Senior European Experts

The Dismantling of the Rules-based Global Order

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Introduction

Since the end of the Second World War, countries have worked together to create a system of international rules and institutions that manage and facilitate peaceful, economically effective and politically robust relations between nation states. A wide range of institutions and international treaties have created a complex, interlocking web of rules covering everything from military conflict to trade that collectively provide the most effective system for regulating international relationships yet created. Nations accepted the constraints of the rules to which they signed up because of the benefits to them, which would not otherwise be available.

By establishing international institutions such as the United Nations, and its many specialised agencies, the European Union, the World Trade Organisation and the North Atlantic Treaty Organisation, nations that had often been in conflict with one another devised better and more effective ways to manage their relationships in an increasingly interdependent world. As historians and commentators have observed, there were no such effective organisations to stop the world sliding into two world wars.

The development of what is today called globalisation increased the importance of these institutions and rules. Cross-border trade and other relationships have grown more important not just to the global economy but to our culture and our everyday lives. Nations have used these institutions and rules as a means of working together to manage issues and problems which cannot effectively be addressed by one country alone.

Having survived opposition from the USSR (1945-90), what is often called the "international rules-based order" (referred to for brevity as the "international order" in this paper) is now facing fundamental challenge. Whether it be Russia's 2008 invasion of Georgia or its 2014 annexation of Crimea, President Trump's withdrawal from the Paris Climate Change accord and his challenge to trade rules in the WTO or his reluctant support for the guarantee of mutual defence through NATO, or the rejection of the EU by populist parties and governments in Europe (including the 2016 Brexit vote in the UK), it is not just the *way* the international order operates but its *existence* that is being questioned. Commentators now speculate whether the international order can survive the ferocity of present challenges.

Regent's University London and the Senior European Experts group decided that this was the right time to debate the future of this international order. This background paper was prepared for a seminar in November 2018 and is published as a contribution to debate.

The international order today

It would be wrong to suggest that this "system" of international institutions was intended at the outset to be a single mechanism for regulating relationships between nation states. It developed in the aftermath of the Second World War under US and UK leadership in response to the widespread feeling that after two major conflicts in under 50 years the world needed to find a better way to manage international relations.

The period immediately before Second World War, one of widespread economic failure and poverty, had left many politicians determined to find more effective ways to promote economic growth and in particular, to enable the free flow of trade following the disastrous imposition of protectionist rules during the great depression of the 1930s.

In addition, many of the problems left behind by the Second World War, such as huge movements of refugees, colonial disputes, and the physical and social devastation caused by the conflict, could more easily be solved by nations working together.

Over a period of time a network of institutions emerged in response to these three sets of problems. The most important in the immediate post-war phase was the creation of the United Nations, which replaced its failed predecessor, the League of Nations, as a mechanism for the prevention of conflict and for securing human rights. The urgency of so doing was emphasised by the detonation of atomic bombs at Hiroshima and Nagasaki in 1945 which showed that future conflicts had the potential to be even more devastating than those of the recent past.

The many organisations that are seen today as being part of the international order have several common elements:

- in the case of the UN itself and its agencies, they are universal;
- they have been established through treaty agreement between sovereign nations;
- they operate under jointly agreed systems of rules;
- they have mechanisms for resolving disputes between their members;
- they have some cross-border purpose.

But while there are these common elements, which led to the use of the expression "the rules-based international order", the organisations are diverse in their make-up, constitution and function. Many are global but there are also a significant number of regional bodies, particularly in the economic field, and these have increased in number over the last 30 years.

Although the international order has been effective in many ways, it still relies upon nation states to comply with the rules that they have agreed to accept; when they decline to obey rules there are only a limited range of sanctions available to the other member countries and in the case of human rights, almost none.

The EU is unique in the extent to which its Member States have agreed to cooperate with one another using a system of law where collective decisions of the EU are binding on its Member States and are legally judiciable. Indeed, many issues are decided by qualified majority vote

rather than unanimity. But the bulk of the EU legislation decided by QMV is regulatory and concerns the Single Market. Matters of exceptional importance to its Member States, such as decisions on foreign and security policy and on taxation, still require unanimous agreement.

