

Inside Out

Globalization and the Reorganization of Foreign Affairs Ministries

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ABSTRACT

This paper aims to provoke a discussion about the ineffectiveness and redundancies associated with current institutional arrangements for conducting foreign affairs. Our argument is made in three steps. First, we examine current institutional frameworks for foreign policy. Second, we explain how changing global conditions undermine the basic assumptions that undergird those institutional frameworks. Finally, we offer a radical alternative for restructuring the institutions responsible for foreign affairs. This alternative replaces the Ministry of Foreign Affairs with a smaller (coordinating) Bureau of Foreign Affairs, allowing professional competence to be developed within existing sectoral ministries of government. Though our argument is a general one, we illustrate the argument with reference to the Norwegian case.

Keywords: foreign policy; globalization; institutional reform; Ministry of Foreign Affairs; Norway

Globalization hyperbole has reached epic proportions. Each year, journalists, policy-makers and academics emit reams of references to globalization and its sundry effects on national sovereignty. Though these pundits differ about the nature of the effects, and their significance, they agree that globalization has changed the nature of the relationship between domestic and world politics. Given this conspicuous consensus in an otherwise disparate gathering, it is startling to see how little academic discussion has been generated about the effects of globalization on the national institutions of foreign affairs.¹ This article aims to fill that void.

Most states employ the same conceptual and organizational model of the foreign office. Although they are known by many names, ministries of foreign affairs (MFAs) are generally considered to be one of several departmental portfolios in a government (albeit one of the most important portfolios). Like the ministry of agriculture, or health and human services, the ministry of foreign affairs is assumed to be responsible for a separate area of competence in government. We suggest that this institutional arrangement is both anachronistic and ineffective. Current institutional arrangements for the production and implementation of national foreign policies are relics of a time when national sovereignty was relatively well-defined, where international interactions were mostly channeled through official and diplomatic networks, and where security (or so-called high politics) issues dominated the foreign policy agenda.

Today new kinds of political actors, new types of communication, new international issues and issue areas, as well as new modes of international cooperation, have come to exert pressure on this organizational and conceptual model of the foreign office. These are the sundry faces of globalization and they have come to challenge the way that we think about, and respond to, the world outside our borders.

In this article we have two intertwined objectives. First we hope to provoke a discussion about the ineffectiveness of current government structure; in particular, about the inefficiencies and redundancies associated with current institutional arrangements for conducting foreign affairs. Second, we wish to drag the discussion about globalization down from the rhetorical heights of politics and academe, and employ it with reference to the institutional landscape of government.

The argument is presented in three parts and a conclusion. In the first part we examine current institutional frameworks for foreign policy, and show how they reflect interests and issue areas from another time and context, and the then dominant analytical perspective (realism). The basic assumptions that undergird these institutional frameworks (i.e., about government structure and a country's relationship to the outside world) are being challenged on a number of fronts. As a result, we suggest that traditional institutional arrangements are outdated, redundant and (consequently) expensive.

In the second section we define globalization and examine the nature of these complex changes in international relations, with reference to two influential arguments. The work of Robert Keohane and Joseph Nye (on the one hand) and John Stopford and Susan Strange

(on the other) provides us with a number of specific expectations about how international relationships might change as a result of increased globalization. These expectations can help us conceptualize the way in which future governments might need to respond to foreign events.

In the third section we offer a radical alternative for restructuring the institutions responsible for national foreign affairs. We propose that MFAs should be disassembled and reconstituted at a different level of governance. In particular, we suggest that there should be a much smaller coordinating body, a bureau of foreign affairs (BFA), directly accountable to the executive office. This sort of institutional reform will save states from many of the redundancies inherent in the current institutional framework, while allowing them to pursue more flexible responses to a rapidly changing international environment.

In both the first and the third sections we draw on a number of Norwegian examples. As this is a universal issue, and our study is still in an exploratory stage, almost any country would provide adequate examples. Still, choosing Norway as a case is not accidental, but is based on four (related) considerations. First, Norway is a small state with large ambitions for influencing international developments. Second, Norway's non-EU status should allow it more institutional flexibility for addressing international developments.² If we can expect any European country to begin to experiment with new institutional designs for foreign policy, Norway is a good candidate state. Third, the Norwegian MFA is an organizational nightmare — in drastic need of institutional reform. Not only is the Norwegian MFA the largest ministry in government (in terms of employees), it lacks a clear organizational hierarchy and offers a particularly good example of an organizational structure rooted in the immediate postwar era (and the challenges that nations then faced). Finally, it is not insignificant that we live in Norway and are most familiar with the Norwegian case.

We conclude the article by soliciting a debate among scholars and policy-makers about how states might reorganize their foreign affairs institutions. We do not mean to suggest that our institutional proposal is problem-free, or that it is optimal in a variety of circumstances. Rather, our institutional trial balloon is launched with the hope of generating more interest in and discussion about the subject.

Current Institutional Arrangement

Most governments are divided up into a number of fairly autonomous departments, each concerned with, responding to and influencing developments in its own area of competence. Historically, government departments developed and multiplied along similar patterns. The first departments were linked to what are often considered the core functions of the state: finance, law and order, defense and foreign affairs. Over time, governments added new departments to cope with their expanding responsibilities (e.g. agriculture, social security, health, education, housing). Today it is not uncommon for governments to consist of more than a dozen departments and ministries.

