

Globalism, Populism and Security ; What Role for European Cultural Policy? ICPP 3 Singapore June 27-9th 2017

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The Contemporary Global Distemper: and the Limits to International Cooperation

- Definition: Distemper—toxic virus
- How we govern the global political and economic order is in need of dramatic rethinking.
- Put as four questions we need to ask:
 - How do we account for the growth of radical populism and nationalism (the populist nationalist zeitgeist-PNZ)?
 - How disruptive is its influence on a consensus driven institution multilateral order?
 - Can the system of rule making, collective action problem solving and collective security built after WWII be reformed and made fit for purpose in the face of the populist and nationalist onslaught?
 - What role does/can "Cultural Diplomacy" play?

Part 1

Explaining the Rise of Populism and Nationalism and the Challenge to Globalism

From Frederick Hayek to Donald Trump: the Rise and Fall of the Neo-Liberal Era?

- Hayek's *The Constitution of Liberty* (1960) set the agenda for Neo-Liberalism
- Why did the Anglo American sphere buy into it for the last 40+ years?
 - The 'leadership' of Ronald Reagan and Margaret Thatcher
 - How do we account for the hegemony of *neo*-classical economics?
 - Why were the 'free' market and the Efficient Market Hypothesis reified?
 - Why was government and regulation vilified and dismissed?
 - Why was growing inequality dismissed as an irrelevance?
 - Why did we turn a blind eye to corporate excess and irresponsibility?
- Why are the large sections of the populations of traditional liberal democratic countries in revolt against globalisation?
 - Why is 'populism' and nationalism on the rise?
 - Are Brexit and the election of Donald Trump the end or just the beginning?
- Are Neo-liberalism's chickens, especially post the GFC of 2008, finally coming home to roost? (even the IMF now thinks the theory was flawed)

Implications of Populism for Governance 1

- Confidence in the probity and competence of political, business and global administrative elites has been challenged---especially after 2008 GFC and in the 2016 US Presidential election.
 - Populism challenges a major assumptions of liberal democracy: namely the social contract between the citizen and the state.
 - Democracy is *egalitarian* in aspiration
 - Capitalism is *in-egalitarian* in outcome
 - This is OK while capitalism generates benefits for all
 - But if capitalism no longer generates material improvement then the social bond between the citizen and the state can, and does, wither
 - Unequal outcomes can spur authoritarianism and plutocracy
 - Democracy becomes unsustainable and capitalism illegitimate
 - Trump a ‘pluto-populist’(Wolf)

Implications of Populism for Governance 2

- Populist charge against globalisation not without substance
 - It does give rise to a detached econo-political plutocracy
 - It does place limitation on national democracies
 - It does undermine sovereign decision making abilities of states
 - These are, or should be, genuine issues of concern for citizens
- But Populism
 - Is fundamentally anti-democratic
 - Gives rise to Trumpism, Brexitism and illiberal democracies and plebiscitary democracies—*pace* Russia and Turkey
 - Taps the worst racist instincts of the white working classes
 - Contagion effect eg. Le Penism in France, the AfD in Germany, Orbanism in Hungary. Wilders Freedom Party in Netherlands

Democracy and the Open Economy: The Need for Liberal Pluralism to Combat the Populists

- *Liberal democracy as a political vision* must retake control of the globalisation narrative from *neo-classical economics* (its intellectual handmaidens)
 - Neo-liberal economic's rigid adherence to purist free trade orthodoxy, failing to admit a need for corrective support for workers in sunset industries, has provided ammunition for advocates of the worst kinds of protectionism
 - Lack of honesty about trade has given it a bad reputation it does not deserve
 - Trade offers massive global welfare gains but not everyone benefits. There are uneven distributional effects, especially in the sunset industries in the most advanced economies.
 - Good public policy can correct for distributional effects if Hayekian ideology and economic's search for scientific purity and theoretical perfection does not impede a measured *liberal political* case for addressing mal-distribution
- Is Trumpism the last wake up call for Liberal democracy?

Resisting Populism: What is to be Done?

