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Foreign and Commonwealth Office¹

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Introduction

Across the democratic world, elections are primarily fought on domestic issues. Policies on jobs, crime and access to social services propel politicians into power. But once in government, an international dimension intrudes, most often suddenly, unexpectedly and dramatically. Tony Blair is one of many leaders whose legacy will be defined by his foreign adventures, not his actions at home. As John F Kennedy put it during his own turbulent presidency: "Domestic policy can only defeat us; foreign policy can kill us."²

Foreign policy matters most when the chips are down. Even those who favour a lean public sector accept that national defence is a vital public good. A broad foreign policy is vital for any country, and especially for a porous island economy like the United Kingdom.

All this heightens the importance of the Foreign and Commonwealth Office's fate in the 2007 comprehensive spending review (CSR). Little money is at stake – around half a per cent of total government expenditure – but this has not stopped negotiations with the Treasury turning rancorous. Treasury mandarins believe the FCO's position in Whitehall has never been weaker, with Gordon Brown thought to share his old department's poor opinion of its neighbour. Foreign Office staff feel beleaguered and morale is low. "The entire organisation needs to be challenged and reformed, but the leadership lacks the skills needed and the will to upset the status quo," concluded Collinson Grant, a firm of consultants engaged by the department³. All is not gloom, however. A new Permanent Secretary has made a fresh commitment to reform. His staff is among the most talented and resourceful in the civil service and possesses a body of expertise that could not be easily replicated. Years of accumulated investment, for example, mean that British Ambassadors are more likely to be fluent speakers of the local language than their counterparts from other countries. In London, unfamiliar challenges such as climate change have triggered a wave of innovation, while the FCO's delivery of services to the public has become steadily more effective and efficient.

¹ This paper is based on research undertaken with Alex Evans, senior policy associate at New York University's Center on International Co-operation, where he leads the Global Risks program. All content is the responsibility of the author, however, who writes in a personal capacity.

² Lee Sigelman, A Reassessment of the Two Presidencies Thesis, *The Journal of Politics*, Vol. 41, No. 4 (Nov., 1979), pp. 1195-1205

³ Collinson Grant Ltd, *Efficiency, effectiveness and the control of costs in the Foreign and Commonwealth Office*, 2005

Nevertheless, the department needs to be held to a higher standard than incremental improvement. Like Tony Blair, Gordon Brown is likely to find that his foreign policy has the character of a journey into the unknown. He will need a strong Foreign Office to act as his navigator. He should therefore expect his first Foreign Secretary to lead the department into a period of intellectual renewal, as it fundamentally reinvents its role in the modern world. The alternative is likely to be hard to swallow. Already, there are those prepared to ask how much of the FCO the UK really needs. Perhaps, they speculate, it could be stripped back to its most basic functions, with the 'real' work of making policy shifted permanently to somewhere else in Whitehall.

Spending Reviews and the FCO

It may be less than ten years old, but New Labour's first comprehensive review of Foreign Office spending reads like a document from another era⁴. Hailing 'a new approach to investment in foreign policy', the government is focused on export promotion, investment in the UK, and 'showcasing' modern Britain. Policy objectives are vague. The FCO will ensure fifty more countries are 'committed to co-operating with the UK.' It will also combat the trade in drugs, cross-border crime, abuse of human rights, and environmental degradation. A 'radical' IT upgrade is planned to allow a quicker response to 'global foreign policy issues'.

What is missing is a reflection of the shift that was then underway in Blairite attitudes to the international arena. The Prime Minister had been surprised by the suddenness of the East Asian financial crisis in 1997. The aftermath provided a window for the reform of the global economic system, but there were few ideas about what should change. War in the Balkans acted as a further reproach to the new world order. In 1999, Blair laid out his 'doctrine of the international community' in a speech to the Economic Club of Chicago⁵. Surveying the 'awful crimes' then taking place in Kosovo, the Prime Minister was clearly shocked by the pace at which chaos had impinged on Europe. He hailed the 'just war' that had been declared in response. "We are," he said, "all internationalists now, whether we like it or not. We cannot refuse to participate in global markets if we want to prosper. We cannot ignore new political ideas in other countries if we want to innovate. We cannot turn our backs on conflicts and the violation of human rights within other countries if we want still to be secure." The 1990s had seen ad hoc and reactive responses to global problems, he argued. The future would require a more strategic approach. Narrow national interests must no longer be allowed to predominate. Instead, a 'sustained and serious' approach was needed to delivering global public goods.