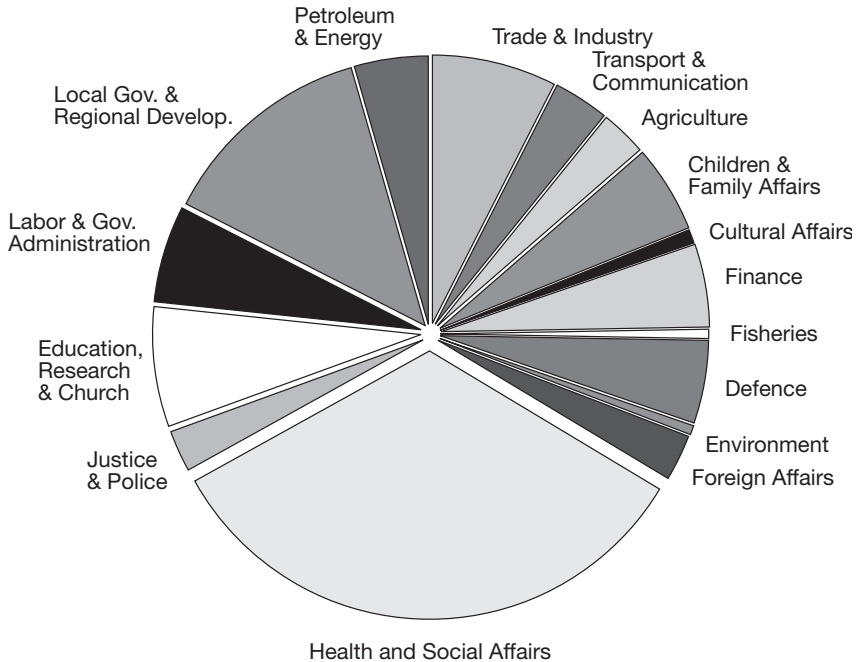
As an example, consider the current Norwegian government with its 16 ministries. Organizationally, this institutional arrangement might be depicted in the form of a cake, where the size and influence of relevant ministries is allowed to fluctuate, in zero-sum fashion, within the government. Figure 1 depicts the Norwegian government, where size is measured in terms of a department's annual expenditure (in 2000). Here, the Ministry of Foreign Affairs' budget represented just 3% of the total Norwegian government's expenditures.

This institutional arrangement is shared by most states and reflects an obsolescent world-view. It hinges on an institutional division of labor that flows from two outdated assumptions.

First, it is assumed that different ministries reflect different areas of competence. This assumption rests critically on two others: areas of competence are fairly autonomous from one another, and they do not overlap. Thus, competence on farming issues is found in the Ministry of Agriculture, competence on health issues is found in the Ministry of Health and Social Affairs, etc. Fifteen of the ministries in Figure 1 are socially relevant in the sense that each reflects the interest of a distinct domestic constituency; the sixteenth does not, the Ministry of Foreign Affairs.³

Second, this institutional division of labor assumes that the MFA plays a gatekeeper role vis-a-vis the outside world, and that there is a legitimate historical basis for such a role.⁴ In particular, this claim hinges on the assumption that domestic and international affairs are conducted in two very different political arenas: one within the state's boundaries, the other outside them. Yet, the very notion of a gatekeeper is dubious in a globalized situation; it is the construct of a distinct academic tradition, realism. The realist tradition tends to see

FIGURE 1
Institutional Framework of the Norwegian Government by Department's
Annual Expenditure, 2000



Source: *St. prp. Nr. 1 (1999–2000)*

international affairs in terms of interacting, unified states, and to distinguish sharply between domestic and international affairs. International relations (IR) analysts — academics and civil servants alike — have found much analytical utility in this distinction between a national and an international scene. Also, civil servants may also have found it politically convenient to exaggerate the claim that a physical boundary separates domestic from international affairs, for this claim serves to legitimize MFA activities and to justify the cultivation of unique skills that are necessary for managing that boundary and for coordinating the state's activities abroad. Brutally put, the notion of a gateway is hegemonic. It is a product of the MFA's own activities (both within a country, and by parallel institutions internationally) and its influence serves to legitimize the MFA's own activities.

Both of these assumptions are challenged by recent, globalizing developments. The assumption of sovereign competencies is challenged by new technologies and modes of communication that have blurred traditional boundaries. Concurrently, the nature of state–society interactions is changing rapidly, stimulating new forms of society–society interaction. In this new context the role of non-governmental organizations (NGOs) and other private actors has expanded in recent years. As a result, each government ministry has come to realize that its area of competence is increasingly encroached upon by neighboring or tangential ministries as well as by non-government actors. Economic and political globalization has given MFAs new tasks and functions (e.g. to enhance the country's competitive advantage abroad or to deal with an increasing number of NGOs in environmental and human rights areas).

There are also several challenges to the assumption that MFAs can claim a historical and comparative right to their role as gatekeepers to the world. Historically, the monarch was often the main point of interface between domestic and international affairs. Even in more contemporary settings, MFAs often need to share with or relinquish their gatekeeper status with reference to the prime minister's office or the departments of treasury, trade, and defense.⁵

Finally, as we shall explore briefly in the next section, the hegemony of the realist approach in the study of IR has decreased significantly with the end of the cold war. New theoretical and analytical concepts are challenging IR scholars to look beyond the assumption of unitary and rational state actors, and to broaden the focus to include non-military and strategic issue areas. Globalization has challenged the way in which politics is conducted internationally. In doing so, it has undermined the foundation pillars of realism's conceptual edifice.

As the world shrinks, each of the other government ministries enjoys an increasing number of links and exchanges with the world outside. In this context, it is unreasonable to expect that the Ministry of Agriculture (for example) does not have international contacts. Indeed the shrinking significance of geography and increased ease of communication have facilitated international exchanges in all of the non-foreign ministries. Indeed, a recent survey of the Norwegian public policy shows a remarkable increase in international contacts among non-MFA bureaucrats (Egeberg and Trondal, 1997).