The international order is not wholly comprehensive. It does not constitute a single system of law with enforcement agencies and courts in the way in which individual countries have systems of law.

Global political & security institutions

The United Nations is the sole global organisation for political and security cooperation. Its Charter empowers its member countries and institutions to work together to maintain world peace. And its 15-member Security Council can adopt economic sanctions and authorise the use of force in cases of aggression. Its permanent members (China, France, Russia, the UK and the US) have a veto over its decisions. While its effectiveness is often in doubt, there is no other organisation operating in the same way and on the same scale able to provide global leadership on vital political and security questions. Over time it has developed a substantial role in international peace-keeping.

Many of the UN's activities are delivered through its agencies. These include: the World Health Organisation; the World Food Programme; the UN High Commissioner for Refugees; and the UN Development Programme.[1] The UN is often the forum where global issues are first addressed and then new bodies are established to report on them, such as the UN Intergovernmental Panel on Climate Change.

The UN's role in peacekeeping is overseen by the Security Council with peacekeeping operations established through Security Council resolutions. The UN has no military forces of its own and peacekeeping duties are carried out by forces generated from member countries.

Global economic institutions

A family of global economic institutions has developed since 1945 to promote growth and economic stability and to manage the economic relationships between states. There are three main organisations:

1. the International Monetary Fund – which provides both a warning, monitoring and advisory mechanism for the global economy and national economies and a structure that enables financial support to countries in crisis;
2. the World Trade Organisation – the most recent of these organisations, in 1995 the WTO took over the work of the General Agreement on Tariffs and Trade, which had been established in 1947; it is the main forum for the global arbitration of trade disputes; all major countries in the world are now members of the WTO;
3. the World Bank – focuses primarily on economic development, particularly in the poorest countries of the world.

In addition, there are two informal but important groups of countries, the G7 and the G20. The first was created on an initiative of the French President and the German Chancellor in 1975 and is an annual meeting of the leaders of the six leading industrial countries at that

[1] For further details of its agencies and programmes, see United Nations, 'Funds, Programmes, Specialized Agencies and Others', 17 October 2018

time (France, Germany, Italy, Japan, the UK and the US), and joined by Canada the following year.[2] The President of the European Commission and the President of the European Council also now attend. Russia joined in 1998 but has not been invited since the annexation of Crimea in 2014. The G7 does not include China, India and Brazil so it can no longer be said to represent the world's leading industrial nations. It is nonetheless an important forum of countries with shared values; and discussions often cover more than just economic matters.

The gaps in the G7's membership were realised by the G7 itself and in 1999, partly in response to the Asian banking crisis, G7 finance ministers called a meeting of the 20 largest economies. Today the G20 consists of the 20 "systemically important advanced and emerging economies, representing all regions of the globe".[3] Importantly, the G20 includes not just the G7 and Russia but also Brazil, China, India, South Africa and other emerging economies.[4] The EU, the IMF and the World Bank are also represented.

The G20's importance has grown following the global financial crisis in 2008. A key criterion for membership is that countries should be "systemically important", *i.e.* banking failure in those countries could affect the whole of the global financial system. It provided a forum for agreeing measures to mitigate the crisis and to prevent a recurrence. Its meeting in November 2008 agreed on important policy changes in response to the crisis.[5]

International Courts

Since 1945 four main mechanisms for settling international disputes have developed:

- the International Court of Justice – this was created by the 1945 UN Charter and it is the principal judicial organ of the United Nations;[6]
- the International Tribunal for the Law of the Sea – this was created by the 1982 United Nations Convention on the Law of the Sea;
- the International Criminal Court – was established in 2002 to try cases concerning genocide, crimes against humanity, war crimes and the crime of aggression; 123 countries are parties to the treaty that established the Court; the most notable non-signatories are China, India, Russia and the US;[7]
- the dispute resolution procedures of the WTO whose decisions are binding on its members.

