editorial

Reshuffling power



Frans BieckmannEditor in Chief
editor@thebrokeronline.eu

G lobalization has blurred the distinction between internal and external affairs. This is equally true for both developing countries and richer countries. Moreover, it could result in a profound reshuffling of administrative power relations within countries.

Foreign affairs ministries will have to delegate power to sector ministries, whose international affairs departments will burgeon. At the same time, the global balance of power is being irrevocably altered by the emergence of several new powers: the BRICS (Brazil, Russia, India, China and South Africa) and the MITKs (Mexico, Indonesia, Turkey and South Korea).

This is forcing governments to reassess how they engage with the wider world. What they need to do is develop a truly global outlook. The special report in this issue maps out how a number of Western countries are struggling to figure out what their position is in this changing world.

Foreign affairs and policy agendas have always been largely determined by domestic political relations and self-interest. But the reverse is increasingly true as well. Internal affairs have become internationalized. Economic policies illustrate this most clearly. The anatomy of the global trading system and introduction of tracking mechanisms for the activities of foreign competitors are vitally important because a substantial amount of money is being earned across borders today.

The current global crises – financial, climate, food, resource scarcity – show that domestic policies are not sufficient to secure the well-being of a country's population.

In poorer countries, see-sawing food prices have sparked unrest. National governments, meanwhile, lack the means to respond to price spikes. The lack of tight global financial regulations has caused banks to collapse, and yet the only thing national governments can conceive in response is to enforce national budget cuts. In other words, governments are treating (national) symptoms, not (global) causes.

It seems obvious that these problems need to be tackled at a global level. But strangely the urgency has not always made itself felt. Instead of dealing with the systemic root causes, governments opt for short-term fixes. The discrepancy between the nationally tinted outlook of politicians and global realities is becoming increasingly vexing.

In the meantime, national political and institutional relationships are changing. Every sector ministry, whose work used to focus on regulating domestic affairs, such as agriculture, water supplies, health care, education and infrastructure, now have international affairs departments. They determine the national contributions to specialized multilateral organizations. The complex nature of global arrangements in their respective sectors means they are best suited to negotiate internationally in their own areas.

As a result, the importance of ministries of foreign affairs and aid departments is on the wane. They may be forced to hand over responsibilities – and budgets – to other ministries. It will be environment ministries that take care of global climate change, or agriculture departments that handle global food security. The foreign affairs ministries may still play a coordinating role. But it is just as conceivable that this role be taken over by the prime minister departments, since global themes are also national affairs.

These shifting power relations are both good and bad news for those working on poverty reduction. The good news is that after five decades of splendid isolation in a faraway corner of national politics, international affairs is now moving to centre stage. Today, every national policy issue has international implications. Since these policies hinge on what others do, by extension they also have to take the interests of others seriously: global public goods are a collective self-interest, so every part of the whole has to be considered.

The bad news, or at least the risk, is that the interests of the poor in developing countries become obscured. A shift in focus from treating problems on a national scale to a global scale could short-change the poor.

This reshuffling of power is still at an early stage. Battles are being waged over money and power. A new balance has to be found. One option is for development ministries to cooperate with sector ministries on certain global public goods, with the sector ministry paying for what is a collective – and thus national – interest. The aid departments would then supply the budgets for specific development purposes.

The debate on a global outlook has to go beyond departmental skirmishes, however. The special report in this issue, and other articles and blogs at thebrokeronline.eu, are trying to encourage an international exchange of ideas on the institutional and political impact of the changing global context. Governments, bureaucracies, political parties, even societies have to thoroughly rethink how they are going to position themselves in the new global society.

They have to think about how they interact with newly emerged powers, also in terms of new global cultural, social and political trends. Western governments will have to adapt their intercultural outlook if they want to keep pace. And they have to learn how to engage a global society that is increasingly networked and influenced by transnational communities of non-governmental actors and businesses. They must think through the consequences of interdependency, not in the current terms of fear, denial and retreating behind the false safety of national borders, but in terms of how these new realities can be transformed for the benefit of all.