One way to capture this degree of international engagement is to list the number of International Organizations (IOs) subscribed to by

various ministries. Table 1 shows this for the Norwegian government in 1997. Although it is not always easy to decide where each membership subscription belongs, a rough count finds that only 54 (or less than 41%) of Norway's 132 membership obligations in international organizations are the specific responsibility of the MFA. We suspect that this percentage will decline as Norway is spun more tightly into the web of international rules, regulations and organizations.⁶ Most notably, the Ministries of Transport and Communication, of Trade and Industry, and of Justice and Police have many international connections. Even the Ministry of Cultural Affairs has international linkages. In addition, the functional component of many of the Ministry of Foreign Affairs' membership obligations could easily fit into the portfolios of other ministries.

Thus, the tasks performed by the UN Children's Fund are similar to those of the Norwegian Ministries of Health and Social Affairs, or of Children and Family Affairs. The activities of the UN Economic

TABLE 1
No. of Official International Organizations in which Norway is a Member, by
Ministry/Department, January 1997

No. of IOs	Ministry/Department
54	Foreign Affairs
21	Transport and Communication
14	Trade and Industry
9	Justice and Police
7	Environment
6	Fisheries
5	Agriculture
5	Education, Research and Church
3	Local Government and Regional Development
2	Health and Social Affairs
1	Labor and Government Administration
1	Cultural Affairs
1	Stortinget (Parliament)
1	Finance
?	Defense
?	Children and Family Affairs
?	Petroleum and Energy
132	Total

Source: <http://odin.dep.no/html/nofovalt/depter/ud/publ/org/sorog.html>

Commission for Europe dovetail with many of the concerns of the Norwegian Ministries of Finance or of Trade and Industry. The activities of the International Grains Council overlap with some of the concerns of Norway's Ministry of Agriculture. And there is no real reason why Norway's membership in the International Whaling Committee cannot be transferred to the Ministry of Fisheries.

Table 1 illustrates the problem of assuming that the MFA is solely responsible for maintaining a country's international obligations. Another way of illustrating the same sort of overlapping competencies and interests is to examine the organizational structure of existing MFAs. Figure 2 sketches the organizational structure of the Norwegian MFA as of the year 2000. Compared with, say, the UK, the Norwegian MFA appears to possess a poorly defined organization, with unclear lines of authority linking political and professional staff. Worse, the Norwegian MFA suffers from perpetual schemes of reorganization.⁷ The Norwegian MFA's basic organizational format dates to 1945, and changes since then have been mostly of a cut-and-paste nature (Norman and Bech, 2000).

Like with most MFAs, the Norwegian MFA is organized according to two, overlapping principles: an area-desk (or geographic) principle and an issue-area (or functional) principle. These principles are based on the assumption that it is beneficial to maintain full-time expertise in specific areas of foreign policy (e.g. security, economic, development) as well as specific areas of the world (e.g. Asia, Africa). In a small country like Norway, it is not unreasonable to expect that both types of expertise will be focused in a few areas deemed most significant for that country's interest.

Figure 2 clearly illustrates a significant degree of overlap between other (Norwegian) ministerial competencies and the separate issue-area competencies within the Norwegian MFA. In particular, it is entirely plausible that the services provided by the departments [*avdelinger*] of Administrative Affairs, Security, Trade, Banking (in Multilateral Affairs), Resource and Environment, Legal Affairs, as well as Press Culture and Information could be placed under other (existing) ministries of government. Thus, roughly half of the MFA's departments overlap in content with the competencies of existing government ministries. We hasten to emphasize that Norway is not at all unique in this regard; indeed, the charge applies to MFAs in all states.

We proceed by assuming that it is desirable to avoid these sorts of institutional redundancies and inefficiencies. While this seems like a

FIGURE 2
Organization of the Norwegian MFA, 2000

<i>Political Leadership</i>	
<p>Foreign Minister</p> <ul style="list-style-type: none"> • 3 state secretaries • 1 political adviser 	<p>Minister of International Development</p> <ul style="list-style-type: none"> • 3 state secretaries • 1 political adviser
<i>Departments</i>	
<p>Ministers' Secretariat</p> <p>Department of Planning and Evaluation</p> <ul style="list-style-type: none"> • Planning unit • Evaluation unit • Stability pacts and OSCE unit <p>Administrative Affairs</p> <ul style="list-style-type: none"> • Personnel unit • Wage and special agreements unit • Section for economic and property management • IT section • Section for organizational development and information management • Foreign service competence center <p>Europe and Bilateral Relations with North America</p> <ul style="list-style-type: none"> • Section for bilateral relations and EFTA • EEA section • EU/Nordic/Baltic section <p>Security and Ex-Soviet States (SUS)</p> <ul style="list-style-type: none"> • Section for security and disarmament • Section for Russia and other Ex-Soviet States • Section for project cooperation with Central & East Europe <p>Bilateral Affairs</p> <ul style="list-style-type: none"> • Africa desk • Asia desk • Latin American desk • Mid Eastern desk • Development policy desk 	<p>Human Rights, Humanitarian Assistance and Democracy</p> <ul style="list-style-type: none"> • Section for human rights and democracy • Section for humanitarian assistance <p>Multilateral Affairs</p> <ul style="list-style-type: none"> • UN section • Section for multilateral bank and financial questions (Bank section) <p>Trade Policy</p> <ul style="list-style-type: none"> • WTO/OECD section • Section for export control <p>Resource and Environment</p> <ul style="list-style-type: none"> • Oil and energy section • Section for environment and sustainable development • Section for marine resources and polar issues <p>Legal Affairs</p> <ul style="list-style-type: none"> • Section for international law • Section for EEA, trade and environment law • Consulate section <p>Press, Culture and Information</p> <ul style="list-style-type: none"> • Section for culture and presenting Norway • Section for information and press <p>Protocol</p> <ul style="list-style-type: none"> • Section for diplomatic interaction and national symbols • Section for visits and representation
<i>Directorates</i>	
<p>Norwegian Agency for Development Cooperation – NORAD</p>	

Source: http://odin.dep.no/ud/norsk/dep/om_dep/avdelinger/index-b-n-a.htm

fairly straightforward goal, we approach it cautiously. To the extent that MFAs handle crucial, complicated and dangerous issues, an argument can be made for some built-in redundancies. Under these conditions, getting it right may be more important than getting it done quickly or efficiently.⁸ In the end, however, we believe it is possible for government to pursue careful policies with full information in the absence of large institutional redundancies.