⁴ HM Treasury, *Modern Public Services for Britain: Investing in Reform*, The Stationery Office, 1998

⁵ Tony Blair, *Doctrine of the International Community*, at the Economic Club, Chicago, 24 April 1999

The attacks of 9/11 strengthened Blair's confidence in his vision and it is unsurprising that a (stripped down) version made its way into the 2002 spending review⁶. The UK would build on its "proud tradition as an outward-looking nation' and 'play a leading role in promoting peace and prosperity around the world, and in combating global poverty, conflict, and terrorism." For the FCO, this meant responding to a 'major shift in foreign affairs'. Economic cheerleading had moved down the agenda. Instead, the department would focus its energies on two themes: European enlargement and worldwide engagement. Two years later, the FCO's first formal strategy – and its first major policy statement under New Labour – reinforced the new approach. It set out eight 'strategic international policy priorities' for the UK (these are now referred to as international strategic priorities or ISPs)⁷. For each priority, the FCO committed itself to a list of objectives. In order to contribute to a 'safer world', for example, the department committed itself to leading "a systematic strategy across Government for engaging with the Islamic world and promoting peaceful political and social reform in Arab countries." The FCO updated this strategy in 2006, this time engaging in greater consultation with other government departments⁸. Most of the ISPs emerged unscathed. Shortly thereafter, a new ISP on climate security was added to the list at the insistence of Margaret Beckett, who had just arrived as the UK's first female Foreign Secretary.

The spending review architecture has meshed rather poorly with the new strategies. In 2002, twelve public sector agreement (PSA) targets were set. By 2004, this had been reduced to nine, which were then mapped against the ISPs in an ad hoc fashion. Three ISPs did not have any targets at all under the 2004 spending review. The resulting patchwork has proved deeply unsatisfactory, especially in 2005/2006 when the FCO found itself reporting against both the 2002 and 2004 targets⁹. The traffic light system used to demonstrate impact has proved particularly contentious. In 2005/2006, for example, Iraq was marked as 'on track' to becoming a stable democracy by March 2008. A year later, the assessment had changed dramatically, with the target marked as 'not on course – major slippage'¹⁰. FCO systems for assessing progress are generally qualitative and informal, with the FCO's lack of skills in this area standing in stark contrast to best practice in the international development field. The perceived lack of credibility of the FCO's performance management regime has undoubtedly damaged its negotiating position in the 2007 spending review.

In practice, the FCO has used its PSA targets purely for external accountability purposes, with internal performance management more closely focused on the ISPs. This raises important questions. Is the FCO's strategy driving performance

⁶ HM Treasury, *Opportunity and Security for All: Investing in an enterprising, fairer Britain*, 2002

⁷ Foreign and Commonwealth Office, *UK International Priorities: a Strategy for the FCO*, 2003

⁸ Foreign and Commonwealth Office, *Active Diplomacy for a Changing World: the UK's international priorities*, 2006

⁹ Foreign and Commonwealth Office, *FCO Departmental Report 2005/2006*, 2006

¹⁰ Foreign and Commonwealth Office, *FCO Departmental Report 2006/2007*, 2007

as intended? Or is the department chiefly reactive in its approach, with resources allocated according to historical precedent and expressions of short-term need?

FCO – Fit for the Future?

