



THE PUBLIC AFFAIRS OF WAITING

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The Archbishop of Canterbury has had much to say recently about the Great Crash of 2008. In marking the beginning of Advent he noted that "We are not a culture that is very used to waiting". In religious terms Advent is about waiting, preparing and thinking about the challenges and opportunities coming towards you on the conveyor belt of existence. My own autumn has had a strong sense of Advent waiting as two of my daughters are expecting children in the New Year. Carol services take on a new immediacy when singing next to your heavily pregnant daughter. All this is very different in the world of public affairs, where waiting is often regarded as a sign of weakness. The temptation is to believe that the rapid response is necessarily the best response. As in other management functions, the urgent may drive out the important. Especially in a downturn, timing is of the essence.

Although everyone else seems to have spotted it, I have only just noticed that the first two letters of 'panic' are PA. So I suppose this essay might have been called "Don't PANic - the Hitchhiker's Guide to Public Affairs in the Galaxy". I have always rather fancied myself as the Arthur Dent of public affairs, a hapless Englishman, constantly surprised by the exotic nature of European and global public affairs activity. Douglas Adams' great work contains many fabulous characters, of whom the twin headed, extrovert Zaphod Beeblebrox comes closest to a certain kind of exuberant public affairs professional. The world became so strange in the last quarter of 2008 that we all need a robust guide to the new galaxy in which we find ourselves operating. I don't believe that any of us fully understand what has happened, but we rightly detect that a paradigm shift of some kind has taken place. Some good Advent preparation is called for.

There is a very good case to be made that organisations need public affairs more than ever in a downturn. I am grateful to Thomas Dubois, one of the Vice Chairmen of ECPA, for a stimulating exchange on the subject. He has found himself fire fighting throughout the autumn to ensure that redundancies were handled sensitively, legally and with the minimum damage to corporate reputation. Having avoided resort to the PANic button, how should one go about making the case for greater use of public affairs in a recession? How does one market public affairs inside a company, when every other function is also demanding more resources? It helps if during the good times you were able to present public affairs as a long term generator of value rather than being looked upon as a disposable cost centre. Thomas observes that, in all the companies he's worked in, the CEOs who really understand this are those who have been through their own deep valley, be it by a media gaffe or a dawn raid. We concluded fairly early in our conversation that there were no new silver bullets for use in a crisis. Crisis tends to test the foundations that you laid down in normal times. Are you perceived by other management functions as engaged in the same war and speaking the same language as the rest of the company? Or are you seen as an external messenger from the outside world? Exactly how closely are you aligned with your colleagues in the organisation may only show up when you have to make hard choices. Success is often about focus. It is about understanding enough of the big picture to let go of the smaller stuff. Trade Association meetings and quarterly internal newsletters may just have to go. Thomas maintains that you need to look after the corporate reputation and concentrate on the big ticket items. Your success will depend on how quickly you can adapt to the predictable curves of management thought in a recession - denial, panic, over-reaction. Once you have survived this dangerous trio, the time should be right to look around to see if there are opportunities for public

affairs that did not exist in the fat years. The rapid culling of corporate priorities may surprisingly leave room for public affairs initiatives that did not stand out from the crowd but which now seem attractive and do not demand heavy financing. The question should be, as always, how much value can we create? Until we learn to look for opportunities by scanning the external environment, rather than focusing on our internal product, we will not have learned one of the basic principles of Decision Mapping®. Doing a better thing in a recession may be wiser than trying to do the same thing better.

No doubt every public affairs practitioner bears in mind the injunction from Ecclesiastes 3. *"To every thing there is a season, and a time to every purpose under the heaven: a time to be born, and a time to die; a time to plant and a time to pluck up that which is planted;"* Can we, should we, shape our public affairs activities to the curves of economic cycles? The ECPA Annual Conference on 4th March will look at how to maximise public affairs effectiveness by going with the grain of both economic and election cycles. Until then everyone seems to have their own preferred reason for waiting. There are those who are waiting for the bottom of the recession. Touching bottom requires one to have a view on what shape the recession is likely to take. Indeed we need to ask is "It a recession, a depression or something altogether new and strange?"