Only two general types of competencies are not clearly redundant, and appear to be unique to the MFA: area expertise and consular activities. Whether these areas remain unique to the MFA in a global context will be addressed more specifically in the third section, below.

From this brief review it is apparent that existing institutional frameworks are not particularly well suited for dealing with an increasingly global context. Of course, it is quite easy to point to the ways that international linkages have undermined the sort of assumptions that legitimize the MFA's existence, and to show how the current institutional framework is ill equipped to deal with these new international challenges. It is much more difficult to provide a constructive reconceptualization of the nature of foreign affairs in a context characterized by globalization. To do this, we might start by examining two leading approaches to studying the phenomenon.

Globalization and Interdependence

This section is meant to provide some analytical guidelines for our attempt to bridge the gap between global developments and the institutions of foreign policy. These guidelines are drawn with a long-term historical perspective in mind, according to which global developments can be understood as an evolution of the global political economy through three rough phases. The first phase, internationalization, has roots that stretch to the establishment of a capitalist world order during 'the long 16th century' (Braudel, 1984; Wallerstein, 1974). This phase includes the establishment of the first chartered companies with global reach, such as Holland's Levant Company (established in 1581), the East India Company (1602) and the West India Company (1621). The second, transnationalization, phase was spurred by the growth of industrialization during the 19th century. This phase includes the creation of worldwide transfers of capital, labor and financial arrangements. The evolution of transnationalization reached a climax during

the final decades of the 19th century, when it was interrupted by financial crises and two world wars. Some authors refer to this phase as the 'First Great Age of Global Capitalism' (Gilpin and Gilpin, 2000) or the 'first wave of globalization'. The crucial characteristics of the third phase, the globalization phase, matured during the final the quarter of the twentieth century, following a veritable communications revolution.

Each phase involved the expansion of a web of interdependence among countries and the steady diminution of the importance of geography. In abstract terms, this three-phased process of modern history represents the increasing ease with which we are able to communicate globally, depreciating traditional obstructions of space. In more concrete terms, the process can be understood as a number of technical, market and political developments that have decreased the relevance of geographic distance; people are able to maintain social, political and economic contacts, less inhibited by spatial or temporal differences. Economic actors, for example, can utilize new technologies and markets to internationalize their investments, and coordinate production and sales strategies on a global scale.

Influential discussions of interdependence are found in two very different approaches to international and foreign affairs: Keohane and Nye's book *Power and Interdependence* (1989 [1977]) and Stopford and Strange's *Rival States, Rival Firms* (1991). There are three reasons to choose these two books from a huge number of writings on the subject of interdependence and globalization. First, both books challenge the basic assumptions of the realist analytical tradition. Second, these challenges come from very different ideological perspectives. Finally, both books are well-known and their authors are highly respected in the field of IR. We are aware that there are several other globalization perspectives that might lead us to draw different inferences about how to remodel MFAs. Given more time and space it would be interesting to explore these contrasting visions.⁹ At this stage, however, we think that arguments that are less controversial, yet well-known, best facilitate our immediate purpose: i.e. to initiate a discussion about how future governments will need to respond to a rapidly changing international environment.

Interdependence has eroded old boundaries that have traditionally delimited policy issues and arenas. Politics can no longer be easily separated into domestic and international issues as realists maintain, and foreign policy actors can no longer be described in terms of realism's

traditional hierarchy of issues. One early response to these impulses was Keohane and Nye's attempt to create an alternative to the realist description of world politics, one that was based on the liberal notion of interdependence.¹⁰ The resulting ideal type, complex interdependence, challenged the main assumptions of the realist approach. Thus, complex interdependence is described in terms of three main characteristics: multiple channels of contact among countries; the absence of a hierarchy among issues; and a minor role for military force (Keohane and Nye, 1989: 25–9). Though complex interdependence is intended as an ideal type, Keohane and Nye believe that these three conditions 'are fairly well approximated on some global issues of economic and ecological interdependence and that they come close to characterizing the entire relationship between some countries' (p. 25).

Thus, the notion of complex interdependence can be understood as a competitor of the realist perspective, and an arguably more useful means to understand and interpret the changed nature of international relations in an increasingly global context. Viewed from this perspective, states will find it increasingly problematic to rely simply on diplomatic or interstate channels of international engagement; to distinguish between domestic and international political issues; or to always prioritize military and security affairs. New actors, new issue areas and new channels of influence affect the way in which states pursue policies (both at home and abroad).¹¹ As Keohane and Nye (1989: 8) suggest, 'the traditional approaches to understanding conflict in world politics will not explain interdependence conflict particularly well. Applying the wrong image and the wrong rhetoric to problems will lead to erroneous analysis and bad policy.'

Stopford and Strange (1991) look at the same basic problem of interdependence, but do so from a radically different ideological position. Although Keohane and Nye criticized realism from a traditional liberal perspective, it is possible to characterize Stopford and Strange's argument as an intellectual descendant of Marxist analyses of imperialism.