In addition, the Permanent Court of Arbitration in The Hague has existed since 1899. It is not a court in the proper sense of that term but an administrative body that provides arbitration tribunals to settle disputes between countries. Originally established to try to resolve disputes with the potential to trigger conflict between countries, the Court of Arbitration now handles complex disputes between countries where both parties are

[2] Federal Republic of Germany, 'From Rambouillet to Brussels: The history of the G7', 41st G7 Summit, 8 June 2015

[3] G20, *The Group of Twenty: A History*, 2007, p. 5

[4] The full membership is: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Mexico, the Russian Federation, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States – and the European Union.

[5] 'G20 leaders promise action on economic crisis', *CBC News*, 15 November 2008

[6] See International Court of Justice, 'History', 10 September 2018

[7] See International Criminal Court, 'About', 22 October 2018

agreed that they should resolve the matter through independent arbitration. Recent examples include the settling of a territorial dispute between Slovenia and Croatia.

From time to time international tribunals have been established through a resolution of the Security Council. These tribunals are not permanent institutions but are established to deal with the aftermath of major conflicts, in particular to try those alleged to have committed crimes against humanity. Examples include the Nuremburg tribunals used to try leading members of the Nazi and Japanese regimes after World War Two, the International Criminal Tribunal for the former Yugoslavia (including Kosovo), which tried those accused of war crimes in the conflicts of the 1990s, and the tribunal for Rwanda.

One of the best known international courts, the European Court of Human Rights (ECHR), has regional jurisdiction on human rights in cases in most countries on the continent of Europe. It was established by the regional cooperative body, the Council of Europe. The ECHR's judgments have been of great importance in establishing a common code for human rights across Europe leading to many national measures, including those designed to tackle discrimination in all its forms, to abolish the death penalty, and to protect the liberty and property of individual citizens.

Regional organisations

There are a large number of regional organisations throughout the world. They include:

- NATO – established in 1949, its 29 member countries are participants in a mutual defence pact that maintains an extensive network of military cooperation;
- the European Union – the largest single market in the world, the EU was originally established as the European Economic Community in 1957; its 28 Member States engage in a wide range of economic, political, social and environmental cooperation using a common set of rules and a court, the European Court of Justice;
- Mercosur – was established in 1991 and is a trade bloc of five countries in South America (Argentina, Brazil Paraguay, Uruguay and Venezuela, the last has been suspended since 2015); the member countries now form a customs union;
- The African Union – which includes all countries in that continent and has both security and economic functions, and is assuming increasing importance;
- the seven regional economic organisations covering Africa which have political and economic goals. The most developed is the Economic Community of West African States (ECOWAS) – established in 1975, this is a regional economic union of 15 countries located in West Africa which promotes economic development in its member countries and trade between them; it is also involved in security questions, providing peacekeeping forces that have been involved in a number of conflict areas in Africa in recent years.

There are many other regional bodies, such as the Organisation for Security & Co-operation in Europe, the Association of South-East Asian Nations, and most recently, the Trans-Pacific Partnership. Some regional organisations established after 1945 have either been wound up or ceased to function as circumstances have changed. For example, several bodies established

during the Cold War no longer operate, including the South East Asia Treaty Organisation, the Central Treaty Organisation, the Western European Union and the Warsaw Pact.

Major international treaties

In addition to the treaties that established those universal and regional organisations, there are other treaties which have played, and continue to play, an important part in the international order. Since 1945 they have included the Helsinki Final Act, the Paris Charter of 1990 that ended the Second World War and confirmed the current boundaries of European countries and the more recent agreements on climate change.[8]

Although these treaties all have their own individual purpose, collectively they make up the rules-based international order. Very often they are linked in some way to the institutions and structures of the United Nations.

Past challenges

Challenges to the international order are not new. The Cold War often paralysed the UN. Many countries declined to participate in the international order until the 1970s or did so to only a limited extent. China and Russia have, for example, only recently joined the World Trade Organisation. Some countries have participated in organisations such as the UN but have in effect denied authority to those bodies by not implementing policies, such as in the field of human rights, which are necessary to meet their obligations under international law.

During the Cold War the USSR and its satellite countries only participated in some parts of the international order, although they did not challenge its existence. Indeed, they sometimes imitated western cross-border institutions, for example with the creation of the Warsaw Pact between the communist countries of Europe (which shadowed NATO) and Comecon, the economic community that covered a similar group of nations.