There are some in my own country who spend this mid-winter time waiting for a General Election. It is clear that some serious thought was given by senior Labour figures to holding the next UK General Election on the same day as the European Parliament Elections in June. The idea was to finesse the Europe card and swamp the complaints about the lack of a referendum on the Treaty of Lisbon in the general excitement of a General Election. This might just have worked under a new leader, but Gordon Brown's limited revival has the perverse effect of closing off this option for Labour. Despite all the talk of change, British politics is seeing something of a return of the old guard. The sensible response to the recall of Peter Mandelson would be the recall of Ken Clarke. European Elections tend to leave a bad taste in the mouth for governing parties and the recession will still be at its grimmest in June. I therefore do not anticipate an election in the autumn of 2009 and suspect that the Government will go right to the end of its permitted term in May 2010. Predicting the result is a mug's game, but let me hazard a guess. I think we are likely to have hung Parliament, or one where the Conservative majority is so small that they need Liberal Democrat support to govern effectively. It is fascinating to watch how both Nick Clegg and David Cameron are manoeuvring to leave themselves the option of a Conservative-Liberal coalition. It would carry benefits for both of them. It enables the Liberal Democrats to pick up vulnerable Labour seats in the North; while for the Conservatives it would allow them the excuse to slip off the Eurosceptic hook on which they constantly flirt with impaling themselves. Such a coalition, however un-British, would have an agreed agenda of rolling back the Surveillance State, re-inventing British capitalism and completing those constitutional issues, such as the reform of the House of Lords, which the Labour Government has so far failed to complete.

Meanwhile much of the political class of Europe is waiting for the Irish. I still remain to be convinced that the Irish can be persuaded to vote for the Treaty of Lisbon in October 2009. We face the delightfully Irish problem that as they had no substantive reason for voting No in the first place, it is quite difficult to offer them concessions to change their mind. I have no problem with the concession of deciding that every state will be able to retain its Commissioner, as I was never convinced that the efficiency gains from a smaller Commission were worth the political hassle. In truth the vote will be decided by the mood of the Irish in the autumn mists. In June of last year they were in their most chirpy form, riding high as a Celtic Tiger that thought it could indulge a chippy response to wind up the big guys. Ireland outside the euro might well have followed Iceland into the

IMF dustbin. Suddenly membership of the European Union seems less of a frolic and more of a dire necessity.

There are many old hands in Brussels who are waiting for the Swedes to take over the Presidency in July. I am optimistic about the Swedish Presidency and know that they have studied the equivalent Dutch experience in 2004. For the moment we go into the troublesome hinge year of institutional change under the leadership of the Czechs. It is by my calculation the first time since the reign of Rudolph II that Prague is at the centre of European governance. I have an immense affection for the Czechs. They are talented, industrious and excellent diplomats. I recall the then President Havel making an inspired speech to the European Parliament in which he spoke of the fate of a small people destined to be constantly marched through by other Europeans. All of which makes the presence of the current Eurosceptic President in the Castle so tedious. Vaclav Klaus, ever the apparatchik, founded the Civic Democratic Party (ODS) by a sleight of hand from within the all party Civic Forum which had led the Velvet Revolution. I was the official Conservative Party representative at the foundation of the ODS. Once in power, he adopted wholesale a stern Conservatism allied to Euroscepticism and later threw in climate scepticism as a bonus. The Czech people do not deserve such a vain opportunist as the public face of their European identity. Rudolph II spent much of his life inside the Castle. Eccentric though he was, he was a man of tolerance, fascinated by ideas. He gathered leading scientists, philosophers and artists around him and held off for a generation the horrors of the Thirty Years War between Protestant and Catholic Europe. The Czechs, including Prince Schwarzenberg, understand the continuity of European history. They have Ecclesiastes ever in mind.

North of Prague, the Poznan Conference of the Parties on Climate Change in December was a fog-bound case study in waiting and preparation. The outlines of a deal that would produce the Copenhagen Protocol to replace the Kyoto Protocol by December 2009 were clearly visible. The Conference was a mixture of public paralysis and a private ferment of new ideas and possible strategies. Amongst the challenges for the Copenhagen negotiators is that they are only one of three simultaneous reform discussions underway at global level. The Crash of 2008 has birthed the G20 dialogue on reform of the Bretton Woods institutions. Part of the task of the next twelve months is to ensure that all three sets of negotiators - climate, trade and governance reform - are aware of each other. Several of ECPA's leading member companies have found themselves caught up in a whole new range of public affairs activities seeking to head off a new Depression. In defending the health of their sector, they have of necessity become allies of Government in a global struggle to head off yet more previously unthinkable collapses. But take heart, the waiting to see what the new America will be like is nearly over. If you have avoided the panic button and used your time wisely in the last three months, you should be well prepared for whatever 2009 throws at you.