Like Keohane and Nye, Stopford and Strange (1991: 21) suggest that increased economic integration has radically changed the nature of traditional diplomatic relations:

These ... sets of forces are transforming the old game of diplomacy. No longer can national boundaries define the rules, for the game is now one where negotiation and action is carried out on a triangular basis. The tradi-

tional players in the embassies and foreign ministries are still in business, but they have been joined by members of other government ministries and by executives of firms, both local and multinational. All are now involved in both bilateral and multilateral negotiation.

For Stopford and Strange, this new form of diplomacy concerns relations between states, relations between firms, and relations between firms and states, all of which are developing over time. In this depiction, firms actively negotiate with states (and with one another) over the nature of the new international economic and political order. What is particularly noteworthy from our perspective is not just the addition of new actors to the diplomatic scene, but the changing nature of traditional diplomatic relations (among states).

Although they approach the problem from very different ideological positions, both Keohane and Nye and Stopford and Strange produce fairly similar accounts of how the new diplomatic landscape might look in the face of increased interdependence. These accounts might be made explicit, to help us outline the sort of institutional reforms that governments should consider in the face of increased globalization.

First, we can expect an increase in the pace and scope of international events affecting states. The shrinking importance of time and space means that it will be increasingly difficult for states to prioritize certain areas at the expense of others. Faraway flashpoints (e.g. the Maldives, East Timor, Sudan) can require immediate address; rapid technical, social, political and economic developments make it more difficult to focus and institutionalize issue-area expertise. States that sink their human and economic investments into specific areas of permanent expertise can risk bankruptcy in a rapidly changing global environment. The quicksilver liquidity (or flexibility) of human and intellectual capital is the new name of the game. Thus, we should expect states in a global context to rely less on permanent area-study specialists; area expertise might be subcontracted on a need-to-know basis. With the possible exception of just a few large states, it does not make sense to maintain encompassing area-specialist teams: relevant areas of the world are increasingly difficult to define.

The second expectation concerns new diplomatic actors. Both Keohane and Nye and Stopford and Strange expect that traditional diplomatic relations will remain important, but that they will be buttressed (and to some extent, replaced) by the need to negotiate with —

and rely on — non-state actors. NGOs and TNCs, to name just two prominent examples, are increasingly part of the diplomatic dialogue both at home and abroad. This means that the MFA's own bureaucracy is no longer exclusively involved in the foreign policy process, and that the decision-making process has increasingly moved out of the ministry's offices and into the antechambers of civil society. At home, foreign policy-making has tended to increasingly involve domestic NGOs. This is most evident in the policies of foreign aid and in conflict resolution. The overall trend is clear and pervasive: foreign policy-making has tended to involve other actors than states — regional organizations (like the EU or in NATO's meetings of foreign ministers) or in the interface between International Governmental Organizations (IGOs) and International Non-Governmental Organizations (INGOs).

Third, both Keohane and Nye and Stopford and Strange expect that in order to navigate in this new political environment, diplomatic actors must be flexible, fluid and less dependent on traditional structures and established routines. Their expectation that policy processes be increasingly personalized (and concentrated in a narrow circle of individual decision-makers) has been borne out by the recent literature on diplomacy and decision-making. For example, Sir John Coles, former head of the British Diplomatic Service and permanent under-secretary at the Foreign Office, tells of how many foreign policy decisions are made outside of the MFA structure among small ad hoc groups (Coles, 2000: 23ff.). What Coles writes about the UK applies to other Western democracies as well (Dunn, 1999): different governments have individual peculiarities — as different foreign ministers may display individual styles of leadership. The overall tendency, however, appears obvious: initiatives and decisions increasingly originate in the narrow, globetrotting circles of summit-meeting ministers (surrounded by their narrow court of personal advisors who use mobile phones to stay in contact with each other, their ministers and the civil servants at home).

Finally, a fourth effect of globalization is that there is a need to complement the MFA's preoccupation with traditional issues of high-politics with devices that direct attention to a wide range of pressing low-politics issues (such as economic, cultural or environmental). Security can no longer be defined in terms of simplistic military power; the institutions of foreign policy have to be more sensitive to the less hierarchical nature of contemporary foreign policy (Buzan et al.,

1998). In practice this suggests that there should be more open exchanges among foreign- and domestic-policy experts, and that foreign outposts need to be manned with personnel who are trained to work in a number of new policy areas. Economic, social and environmental concerns require greater attention. Furthermore, these sorts of transnational issues require multi-sectoral processes that are facilitated by new, convergent policy-making structures (Hain, 2001).

Together, these sorts of changes should be reflected in the way states engage the world outside their borders. In particular, these changes challenge the old notion of a gatekeeper role. They also raise doubts about the exclusive divisions of competence that are characteristic of contemporary government organization and the utility of simplistic realist depictions of international relations. Indeed, many MFAs have already begun to change their focus abroad; strategic competencies are being replaced by economic competencies, and new issue areas (e.g. human rights, sustainable development) are being addressed more systematically.¹² To date, however, these changes have been piecemeal. New sections and responsibilities are simply stapled on to existing organizational charts, creating an increasingly bloated and inefficient institutional structure. We believe a more systematic reform of foreign policy institutions is required. In the following section we propose a way of restructuring the institutions of foreign affairs to make them more sensitive to the sort of changes alluded to by both sets of authors.

Our Institutional Proposal

In view of these radical structural changes, we suggest that the MFA needs to reposition itself at home. It should do this by eschewing its old identity as the major gatekeeper of the nation and assume a less monopolistic, more flexible, position vis-a-vis the other ministries. This will allow it to play an important, albeit different, function as a key role as a minor gate-keeper in several (if not all) policy areas. This sort of institutional transformation will allow the foreign service to gain, *de jure*, the institutional position of stature that it has already achieved, *de facto*, as a ministry above all others. In making such a radical transformation, it will also be possible for the department to shed much of its outdated and cumbersome administration.