The FCO's recent departmental Capability Review provides an unequivocal answer to these questions. Completed by a senior team from the private and public sectors, it concludes that:

The Department has weak business planning, resource allocation and prioritisation processes. The International Priorities do not directly drive the allocation of resources across the organisation. There is limited clarity on the relative importance of FCO's contributions to the various International Priorities. As a result, many Posts are pursuing most of the International Priorities, resulting in resources being spread very thinly across these priorities. At the same time, resources are slow to get to some Posts located in countries that are a priority for UK foreign policy¹¹.

While the Capability Review found areas of high performance in the FCO, in general its tone is critical. Staff are praised for their passion and commitment, but the department as a whole is criticised for failing to articulate a clear mission. The result is a lack of 'clarity, pace and coherence in the direction of the Department's strategic change.' The department needs urgently to set a clearer direction, to prioritise its resources more effectively, and to become better at exploiting the undoubted talents of its staff. Its lack of a systematic approach for measuring impact is also a further cause for concern.

These criticisms have been echoed by a number of other studies. In 2000, Robin Cook tasked a team of young officials to think about the FCO's future. The Foresight Report, which they produced, found that the department was good at tactics, short-term practical problems, 'understanding foreigners' and gaining access to decision makers¹². However, it was judged to be weak at long-term strategy and planning, focusing on concrete outcomes, reallocating resources to meet new priorities, learning from mistakes, and implementing change. The FCO's organisational structure and business processes have also come in for repeated criticism. Only 28% of staff believes the department is well managed, while Collinson Grant has found that processes "are not thought through logically but have been built on past methods, with cumbersome modifications to meet perceived changes to requirements."¹³ ¹⁴ Moreover, the department's experience with IT is chequered at best. One 'lessons learned' report, commissioned after a high-risk IT project hit the buffers, found that inadequate planning, a shortage of relevant skills, and the failure of the Board to engage

¹¹ Civil Service 2007, Capability Review of the Foreign and Commonwealth Office, 2007

¹² Foreign & Commonwealth Office, Foresight Report, 2000

¹³ ORC International, Foreign and Commonwealth Office Employee Engagement Survey 2006: narrative report, 2006

¹⁴ Collinson Grant Ltd, Efficiency, effectiveness and the control of costs in the Foreign and Commonwealth Office, 2005

effectively had all caused major difficulties for the project. The FCO's investment in public diplomacy has also been regularly criticised. Lord Carter's 2005 report put a brave face on what was being achieved, but his private message was much stronger¹⁵. The FCO could only provide rough estimates of how much it spent on public diplomacy. It did not have an effective strategy for what it was trying to achieve. Nor did it have firm evidence to show results.

Legitimate questions have also been raised about whether the FCO has the right staff with the right expertise, deployed in the right places. The department makes a £6m investment in languages, but has not developed equivalent expertise in global issues. The Foreign Affairs Committee, meanwhile, has accused the department of an 'amateurish approach' to filling senior posts. The new Finance Director, for example, is the first to have relevant professional qualifications. Human resources policies are weak, with only 0.8% of staff receiving an unsatisfactory grade in their appraisals, despite widespread acceptance that, especially at senior levels, a rump of poor performers is blocking the organisation's development¹⁶. The Capability Review criticised the department for failing to manage its staff strategically, as well as for limited external competition for senior posts. The weakness of the FCO's knowledge management is another area of legitimate concern. Knowledge was correctly identified in the Foresight Report as the FCO's most important commodity. However, it found that the FCO failed to make the most of its expertise, with an 'intellectual machismo' stopping staff from turning to their predecessors for advice and assistance. The Capability Review shows that too little has changed in the past seven years. In particular, an obsession with secrecy has stopped knowledge being shared effectively across the FCO network.

The bigger picture

In part, the causes of the Foreign Office's weakness lie outside the department. While Tony Blair has not been actively hostile towards the Foreign Office during his ten years in power, he has done little to assist the department's development. Faced with a series of escalating and complex global challenges, his impulse has usually been to centralise foreign policy decision-making within Number 10. This reflects the ever-increasing role played by heads of state in modern policy making. It can also work, especially to create momentum behind pressing, short-term policy issues such as the 2005 deployment to Helmand province in Afghanistan or the 2003 London conference on Palestinian reform.