- Don't panic. Its not the apocalypse. But:
 - National societies are divided and democracies weakened.
 - Inequality (nationally and globally) is a big issue.
 - It attacks the social bond between citizens and the state
 - Political and economic elites must learn from their mistakes
- Liberal Democracy must fight back
 - Populism is as much self indulgent political fashion as economic reality
 - Liberals (center left & center right) must put their political houses in order
 - Xenophobia and onslaught against global openness must be resisted
 - The '*Trumpenproletariat*' must not be lost to democracy. It must be reengaged by the political centre in the USA and Europe,
- Politicians who ignore these lessons will be held accountable.
 - Globalisation does need reform
 - We need to ensure that ordinary citizens, not just the plutocracy benefit from globalisation or are at least protected from its worst excesses.
 - We need to re-write the rules of the global economy once again
 - We need to ensure minimum levels of national sovereign control

Global Order and Cooperation

- Institutional infrastructure of the post WWII—especially the Bretton Woods institutions and the WTO—weakened by nationalism as instruments of global policy coordination. This:
 - De-stabilises delicate geo political and geo-strategic balances in Europe and Asia
 - Creates new “Great Game” on again in Eurasia
 - Sees US as no longer “self-binding hegemon
- Key global policy areas—security, trade, finance, climate and environment, development—involve a greater plurality of bottom up/top down, endogenous/exogenous and public/private interactions with limited working institutional structure

Resisting Populism and Nationalism: 2 Cheers for Multilateral Institutions

- Why do we need multilateral institutionalism? Because:
 - Institutions lower transactions costs by the provision and sharing of information
 - Institutions can reduce uncertainty in policy-making
 - Institutions can help make promises credible
 - Institutions can facilitate deal-making
 - Institutions can enhance compliance
- Multilateralism does not undermine individual state sovereignty
- Rather, multilateral institutions can enhance national democratic processes in a number of important ways:
 - By restricting the power of special interest factions
 - By protecting individual rights
 - By improving the quality of democratic deliberation,
 - By increasing capacities to achieve important public policy

What to do in the face of the populist nationalist zeitgeist?

- Democratic states must go on the offensive. They need to:
 - Re-boot the social contract between state and society
 - Support the market economy but resist *market fundamentalism*
 - Rebuild the ‘embedded liberal compromise’ (Ruggie)
 - Practice welfare Keynesianism at home, Smithian liberalism abroad
 - Build systems, compromises and incentives that reconcile capitalism with *mass democracy*, not elite democracy.
 - Re-affirm legitimacy of international, rules based, norms and regulatory regimes in the face of pressure from the powerful and anti-democratic lobbies—especially from the financial sector.
 - Re-affirm the principles of collective action problem solving embodied in the multilateral institutions
 - Especially the UN IMF, World Bank, WTO and the newer institutions such as the AIIB and the BRICS NDB

What to Do About the USA under Trump?

- Not a lot to be done but hope for the best and plan for the worst
- If the long 20th century is coming to an end it could be very disruptive—economically and politically—the US could sit it out
 - No law forces the US to accept global responsibility. It sat out the 1920s and 1930s while the rest of the world collapsed.
- It could try to do the same again.
 - But unlike the 1920s-30s, US geography and wealth no longer insulate it from exigencies of global economic and political calamity.
 - Its power then was absolute. Now it is not.
 - There was no resurgent Russia, no rising China and India and no other major economic and nuclear players
 - There is no longer term exit option this time
 - But while the US remains, the ‘indispensable nation’ much damage could be done in the short term

PART 2: A EUROPEAN CONTEXT

That Was Then, This is now

From the *European Security Strategy* (2004) to *Shared Vision, Common Action: A Stronger Europe* (2016)

Way Back When: The Initial proposition

- Think back to the 2003 EU *Security Strategy* Paper. It was:
 - Optimistic and upbeat about Europe as a security actor
 - A self-congratulatory, smug even, view of ‘normative power Europe’ in a growing multi/ tri-polar world in which the EU would be one of 3 major players
- ‘Soft power’ seen as major tool in the pursuit of external relations
 - The EU, assuming it was already adept, would become even better at practicing soft power
 - EU socio-economic-cultural strengths (democratic values, superior economic integration model, enlightenment culture, commitment to rules based international order) were on a roll.
 - All were values for export to make the world a better place and would project a positive external image for the EU

But this now. How the world changes

- 2nd sentence of EUGS (8) ‘we live in times of existential crisis’.
- *Inter alia* the EU faces:
 - Continuing legacy problems of global financial crisis,
 - Unresolved Euro zone problems
 - Aftermath of failed Arab revolutions, terrorism on its on soil
 - Refugees and migration problems the Mediterranean
 - Increasingly nationalist and aggressive Russia
 - Growth of populism, nationalism and ‘illiberal democracy’ beyond (but also within) its borders
 - Unpredictable USA, no longer a (self-binding) hegemon but rather threatening the 70 year post WWII liberal international order
 - Brexit and all its implications (known and unknown)
 - Brussels on the defensive over issues of legitimacy and accountability
- EU’s member states still find it hard, at times even undesirable, to operate a common policy in the international domain.
 - Initiatives involving recourse to traditional instruments of foreign policy including forceful and coordinated diplomacy, often reflect divisions between member states leading to sub-optimal policy outcomes.