In particular, we propose that the MFA remakes itself as a small cadre of officials whose job it is to coordinate the external affairs'

section of each of the government ministries and to manage the country's diplomatic outposts. To facilitate a discussion of the proposed reform, we will call the new body the Bureau of Foreign Affairs (BFA). The size of the BFA's influence will vary from ministry to ministry. And although the BFA will retain a core of employees with traditional diplomatic skills, most of its personnel will be chosen from within the ranks of other ministries. To describe the nature of this overlapping influence, we refer to it as a contingency. Thus, the foreign affairs contingency at the Ministry of Agriculture (MoA) will be staffed by people chosen from within the MoA's own ranks.

A schematic depiction of this institutional arrangement is given in Figure 3, which shows that the foreign affairs contingency is allowed to vary in each of the 15 functional departments. This variance is completely hypothetical, and is only meant as an illustration of a larger, analytical point. In actual practice, the size of the foreign affairs contingency in each ministry may be smaller or larger.

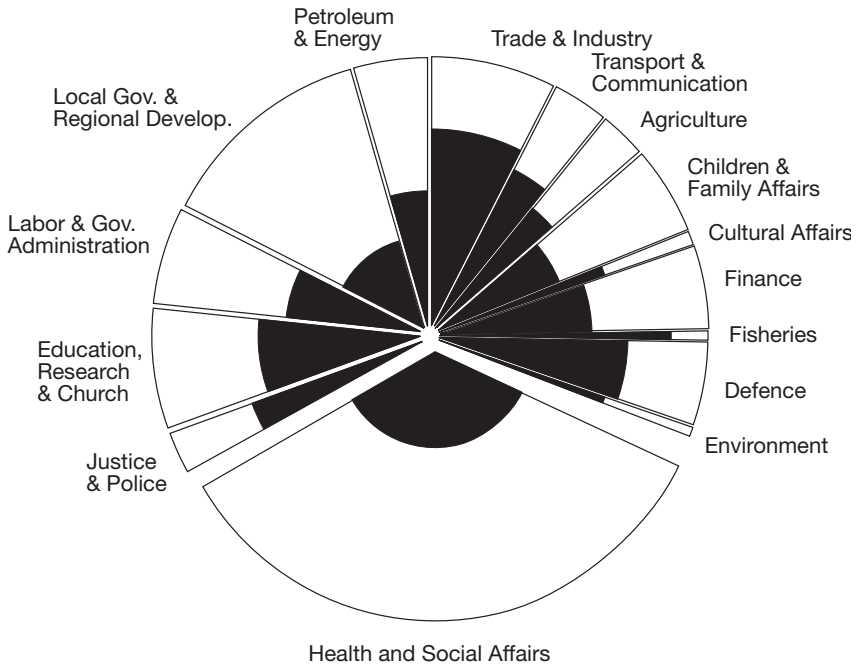
Thus, in contrast to the MFA's existing role as one of 16 ministries, we suggest that the BFA should function as a body that can coordinate the foreign affairs contingencies within each of the other 15 ministries. The institutional contrast with the existing structure can be highlighted in two ways: external and internal relations. Externally, the BFA will have a radically different relationship to the prime minister's office and the other government ministries. Internally, the responsibilities of the BFA will be reduced and focused.

External Relations

First of all, we propose that the vast majority of tasks now delegated to the MFA should be relinquished to staff in each of the other 15 competency-based ministries. As a result, the BFA will not need to maintain a large staff, allowing it to fit more easily into the existing organizational structure of government (generally). The tasks that remain are of a coordinating nature, suggesting that the new institutional focus should be positioned above the other ministries, closer to the executive office.

Greater interdependence has increased the extent to which contemporary prime ministers are obliged to attend international conferences, summit meetings and regular bilateral meetings with other PMs. This expansion of obligations is most apparent for the ministers of EU member states. The formal requirements of membership lock ministers

FIGURE 3
Proposed Institutional Framework



Note: The shaded sections represent the hypothetical size of the foreign-policy contingency within each existing government ministry.

Source: To come

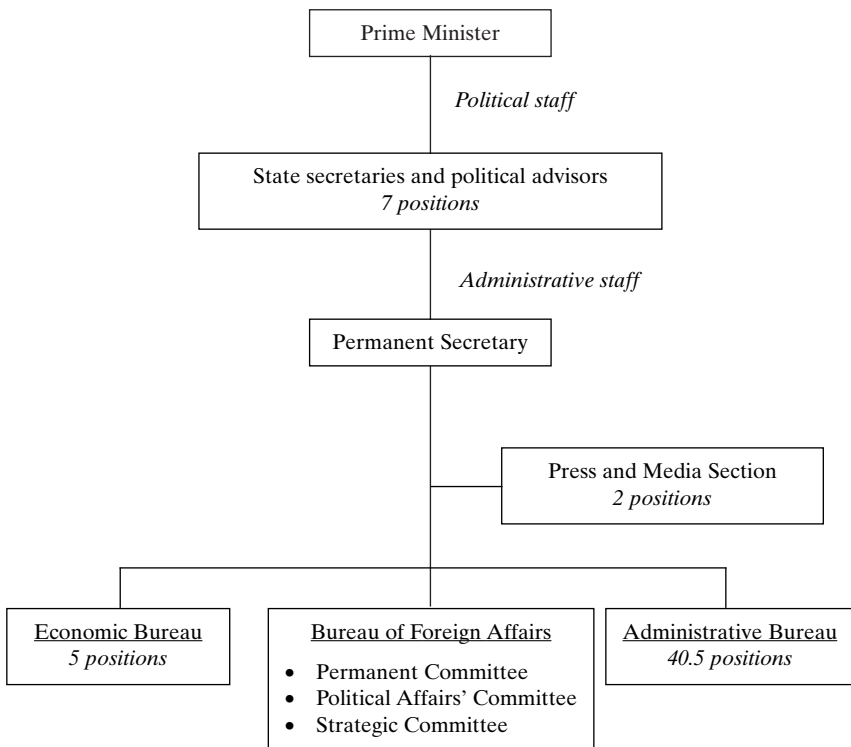
‘inescapably into a considerable amount of foreign affairs’ activity. The intertwining of European Union and domestic affairs and the high political salience of much EU activity also ensure plenty of demands on the Prime Minister’s time’ (Coles, 2000: 93ff.). In light of these developments, it seems reasonable to locate the BFA nearer the office of the prime minister. To date, the Norwegian PM’s office already has a Department of International Affairs (*Internasjonalt avdeling*), and we suggest that this department should be expanded (from its current three positions) to incorporate the BFA and the new responsibilities assigned to it. Although we hesitate to suggest the number of positions that might be assigned to this new bureau, it is not unreasonable to