Centralisation, however, has led to a widening gulf between the Prime Minister's staff and the wider foreign policy apparatus. It has also sapped the strength of the FCO. As one former Cabinet Office staffer ruefully put it: "Information and analysis is faithfully reported up a vast pyramid. Then four people at the top read the Economist and make a decision." The dangers of this

¹⁵ Lord Carter of Coles, *Public Diplomacy Review*, 2005

¹⁶ Collinson Grant Ltd, *Efficiency, effectiveness and the control of costs in the Foreign and Commonwealth Office*, 2005

approach were most obvious in the run-up to the invasion of Iraq, where a narrow group of advisers controlled policy development. Less noted has been the difficulty Blair experienced in persuading government departments to develop ambitious and far-sighted policies on key global risks like climate change. The run up to the UK's presidency of the G8 and EU in 2005 provides an example, with Nigel Sheinwald, the Prime Minister's Foreign Policy and Defence Adviser, charged with chivvying Whitehall departments into developing a long-term climate strategy for the UK. The results were frustrating for all those involved, and the UK arrived at the G8 Gleneagles summit without a clear vision of what a comprehensive and global solution to climate change would look like. It was not until Summer 2006 that an outline strategy was finally drafted by DEFRA, DTI, DFID and the FCO.

Gordon Brown's approach to foreign policy will take time to develop. As Chancellor, he largely left foreign policy to the Prime Minister. However, he proved an enthusiastic supporter of increased British investment in international development and promoted a number of new multilateral mechanisms, including the International Financing Facility and the Education for All Fast-track Initiative. In Downing Street, he is likely to be less evangelical in style than Tony Blair, but the emphasis on interdependence seems certain to remain. And so it should. The UK will continue to face a palette of unpredictable risks. Throughout the world, the threat from non-state actors to cause chaos will only increase, while every failed or failing state will export disorder to its neighbours and beyond. It is no wonder that Brown has proved a strong advocate for a co-ordinated response to security issues, calling for 'all methods of diplomacy, all means of intelligence, all tools of law, policing and our security and military forces' to be brought together to protect British citizens from security threats. Under Brown, the focus on security is likely to lead to something of a 'back to basics' approach to international relations. The Prime Minister is, however, highly unlikely either to want or to be able to ignore the wider global risks that the UK faces. Ongoing attempts to tackle the underlying structural problems that lead to radicalisation will continue, but the slow-burning drivers of instability – state failure, global economic imbalances, infectious diseases, climate change and energy security – will also jostle for his attention. The UK's capacity to respond to international and domestic shocks may have improved in recent years. Its ability to prevent them, however, has lagged far behind.

The problem should not be seen solely as a British one. Indeed, we have been pushed into a position of leadership on many issues because the world's multilateral systems are in such woeful disarray. Early reports on the new UN Secretary General, Ban Ki-Moon, are discouraging, while commentators wonder whether the UN system is in terminal decline. Paul Wolfowitz has run the World Bank into the ground, NATO is a shadow of its former self, and the European Union is yet to find a foreign policy voice commensurate with its size. Other major powers have, if anything, more fragmented government responses to international issues. At the same time, we are in the midst of what might be termed a global interregnum, as the leadership of many countries and

international institutions changes hands. This will only culminate in 2008 when George Bush leaves power, to the fervent prayers (and realistic hope) that the global superpower never again elects such an incompetent leader.

For Brown, all this change provides an opportunity. Angela Merkel has already shown how quickly a leader can gain influence in a period of such fluidity. A new US president, whether Republican or Democrat, is almost certain to want to re-engage internationally as he, or perhaps for the first time she, attempts to clear up the damage that the Bush administration has done. Brown may prove pragmatic in his foreign policy, but he is unlikely to put all ambition aside. Like Blair, he is likely to want to show bold leadership overseas as he promotes long-term solutions for deep-seated problems. Effective frameworks cannot be created without painstaking effort, however. Neither will they be adopted without concerted efforts to influence opinion overseas and build broad coalitions for change. Brown will therefore be deeply reliant on Britain's foreign policy apparatus to if he is to make lasting achievements. Without reform, however, that apparatus is more likely than not to fail him.