Implications of a changing global order

- Lets not panic. Its not the apocalypse (just yet)
- Changes in global distribution of power are real, including
 - Prospect of an unraveling of both security and economic architectures
 - Skepticism toward the European project unabated and growing
 - Contradictory demands on those who would make/implement EUFP
 - Difficult role for EEAS confronted by (increasing) national desires to retain or claw back national controls on policy.
- Enhancing EU ‘hard power’ in economics and security likely to take precedence over, or at least ‘crowd out’, policy domains of ‘soft power’ such as cultural diplomacy (resource constraints)
- Opportunities of enhanced coordination in cultural (and science) diplomacy, between the EU, the MS and their extra-European partners become more difficult as they become more important
 - In fact they takes on a foreign policy significance not normally attributed to either culture or science in general or CSD in particular.

PART 3:
BUT LIFE GOES ON
SOFT POWER AND SECURITY:
WHAT'S CULTURE GOT TO DO
WITH IT?

A Bit of European History

- A bit of history--with apologies to historians in the room
- European Attitudes to Non European Culture
 - Pre 18th Century: European cultural borrowings, followed by ‘expropriation’, from non-European cultures (especially Ottoman Empire) not uncommon
 - 18th and 19th Century: emergence of a civilisational and teleological discourse of European cultural superiority emerged
 - Corroborated and bolstered by material and technological advances
 - Cultural superiority imposed by European colonialism.
 - Posed as a choice between accepting and rejecting ‘progress’
 - Europe has a tradition of telling others when they are not modern enough, not democratic enough or not Christian or secular enough
- 20th Century, post colonial era: positive and negative residue of enforced ‘expropriation’ from European culture with modern day implications
 - It is not unusual for European culture and ideas to be negatively received simply on their source of origin rather than their utility

Linking Culture, Security and Diplomacy

- Limited and ambiguous utility to the notion of ‘soft power’—conceptual stretch
 - Some see it as a euphemism for ‘no power’ in the area of ‘hard power’
 - Even Joe Nye has largely ditched the term. He now favours ‘smart power’
- ‘Societal security’ an equally ambiguous exercise in conceptual stretching
- But societal and cultural dialogue and exchange are serious elements of the transnational and trans-continental diplomatic conversation, albeit not a substitute for hard power
 - International cultural interaction and organisation long ago escaped the boundaries of the state.
- Successful Culture diplomacy is in the eye of the beholder where:
 - Influence and reciprocal knowledge sharing in cultural diplomacy is not assured
 - Cultural diplomacy in constant need of re-mapping & checking with recipients .
 - Re-mapping implies not only understanding what we mean by culture, but also the language and other mediums we use to promote it
 - Without re-mapping old legacies of resentment will remain and new resentments will develop.
- Even if ‘soft power’ really exists, bad policy choices can quickly dissipate it

PART 4
WHAT CAN BE DONE

THE JOINT COMMUNIQUÉ AS A
ROAD MAP

The EU and Cultural Diplomacy

- Two recent mid 2016 documents,
 - (i) Joint Communiqué to European Parliament and Commission, *Towards an EU Strategy of international cultural relations*
 - (ii) *European Union Global Strategy* (EUGS).
- JC prefers “*international cultural relations*” to cultural diplomacy.
 - Candidly this is semantic obfuscation hiding real agenda—a rose by any other name is still a rose and those on the receiving will not be fooled
- Only reference to cultural diplomacy in EUGS comes at page 49
“New fields of our joined-up external action include energy diplomacy, cultural diplomacy and economic diplomacy”
- EUGS says it will nurture
“societal resilience also by deepening work on education, culture and youth to foster pluralism, coexistence and respect”
- But more realistically says
“Putting our diverse national cultures at the service of our shared interests is a challenge” ***Indeed it is!!***
- Yet even if differences in national cultures could be controlled there will always be a coordination problems (See slide 16)

Towards an EU strategy for international Cultural Relations

- 2015, Council called on Commission to prepare a ‘strategic approach to culture in the EU’s external relations’
- The Joint Communiqué is the response. So the good news: EU has a vision for cultural diplomacy explicitly framed in context of its aspiration to be global actor. Notwithstanding known objections, and my own critique, I judge it a powerful/persuasive document.
- Driven by a desire to:
 - First and foremost enhance Europe’s external image and influence.
 - Enhance cultural dialogue between the EU and the rest of the world
 - Enhance European economic competitiveness in an increasingly important area of international transaction
- But—relevant for this conference—note what it is not:
 - The JC is not driven by concerns of ‘societal securitisation’ although improved societal relations within EU might be a positive externality.
 - While reference to international cultural relations are present in EUGS, they are not (nor should they be) at the centre of the new strategy.
 - The EUGS talks about societal ‘resilience’ and the role of culture in securing it. But it does so in a ‘catch all’ non-specific and non-policy targeted manner.