assume that it should be smaller than the existing Administrative Bureau (i.e. less than 40.5 positions). An organizational chart of the proposed institutional change is given in Figure 4. Similar arrangements within the executive offices of other states are easily imaginable.

Internal Relations

What remains is to discuss the responsibilities of the new BFA. As a general rule, the main responsibilities of the BFA should be to coordi-

FIGURE 4
Proposed Organizational Chart for Norwegian Prime Minister's Office



Source: Basic outline from http://odin.dep.no/smk/engelsk/statsmin_kontor/om_statsmin_kontor/p10000570/001011-150004/index-dok000-b-n-a.html

nate existing activities and competencies, not to sustain them. This will provide the BFA with the sort of flexibility and resources necessary to adjust rapidly to a changing global environment.

In Figure 4, the BFA is organized into three core committees: a Permanent Committee, a Political Affairs Committee and a Strategic Committee. These three committees reflect the main coordinating activities of the BFA. Organized in this way, the expenditures of the BFA can be aimed at providing results distributed across these three areas.

The Permanent Committee is responsible for coordinating the permanent activities of the BFA. This committee will include an elite group of advisors and administrators who coordinate foreign affairs activities along two fronts. This will allow for more systematic exchanges of staff among the MFA, other departments, NGOs and academia. First of all, the Permanent Committee will be responsible for coordinating the foreign affairs contingencies within each of the existing 15 competency-based ministries.

Second, staff at the Permanent Committee will be responsible for filling the various outpost positions abroad (embassies, consulates, delegations, etc.). Relevant ministries will provide the professional personnel required (depending on the specific needs of the outpost). Thus, the role of the Permanent Committee is to match the needs of the various outposts (demand) with the relevant ministry's employees (supply). Although the BFA will find it useful to maintain a small cadre of trained diplomats to head these outposts, most of the personnel needs of the various outposts should be delegated along lines of function and competence.

The other two committees are responsible for locating, hiring and coordinating expertise along the two traditional patterns of MFA organization: geography and functional competencies. The Political Affairs' Committee will be responsible for maintaining links with private and/or academic experts concerned with particular geographic competencies, such as the political dynamics, the economy, the legal system, the languages or the culture of distinct countries or regions. This committee will be responsible for commissioning expert reports on events and trends of relevant (geographic) areas. To do this, it can draw on a number of non-governmental actors, as well as the expertise that is being channeled back through the existing outpost system. By subcontracting out this sort of work, the BFA will be able to maintain a more flexible line of contact with both governmental (i.e. other

ministries) and non-governmental actors, as well as a more flexible posture for covering changing geographical areas of interest.¹³

The Strategic Committee will be organized along similar lines, but will be responsible for maintaining, coordinating and commissioning activities along functional lines. This committee will take on the functional responsibilities that are arguably unique to the BFA (i.e. that are not replicated in the other ministries), and these may vary from state to state. Examples of functional areas of competence include foreign aid, peace arbitration (assuming that this cannot be dealt with in the department of defense), human rights, intelligence, etc. As in the case of the Political Affairs Committee, the Strategic Committee will coordinate the activities of public and private actors on an ad hoc basis. It will not generate its own competencies.

Conclusion

We think that current institutional arrangements for conducting national foreign policies are antiquated, inefficient and counterproductive. As the nature of international relations is being radically altered by a series of technological, market, and political developments, it is necessary for the national institutions of foreign policy to adapt accordingly. We propose a radical institutional reform with the aim of getting policy-makers access to better, quicker and less costly information. We suggest that this can be done from a central, smaller institution that can coordinate the foreign activities among existing ministries and outposts. We fear that the alternative is that MFAs will become outdated, redundant and too expensive to maintain.

The proposed reforms are radical, and we can expect significant and long-ranging consequences from them. At this stage, of course, our proposal is packaged in the form of a trial balloon; more careful deliberation and analysis need to be undertaken. Indeed, we have written this article with the hope of soliciting a discussion from experts in various fields and different countries. Our proposal has the works of Keohane and Nye and Stopford and Strange as its springboard. Different vantage points may provide different lessons and conclusions. Comments, remarks and other visions are encouraged.

Despite the nascent stage of this discussion, it is possible to consider two potential consequences of the proposed institutional reform:

one domestic, the other international. By discussing these consequences, we hope to obtain feedback from concerned readers about other (possibly unforeseen) consequences. Domestically, countries can expect significant efficiency gains (through redundancy savings), less departmental overlap and the development of a more professional cadre of specialists within each ministry. Significantly, this new cadre should be better exploited to spread a country's position internationally, by providing better and quicker information to decision-makers.