Redesigning the foreign policy apparatus

If he is to succeed internationally, Brown must demand much greater agility and flexibility from his foreign policy system. This means clarifying the role of the centre. As head of state, he will remain the UK's most important foreign policy asset. However, he must resist the temptation to attempt to micro-manage foreign policy from Number 10 or the Cabinet Office. The centre's role is to act as a catalyst, setting clear missions, providing intellectual challenge, and using shared strategies to drive departmental performance.

Tackling fragmentation is the key challenge, but this work will differ markedly from the 'joined-up government' agenda of Labour's first term. Domestic policy is above all about delivery – how effectively government can deploy the proportion of the national wealth over which it has control. Internationally, money matters less. Instead, influence is the prime currency. This is becoming increasingly clear to all departments that work globally. Security threats, for example, are generally asymmetric and cannot be defeated by force alone. Donors, meanwhile, cannot simply 'buy' development. Attempting to do so simply strips capacity from the national institutions they most want to reinforce. As a result, changes are rippling through the system. The new Office for Security and Counter-Terrorism will have a research, information and communications unit at its heart, charged with supporting the 'struggle for ideas and values'. The military is busy re-learning the lessons of counter-insurgency, as Sir John Kiszely, head of the Defence Academy, has pointed out¹⁷. For Kiszely, "military leaders, and not just senior ones, need a high level of understanding of factors such as the political dimension of counterinsurgency, the constituent elements of good governance and prosperity, the role of ideology and religion,

¹⁷ Lieutenant General Sir John Kiszely, Learning About Counterinsurgency, Military Review, March-April 2007

the nature of societies and culture, and of minds and people." DFID is also broadening its approach, with its Capability Review underlining that "the world of development is changing and becoming more complex, with poverty reduction becoming increasingly interconnected with the global economy, global environment and security."¹⁸ In response, the department is attempting to grapple with the challenge of what power is, where it is held, and how external forces can influence a state to deliver more effectively to its people¹⁹.

The Brown administration needs to draw on these developments as it attempts to integrate the foreign policy system; build an interface between the UK's security, international development, and foreign policy programmes; and deliver a 'whole government' response to the our most pressing international problems. This will require much more than a simple process of organisational engineering. At present, the UK is flying blind internationally because it lacks a clear 'theory of influence'. The international arena is characterised by a growing number of clashing ideas and values on the one hand, and loose networks of government and non-government actors on the other. Many of the old rules of diplomacy no longer apply. A programme of intellectual renewal is therefore needed. Departments must draw insights from the study of complex and adaptive system, learn how to analyse social networks, and adopt new communication models that take account of radical changes to the media landscape. From this, we could expect a 'common language' to emerge, which would allow a shared understanding of problems to develop and facilitate greater interoperability across departments. Themes to be explored include the power of narrative to mould international opinion; the growing role of campaigns staffed by teams that cut across existing bureaucracies; and the need for greater ambition, with resources concentrated on initiatives that have the potential to achieve decisive, and often disruptive, change. The Stern Review on the Economics of Climate Change, run from Brown's Treasury, provides a model for the new approach²⁰. The government could have commissioned an internal analysis of the issues. Instead, it used the review to set an agenda internationally and to integrate an economic perspective into the climate change narrative. The launch was a global media event, with impact on other governments, electorates and big business. Subsequently, the campaign has continued with Nicholas Stern travelling extensively, to amplify key messages, while other countries are encouraged to sponsor 'mini-Sterns' that look at impacts on national or regional economies.