Cultural Diplomacy: 'a beautiful but ethereal project'

- In various speeches HR Mogherini has referred to Europe as
 - A 'cultural superpower'
 - And cultural diplomacy as an important foreign policy tool
- Both suggestions may indeed be empirically accurate. BUT:
 - The first statement is something of a diplomatic folly
 - The second statement ignores the inauspicious timing of launch of the communiqué: 2 weeks before Brexit and 3 weeks before EUGS
- EU is a global actor currently beset by crises of confidence and identity that engulf it at a time of unprecedented and diminished global expectation compared with just a decade ago.
- EU interest in cultural diplomacy seems to be an attempt to offset a loss of identity and global aspiration.
- But things have moved since the optimistic days of the early the C21st.
- Endeavoring to make the best of assets such as Europe's culture becomes a crucial instrument of policy and is indeed rational.
- But assumptions that EU cultural diplomacy can mitigate its declining influence vis-a-vis the traditional hegemon, the USA, and the rising global force of East Asia is pietistic rather than analytic.

The Difficulties of Cultural Diplomacy

- Cultural diplomacy, EU led or MS led, will always be difficult.
 - Target audiences, especially the Middle East and developing countries will always treat cultural diplomacy with suspicion.
- Problem is less the substance, virtue and promulgation of western cultural values *per se* rather than the ‘norms-as-practices’ that would be necessary for their trans-national delivery
- Shared cultural values do not necessarily amount to a common ‘*European cultural persona*’ that can be a basis for cultural diplomacy
- To suggest they can, as some of the more assertive brands of European normative power do, is at best foolhardy, at worst ethnocentrically arrogant.
 - Hence the assertion that Europe is a ‘cultural superpower’ is inept. In my judgment. It is a statement that should not be repeated.
 - Self-identification as a ‘superpower’ is not a notion that lends itself to the improvement of international cultural relations.

CONCLUSIONS

1: The Limits of cultural diplomacy

- If the EU's message to other peoples is that European cultural values are pivotal to the peaceful functioning of international society it is a message that is probably destined to fall on deaf ears in the contemporary era.
- It is asking too much of those European socio-cultural values developed since the Enlightenment—and especially a desire on the part of some to export liberal economic values, political democratic values and the progressive growth of human rights—to expect that they should be universalisable in the C21st.
- Indeed, they are no longer axiomatically universalisable across the Atlantic even. The dominant trend is in the opposite direction—populism, nationalism and illiberal democracy (both inside and outside the Union).
- This is not an argument for cultural relativism. Nor a critique of European values
- While EU strategy's *stated* cultural aim is to promote *diversity*, the most likely reading to be taken beyond the border of the EU, is that its *real* aim is to promote the EU in the contemporary global search for influence—especially vis a vis the USA and China.
- There is nothing wrong with such a strategy. But the EU needs to tread very softly with third countries if it is not to generate a backlash

2: Into the Unknown

- There is a crisis of international collective action problem solving.
 - Especially in Security, Economy and the Environment
- Institutional cooperation (global governance) is a trade off between:
 - (i) the effective and efficient provision of public goods and
 - (ii) representation, accountability, legitimacy and sovereignty.
- Getting the balances right remains a charged political question.
 - It is a question we must address if we are to secure the semblance of a positive global cooperative order.
 - A cliché but: the economy is global but politics remains local
 - Global elites must learn from their mistakes
 - Populism and Nationalism needs to be confronted if neo-liberalism's not to be replaced by neo-nationalism?

3: Opportunity Costs, Crowding Out and Resources

- While rhetoric on enhancing EU cultural relations is strong (at least in Brussels) the likelihood of concrete outcomes—especially in MS with strong traditions of cultural diplomacy—should not be overestimated.
 - EU has only ‘supporting competence’ in cultural diplomacy (Art 6, TFEU). A coordination problem is omni-present in Brussels across the policy spectrum
 - It is reflected in cultural diplomacy in the ambiguity expressed in the Joint Communiqué to EU actions via the EEAS and the separate strategies of the MS.
- ‘Crowding out’ is always a possibility in a packed external relations agenda. Cultural diplomacy, along with economic diplomacy and energy diplomacy are ‘new fields of joined-up external action’ (2016:49) in EUGS. But it is very possible that older, more traditional priorities will remain, and grow, elsewhere.
- In a Trumpian world we can expect security will become the priority and resource pressures to meet military obligations will become acute.
- It will be interesting to observe over the next few years the degree to which cultural diplomacy can really be, in Mogherini’s own words, ‘... at the core of our foreign policy’. You could say, *faut de mieux*, it has to be.
- You might not think it, but I am a fan. I wish her well. But I am not optimistic.