The UN's effectiveness has often been reduced by disagreements amongst the five permanent (P5) members of the Security Council. These disagreements have prevented, for example, the approval of intervention in Syria in 2011 and have often frustrated attempts to resolve the long running Israel-Palestine dispute.

The attitude of the US to the UN has often been ambivalent and sometimes hostile. The US embraced the idea in 1945 but has found the reality not always to its liking, particularly when the General Assembly has taken policy positions to which it objects. The US withheld its contributions to the UN budget from 1985, partly in protest at a resolution equating Zionism with racism but also because it argued it paid too large a share of the UN's running costs. The US share was subsequently reduced but claims from its politicians (including President Trump) that the US contributes too much have been renewed.

The work of the UN was also hampered in the past by the provision in its Charter that it did not interfere in the internal affairs of its member countries. The Rwandan and Srebrenica genocides in 1994 and 1995 led to that doctrine being questioned and the development of

[8] The Charter of Paris for a New Europe was important in establishing the boundaries of post-Cold War Europe: see Organisation for Security and Co-operation in Europe, *Charter of Paris for a New Europe*, 21 November 1990

an alternative concept based on an international "responsibility to protect". Under this doctrine, the UN Security Council can authorise intervention in the internal affairs of a member country because the wider international community has a responsibility to protect their fellow human beings from abuses such as gross violations of international humanitarian law in circumstances where their own governments are unwilling or unable to act.

The Non-Aligned Movement, which brought together many former colonies in Africa, Asia, the Caribbean and South America after 1955 and now has 120 member countries, challenged the notion in the Cold War of the world being divided between two great blocks. The countries in the Movement saw the international order as being an elitist project that benefited developed countries at the expense of developing ones.

This approach led to the adoption of the radical economic agenda known as the New International Economic Order which was briefly an important part of the debate about the global economy in the 1970s but has now faded into history.[9] It could be argued that recent attempts to support developing countries, including through the Doha trade round, the adoption by several countries (including the UK) of the UN target of donating 0.7 per cent in development aid and zero tariff policies to assist the poorest countries to export, have all helped to rebalance the global economy. In addition, emerging economies now have more influence in international affairs through the development of the G20. And there remains the Group of 77 (now 134 countries) who formed a coalition in 1964 to promote their economic interests.[10]

The new challenges

The end of history?

Some believed that the end of communism in Europe meant what was neatly summed up by Francis Fukuyama as the "end of history" – that is, that dictatorships, repression and the rejection of democratic institutions and the rule of law would now be things of the past.[11] These commentators heralded a new era in which the world would experience greater freedom and prosperity, and a degree of safety, security and happiness mankind had never achieved before.

Looking back from 2018, this appears absurdly optimistic. The world is arguably more insecure now than during much of the Cold War. Although democracy spread to many countries after the end of European communism, we now see it being challenged in some of those same countries and repressive regimes still hold power on many continents. The optimism of the Arab Spring has disappeared in the savagery of the Syrian civil war, the chaos in Libya and revolution in Egypt.

Challenges since 1990

Although the election of Donald Trump as the 45th US president in 2016 is seen by many as the moment when the international rules-based order faced its most serious threat, some of the elements of these threats were already in existence. A conference on "challenges to the

[9] See Nils Gilman, 'The New International Economic Order: A Reintroduction', *Humanity*, 6(1), 2015, pp. 1-16, p. 1

[10] See Group of 77 at the United Nations, 'About the Group of 77', 21 August 2018

[11] Francis Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992)

rules-based international order" was held by Chatham House the year *before* Mr Trump's election. That conference identified a number of challenges to the international order:

- legitimacy – the actions of President George W Bush's administration after 9/11 in ordering the invasion of Iraq without a UN Security Council resolution, its use of torture and the Guantanamo Bay prison all undermined US claims to be the leading supporter of the international order; this encouraged others to break the rules;
- equity – the question of who gains from a the current international order is important; such an order must clearly benefit the majority of citizens affected and if it does not, then its legitimacy will be open to question; arguments about equity have been particularly acute in international trade since the Seattle conference of the World Trade Organisation in 1999;
- a loss of self-confidence – the longevity of the international order has contributed to a damaging combination of complacency and loss of self-confidence; political leaders have appeared at times overwhelmed by public criticism, to lack effective responses to it and seem reluctant to embrace suggestions for making it more equitable.[12]

