



## THE WORLD CRISIS AND PUBLIC AFFAIRS

19th September 2001

After the events of September 11th, it is common ground amongst all analysts that the world will be different. It will be different politically, economically, commercially and intellectually. Public Affairs as a function straddles all these worlds. Public affairs practitioners, like everyone else, have an urgent need to come to terms with this new world. Because of the relationship that public affairs has with both politicians and businessmen, we perhaps also have a duty to think clearly, strategically and rapidly about what has changed. The intelligence role of public affairs will be key. CEOs need the public affairs function now more than ever. They need public affairs skills which bring them coherent assessments of threats and opportunities from the external world even more than they need them as credible purveyors of the corporate line. The intelligence role will be to internalise these messages from the external world into corporate action.

Indeed in the period of, at the very least, heightened tension, for the next six months, the public affairs function will have to get used to examining its most fundamental assumptions and action week by week. Every paper, every document, every strategy that is currently in train needs to be reviewed. Political and business priorities may have shifted. This is the intellectual equivalent of baseline budgeting.

Some of the consequences of this 'Black September' public affairs practitioners share with every other business. What are the implications for the organisation and practice of international public affairs of a greater concern for personal security and an increased reluctance to travel? Before September 11th, companies were already re-organising their public affairs to give them a better view of the global impact of their activities in a world where a corporation could suddenly and publicly be held responsible for relatively minor mistakes in distant operations.

Take the area of Corporate Responsibility, which made its way up the corporate agenda in the 1990's. Issues of ethics and social and environmental justice have become more and more publicly sensitive. To varying degrees, corporations have responded and reshaped both the content and the presentation of their public affairs. In particular, global companies have found themselves needing to develop political expertise in ways which were originally both the privilege and the burden of nation states. They have become used to being both individually and collectively the subject of political attack. Now that political attack has turned into a gross and appalling physical reality.

Who can doubt that the Twin Towers in New York were chosen not only as an American icon, but as a symbol of the global capitalist system? Whatever may happen in the coming months in Europe, as well as in America, companies will find themselves in the forefront both physically and intellectually. There are those who have argued that it was possible to discern already a paradigm shift in the attitude of some business leaders. It is possible to hold very different views on the extent of any such shift. It may be that public opinion in democratic societies will now demand more than institutionalised acts of corporate generosity. Business as well as politics may come under pressure to do something more proactive about the underlying economic injustices that have always characterised mankind, but which have recently become so explosively visible even to the very poorest around the globe.

Nowhere are such tensions higher up the corporate agenda than in the Atlantic area. On the 16th July this year, I wrote an article for the Journal of Public Affairs, (Volume 1 no. 3) which was published on September 15th. I pointed out the challenges to public affairs practice in the Atlantic area of the increasing divergence between US and European views of the world. Writing only two months later, I am struck by how the events of September 11th cast these dilemmas in an even harsher light. The USA can either respond in an essentially unilateral way or it can seek to root its response in a collective effort of all the democracies. The choice that it makes will have implications not just for US companies in Europe, or indeed for US companies generally, but also for the way in which international business defines and perceives itself.

Are we to respond to the dark children of globalisation - international global crime and global terrorism - on an ad hoc nation-by-nation, company-by-company, basis? Should we not rather gather up the remaining energies of our civilisation and apply ourselves to creating robust, democratic and defensible political frameworks in which to anchor our responses? On every front we are faced by the same choice: framework or guesswork? In climate change, do we set a global cap on emissions and then divide the targets and the responsibilities between us? Or do we reject global institution building and trust only to technology and luck? In foreign policy and in development policy do we let Samuel Huntington's 'Clash of Civilisations' move from a dangerous hypothesis into an ugly reality?

Brussels and London are just as much impacted by all this as Washington. Nobody who has been in Brussels since September 11th can have failed to miss the vivid awareness that NATO's headquarters could be a target. A continent that stood silent for three minutes was also a continent thinking of its own future. Indeed the 'Future of Europe Debate', with its inter-linked thoughts of European defence, enlargement and further institutional reform, has already been set forever in a more sombre global context. Stories of a potential sarin attack on the European Parliament's Plenary Session last February underline this new exposure to every global wind. Neither Fortress Europe nor Fortress America were ever attractive options. They now look both undesirable and unobtainable, except as minimal last resorts clawed from the rubble.

Public affairs people, whatever the time pressures of their job, will earn their salaries in coming months by thinking deeply rather than reacting shallowly. They are part of the strategic arsenal of management. They must stay broad rather than narrow.

I have long argued that public affairs is a key part of the political structure of every democratic society. As our societies change, public affairs will change with them. However public affairs also has a duty to do everything that it can to ensure that the evolution is in a democratic and open direction.

As we reflect on this new world, it seems to me right that we should think hard about the words of a leading American practitioner. Jim Kiss, with his unrivalled experience of both American and global public affairs, sent me this comment:

*"The challenge coming out of September 11 is unique in my thirty five and more years of practice. Unique because the tragedy of September 11 is changing the context of our practice. How? The Bush Administration (correctly, I believe) is redefining the seminal concept of National Sovereignty by targeting "harbouring countries". Moreover, political assassination can and quite possibly will become a first option in the covert war. "Hot pursuit", particularly the electronic type, will take place in a newly defined setting. Civil liberties will be selectively suspended for a whole new set of reasons, as yet barely understood even by the enforcers or deprivors. How is a CEO of a global company, or his/her Public Affairs chief to deal with this? Understand this as a concrete reality as opposed to an abstraction? Perhaps more importantly, how can this be translated to Country Managers - on the front lines of the war, with years of acculturation in the customs and mores of their adopted countries. How can these Country Managers go to their supply lines, their customers, the political leadership of their assigned country and effectively deliver the new messages?"*

For good or ill, public affairs must now be conducted in one, globalised, world - whether we are ready or not.