As I have argued in a recent report on the future of the UK's foreign policy apparatus, Brown's first cabinet will need to make hard decisions about where

¹⁸ Civil Service, Capability Review of the Department for International Development, 2007

¹⁹ Department for International Development, Governance, Development and Democratic Politics: DFID's work in building more effective states, Department for International Development, 2007

²⁰ Nicholas Stern, The Economics of Climate Change: the Stern Review, HM Treasury, 2006

the UK should focus its energies²¹. I have recommended the development of a global issues strategy, which sets out long term plans for how the government intends to protect its citizens against the most significant slow-burn risks. I also believe that a central 'challenge function' should be created to provide the cabinet with analysis of global risks and ideas for how to respond to them in a more dynamic and innovative fashion. This work would set the stage for renewal at the Foreign Office. Domestic departments will clearly continue to lead on their own areas of policy. This leaves only one role for the department: to forge an effective synthesis across issues, while planning and co-ordinating the deployment of all available tools to achieve change internationally. This does not mean starting from scratch. Far from it. Many reforms are already underway and there is a growing appetite to take on new challenges. However, there is resistance to change and a sense that, despite ten years of steady development, a decisive breakthrough has yet to be made. A considerable investment of ministerial time will be required to give the FCO a renewed sense of direction and achieve a lasting shift in mindset – from 'lead department for foreign policy' to a 'platform for global issues management'.

FCO renewal

I cannot lay out a complete plan for reform of the Foreign Office in this chapter. Instead, consider a different question. If one looks beyond the next general election to a fundamental review of government expenditure in the future, what are the signs that would show the department had really changed? Here are eight areas where I would expect to see a substantial shift in the department's performance.

1. Intellectual leadership. The FCO has great intellectual reserves, but this is not always evident. The contrast with other government departments is marked. A major study of failing states was led from the Cabinet Office. The Treasury sponsored the Stern Review. DFID is at the forefront of the international development debate. The FCO should follow these examples, adopting an increasingly 'open source' model for developing and disseminating policy. In the future, we would expect the department to master a two-step process: first, create an intellectual resource, preferably packaged in a powerful narrative; second, use it to reframe an issue and shape innovative policy responses. To succeed, the department will need to attain international authority in crucial areas like global public goods and the resilience of complex, transnational systems.
2. Issue synthesis. The FCO cannot fulfil its role as a 'platform' for foreign policy if it reinforces silos between policy areas. Domestic departments lack the ability to tie global risks together, a serious disadvantage when

²¹ David Steven and Alex Evans, *Fixing the UK's Foreign Policy*, Global Dashboard, 2007

progress in one area may require a 'grand bargain' that cuts across departmental responsibilities. The FCO's Permanent Secretary has already announced the creation of a new Policy Planning team, which will report directly to him. It is essential that this team quickly becomes a dynamic force within the FCO and that it focuses its efforts on the area where the department can add most value – policy synthesis. Again, narrative is important. A revitalised department will use it to shape debate within government as well as internationally.

3. Campaign leadership. The FCO has been a willing participant in recent international campaigns. The next step will be for it to initiate and lead new ones. It is surprising, for example, that the UK has not done more to create momentum behind the stalled Doha trade talks. Avian flu could be another area where action is suddenly needed to galvanise a large number of government and non-government actors to participate in a comprehensive response. This will require the department to develop new skills and create more effective structures for its network to act as one on priority issues. Successful development and execution of even a single flagship campaign will provide clear evidence that the organisation is adapting to its new role.
4. Issue ambassadors. The FCO has traditionally been configured around bilateral relationships. However, Margaret Beckett's decision to appoint a Special Representative for Climate Change has shown the potential for 'issue ambassadors' to cut across geographical boundaries and create progress on key policy priorities. The result has been new authority for the FCO on climate change and a strong reference point for all FCO staff working on the issue. The FCO should build on this experience. A key issue for the future will be the number of 'thought leaders' it has, with credibility across government and internationally.
5. The new public diplomacy. As discussed above, the Carter Review was strongly critical of the FCO's investment in public diplomacy. Since then, a new public diplomacy board has been established, with an FCO minister in the chair. The board has scrapped public diplomacy's old mission – massaging the UK's 'brand' – and is promoting a new approach, which aims to use broad social engagement to achieve UK policy goals. This is an important development, but there is still a long way to go. Public diplomacy remains a low status function within the FCO. A dramatic reversal of attitudes is needed to push public engagement to the heart of the organisational mission. In the future, the organisation will need a new breed of diplomat, comfortable with a rapidly changing media landscape and able to deploy networks of non-governmental contacts to achieve concrete results. Real change will occur when public diplomacy experience is seen as an asset to any Foreign Office career.

