join it. The Russians have tried to come in as well.

Baroness Nicholson of Winterbourne: And Turkey.

The Chairman: It is a great post-war achievement. Has our soft power quality and high stance in that been weakened and overshadowed by our membership of the European Union?

Baroness Nicholson of Winterbourne: I think so.

Lord Leach of Fairford: It is a hugely complicated question, because of course the European Union saw itself from the beginning as being in opposition to the Council of Europe. There were two visions of how Europe might evolve, and it went one way and not the other. Now, if it is correct that the European Union begins to see itself more in terms of devolved power and not so much in terms of fragmented but separated powers going back, then of course the Council of Europe becomes rather more user friendly. Many of the aspects of the
Council of Europe, particularly rights, have already in effect been colonised by the European Union and incorporated as informing the fundamental human rights charter and whole sections of the Lisbon treaty and taken as precedents by the Court of Justice. So effectively that dimension has ceased to be a Council dimension and has become a fudged dimension between the Council and the European Union itself.

I think the underlying answer to the question is that I wish it was so, but I suspect it will be hard to make it much more important. That is no bad thing.

Q175 The Chairman: We have kept you here for an hour, and I am sorry for the interruption in the middle. Without going into vast even bigger areas of whether Britain should be a member of the EU and so on, which it is not for this Committee to examine, we cannot take things much further, but would Mr Mather or Mr Bond like to make a final commentary on our work as a Committee looking at the soft power, reputation and influence of this nation, whether being a member of the EU is helping it, and if so what further policies we should encourage in the reform of the European Union to promote it? These are very much your subjects, gentlemen, so you should come easily to this.

Graham Mather: Lord Chairman, may I first pick up on the Council of Europe question? We have been very much at home in the Council of Europe. It seems a natural environment for British ideas to be exported and developed, so even if some of its agenda has been colonised, as Lord Leach said, perhaps we can see it as a large and friendly think tank into which we can continue to inject ideas.

We have been less comfortable with the European institutions. We often, it seems to me, try to influence it by mail order from a safe distance, and certainly the number of officials in the institutions of UK origin continues to decline and must be a matter for serious concern, especially if you add to that the fact that the political grouping to which I belong has detached itself from the main centre-right grouping in the EU, which undoubtedly further reduces the opportunity for idea exchange and for soft power deployment, if nothing else. So my view is a rather sober one. I think that the EU can add only marginally to our deployment of soft power and that we should try to focus our minds very clearly on how we could assist it to do more, perhaps, as I tried to suggest earlier, by organisational means.

The Chairman: Mr Bond, a last word.

Ian Bond: I can only echo what Mr Mather said about our staffing in the EU institutions. It is quite poor. In the Commission we are something like 4.5% of the Commission staff, compared with something like 12.5% of the EU population as a whole. There should be three times as many of us in the institutions. If we want the EU to help us to project our soft power, it helps if our political discourse about the EU is a little less negative. It does not encourage good British candidates to apply to an organisation that is so often pilloried in the British press. I am delighted that the Foreign Secretary is putting more effort into trying to get good British candidates to apply for European jobs. From my own contacts, I think there is still a perception that, because the general view of the European Union is quite negative, if you become too closely associated with the European Union, that might not be of benefit to your long-term career. I think there are plenty of examples to show that that is not true, but it is a perception that people have and I hope we can push against it.

The only other thing I would say is that it does seem to me that, particularly in eastern Europe, the European Union still disposes of considerable soft power.

The Chairman: You were ambassador in Latvia, were you not?
Ian Bond: I was ambassador in Latvia. That is true. Should I have declared that as an interest?

The Chairman: No, it is just that from that point of view the magnetism of the EU is clearly very strong in that area, which is very interesting.

Ian Bond: If you look beyond the current member states, it is quite interesting to see that when the Armenians, under extreme pressure from the Russians, signed up to join the Russian-led customs union and stopped their negotiations with the EU on an association agreement, people demonstrated in Armenia in favour of closer integration with the EU. I have seen no one in eastern Europe demonstrating in favour of a closer relationship with Russia.

The Chairman: Lord Leach, a final final word.

Lord Leach of Fairford: That was a slightly different flavour to this. I think the Commission is going through a lean period. It is not surprising, because its triumph was the euro and you would expect it to go through a very lean period. It is not going to make any real contribution to solving the euro crisis. That has to be solved at a national level, just as if there is a big trade dispute with China. As a graphic example, China very sensibly goes to Berlin and says, “Can you sort it?” Increasingly with the weakness of the Commission, and with the sheer growth in numbers to 28 countries, policy is going to get decided very much at a great power level. Therefore I would draw attention to the fact that British engagement with Germany, as any German will tell you, has been running at about four times what it has been running at in the past 50 years. Its engagement is massive. The reason for that goes back to what we were talking about at the very beginning of this session: that if Europe is to be more evolved in order to be more effective, more efficient, more prosperous, and in the end therefore to have more soft power by giving space to each other, that has to come from an agreement between the principal advocate of integration historically, partly because of the history of the war—i.e. Germany and the great power house of the integrated part of Europe—and the principal advocate of democracy and a freer and more flexible type of Europe, which is Britain. It cannot be decided by 28 countries; it has to be decided essentially by those two. I do not mean “decided”, but if they agree and then take an agreed position to the rest of Europe, obviously most notably France, that is the best chance for a good outcome. The non-engagement with the Commission is partly just an outcrop of nature.

The Chairman: Well, there we are, and of course that raises the vast question—I feel we have been deliberately walking around it—of whether the treaties, as they exist, are the right ones or whether they can be changed. And thereby hangs another tale. I would like to leave it there. Thank you very much indeed. You have been very helpful, very illuminating, and we are extremely grateful.