Of course, we can expect much institutional opposition to a plan like this, especially among the ranks of the elitist trained diplomatic corps. Remarkably, our diagnosis is not all that different from a recent internal report on modernizing the Norwegian foreign service (UD, 1999). Less remarkably (given expected political resistance), our proposed cure is more radical — in fact the internal report does not really address the need for organizational reform. Because of the pressures of globalization, however, some sort of organizational reform is absolutely necessary. MFA advocates will need to consider different reform proposals, as the extant institutional status quo is not tenable over the long run. Our proposal could be a radical benchmark in this sort of painful, but unavoidable, discussion. We believe that the domestic benefits of our proposed reforms outweigh the political costs of resistance from (admittedly powerful) MFA civil servants.

The international consequences of the proposed reforms might be mapped along two fronts. The first concerns a country's influence on international affairs. As hinted above, the proposed reforms would allow countries to produce cutting-edge policy proposals in a way that would set them above the international competition. To date, functional competence is sidetracked through the diplomatic service, taking longer for it to reach policy-makers (and arriving more watered down). The proposed institutional framework should allow policy-makers quicker and better access to professional competencies within each ministry.

Second, the establishment of a more function-based community of foreign-service personnel might help to create and sustain international institutions along functionalist lines. In the IR literature there is a long tradition that associates these sorts of international, functionalist institutions with increased dividends for peace. Although it is usually assumed that smaller countries benefit inordinately from a system that relies more on international institutions and codes of

conduct (rather than one based on sheer, nation-based, power), larger countries may also benefit from new institutional structures applied to an increasingly globalizing context.

Although our examples have been drawn from the Norwegian case, we believe that these sorts of institutional reforms should be considered by all states — big and small, EU member states or not. Obviously, the particular make-up of the new BFA will vary from state to state (as do the organizational forms of today's MFAs). But as the forces of globalization reach out to all states, so too does the need for restructuring national institutions of foreign policy.

NOTES

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1. Important exceptions are two edited collections: Hocking (1999a) and Kegley and McGowan (1981).
2. Of course, this may also limit our ability to generalize beyond the Norwegian case. Future studies might consider how EU membership is hollowing out European MFAs. See, for example, Hanf and Soetendorp (1998).
3. This may be somewhat of an exaggeration. In some countries there may be important immigrant and NGO populations that function as domestic constituents in foreign affairs (e.g. Irish and Jewish voters in the US, anti-apartheid NGOs). See, for example, Huntington (1997a).
4. For a critical discussion of this role, see Hocking (1999b); for a discussion of this role in the Norwegian MFA, see Neumann (1998, 1999) and Underdal (1987).
5. For example, in the UK during the First World War, the PM's Office and the Department of the Treasury played critical foreign policy roles. In the US, the Department of State only grew in importance after the Second World War (particularly under secretaries like Marshall and John Foster Dulles). Still, the State Department has never enjoyed the prestige conferred upon other MFAs, because of powerful rivals like the Department of Defense, the National Security Council and the president's special advisor on foreign affairs. In countries like Australia and Canada, the Ministry or Department of Foreign Affairs is shared with that for International Trade.
6. A discussion of the growth in institutionalized international cooperation is documented in Hovi and Underdal (2000). Tranøy and Østerud (2001) provide

assessments of how Norway is affected by the growth of international rules and regulations.

7. Another schematic depiction of the Norwegian MFA is found in Neumann (1999: 164). Still others are likely to be found by the time this article appears in print. The British Foreign Office is probably the best example of clear organizational lines of command, and this pattern is replicated in most of its ex-colonies (e.g. Australia, Canada, New Zealand, the US). For an organizational chart of the British Foreign and Commonwealth Office, see FCO (2000); for its caricature, see any *Yes Minister* show. In Scandinavia, the Swedish Ministry of Foreign Affairs is particularly well organized in this respect. See <http://www.utrikes.regeringen.se/inenglish/mfa/pdf/orgchart.pdf>
8. There is a literature in public administration studies that argues along these lines. See Landau (1969), Chisholm (1989) and Perrow (1999) for examples.
9. For example, it is possible that the lessons derived from Singer and Wildavsky (1993), Fukuyama (1992) and Huntington (1997b) may differ significantly from those proposed here.
10. The legacy of this argument is long and complicated. Earlier treatments of interdependence include Muir (1933) and Cooper (1968). Keohane and Nye's original roots can be traced to their editing of a special issue of *International Organization* (25(3), summer 1971), and its later publication in book form as *Transnational Relations and World Politics* (1972). Other central elements of the argument can be found in Bergsten et al. (1975); Keohane and Nye (1974); Nye (1974); Keohane and Nye (1985, 1987).
11. This argument by Keohane and Nye was quickly related to the study of Norway's MFA. During a brief stint at the Norwegian Institute of Foreign Policy Studies (NUPI) in 1979, the American political scientist Maurice East asked what the consequences of interdependence would be for Norwegian foreign policy-making (East 1981, 1984). This ignited a debate that we wish to rekindle.
12. Consider the current institutional arrangement for the UK's Foreign and Commonwealth Office. Its largest expenditure objective is for improving 'through international action, [the] economic opportunities for a prosperous UK'. 25% of the FCO's expenditures goes to meeting this objective, and the other seven objectives divide the remaining 75% of the budget (FCO 2000: 16–17).
13. During the 1980s, close cooperation between the US Department of Defense and hundreds of academic area specialists produced an outstanding collection of in-depth *Area Handbooks* that cover over 100 countries. The result of this project, that may serve as an excellent example of collaboration between a ministry and the academic community, was taken over by the Library of Congress during the 1990s, and can be accessed via the Internet, e.g. <http://lcweb2.loc.gov/frd/csquery.html>

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