6. A more agile network. In 2006, the Foreign Affairs Committee criticised the FCO for failing to take 'a fundamental look at the reason why it has the Posts it has, and why those Posts are where they are.' To date, the FCO has proved most willing to be innovative in its delivery of services. UK Visas has reconfigured its operations on a regional basis, while FCO Consular Services has pioneered the use of rapid response teams. Both innovations could usefully be applied to the FCO's policy work, with regionalisation reducing fragmentation across the network, and rapid response teams helping to streamline posts and eliminate redundant capacity. Influence is about pace and momentum, but, at present, embassies take months if not years to realign themselves to new priorities. In the future, the network will need to be demonstrably more flexible, responsive and efficient. Evidence of a radical reallocation of resources will be needed, with the FCO beginning the process of rebuilding key posts from the ground up.
7. Better systems. The FCO has recently appointed a new Director General to lead its change programme. This is not an area where it has a good track record. We suggest four yardsticks for the future. First, Future Firecrest, its next generation IT platform, must deliver the benefits predicted by its business case. Second, the department must become more effective at modelling and tracking its target audiences. Third, its performance management system needs to be more robust and systematic. And finally, the Foreign Office should become a recognised centre of excellence for the new generation of online technologies (blogs, bulletin boards and so on) that are reshaping the way people socialise across national borders.
8. A transformed culture. Cultural change is the key to progress in all other areas. To meet its challenges, the Foreign Office needs to become a far more outward-facing organisation. A cross-departmental cadre of international civil servants must be developed, with members sharing an understanding of the synergies between global issues and a commitment to achieving results rather than defending departmental turf. This means opening up recruitment for all front-line policy posts and ensuring secondments are a key part of the career of all civil servants working on international issues. At the same time, the FCO needs to develop a more concerted programme to equip its generalists with policy expertise, helping them learn about issues in the same way they learn languages. Finally, the department should recognise that talking about new approaches will not deliver real change. It should develop the ability to bring together departments to 'war game' comprehensive responses to global challenges.

Conclusion

The Foreign Office will not achieve wholesale change overnight. However, the Permanent Secretary has recognised the urgency of reform and has set a two-year deadline for achieving results. It is vital that Brown's first Foreign Secretary makes the department's transformation one of his or her top priorities.

Together, they need to challenge the department to become much more assertive, ambitious and determined in its approach. At present, diplomats have the same 'investment mindset' as bank managers. They hold a large portfolio of assets from which they expect incremental returns. Their appetite for risk is low and there is an expectation that failure will be punished. This approach is not well-suited to the contemporary international arena, where bold attempts are often needed to reframe issues and build coalitions. Diplomats therefore need to start behaving more like venture capitalists. They need to slim down their portfolios, pumping more resources into fewer activities. These activities will be more risky – some will be dramatically successful, others will make little impact. It is on the dramatic successes, and not on being a 'safe pair of hands', that careers should be founded. An incrementalist approach is no longer justifiable. How much, for example, has the UK spent on attempting to save the Doha trade talks compared to its ongoing support for individual British businesses overseas? The failure of Doha will have implications for the whole of the UK economy, for our development objectives, and for confidence in the multilateral system's ability to broker complex agreements. Success in the latter can only help a small number of businesses, some of whom would find other ways of accessing export markets.

In essence, diplomacy must be about achieving influence disproportionate to the resources employed. That is why we need a foreign affairs department that can identify and exploit opportunities for achieving lasting change. It is time for a new model at the Foreign Office.