To this list of challenges to the international order might be added:

- fears of a loss of cultural identity – this is particularly associated today with European countries expressing concern about the impact of large scale immigration from Islamic countries but – perhaps ironically – it is also found within Islamic and African countries where the promotion of western liberal ideas about, for example, the role of women in society or homosexuality, are regarded by many as threatening their cultural identity; there is a sense too that Western values have had a culturally-flattening effect, replacing long-standing cultural differences with a bland, homogenised, basically secular culture that owes more to Hollywood than to the bible, the Torah or the Koran;
- the attraction of authoritarian rulers and the preference of strong leaders over strong institutions;
- equity between and within nations – many international organisations have been created with the express purpose of promoting economic growth – this was one of the reasons for establishing the EU; but the global financial crisis in 2007/8 triggered a debate about whether the international order works to the advantage of all nations and shared benefits widely enough for ordinary people or has primarily benefited international companies that appear to many to be rootless and adept at avoiding paying tax;
- the rise of China – in terms of its economic, political and military power, which is proving difficult for a number of other countries to accommodate;
- perceptions of a lack of accountability – international organisations have difficulty in being accountable to the public because they are formed by governments; attempts at direct or indirect democracy such as the NATO Assembly or the European Parliament have not been wholly effective in overcoming this problem;

[12] See Royal Institute for International Affairs, *Challenges to the Rules-based International Order: London Conference 2015*, 27 May 2015

- the polarisation of political debate, exacerbated by social media;
- technological change – since the industrial revolution there have been several waves of technological change each with profound economic and social consequences; the fourth industrial revolution, that is the development of powerful information technology, has had and will continue to have major effects on economies; this technology can be positive – mobile phones have enabled many Africans living in rural areas to be connected where there was little hope of them being connected to a landline; drones are being used to deliver medicines in remote areas – but in other places the tech revolution has resulted in a loss of employment, increasingly of middle class as well as working class people.

The challenge of populism

Of all the challenges to the international order in the last 20 years that posed by the inchoate phenomenon often summed up as "populism" is currently seen by many as the most powerful. Although forms of populism vary from country to country they have several common elements:

- a highly nationalistic approach which regards international rules and the courts that uphold them as unacceptable restrictions on national sovereignty;
- concern about cultural identity – especially a perceived threat from Islam, even in countries that have had little or no immigration;
- a focus on economic disadvantage – the widespread perception that a small number of people have gained from global economic growth and many more have lost; this has been successfully promoted as a major issue even in countries like the United Kingdom where the gap between rich and poor has narrowed in recent years but is still seen by many as unacceptably high;
- a contempt for constitutional government and the rule of law – democratic institutions and the courts are routinely portrayed by a populist critics as being weak or obstructive and as beholden to minority interests;
- a sense of being bullied – populists generally portray their country as the victim of bullying by other countries or by international organisations; this is often extended in domestic politics to suggest that particular groups or bodies are pushing ordinary people around;
- an attack on elites – populist leaders portray themselves as battling against corrupt, remote, unaccountable and arrogant elites; they are often able to do this despite the fact that it's common for populist leaders to be men of wealth and to have come from what would usually be described as an elite background;
- dismissal of equality and anti-discrimination laws – populists tend to attack concepts of equality, particularly in international law and to portray it as something that works to the disadvantage of the majority.

Populist political movements can come from both the right and the left. It is not uncommon for populists to blend ideas from opposing ends of the political spectrum and to promote views on the basis that existing political parties are "tired", intellectually bankrupt and/or excessively ideological (this cross-dressing is not new – both Mussolini and Hitler used it).

The most important populist political leader elected to office in recent years has been Donald Trump, the President of United States. His election in 2016 amounted to a reaction against much of America's post-war public policy. His campaign was robustly critical of international trade, arguing that the current global trading system works to the disadvantage of the U.S.

Trump portrays America as a vulnerable place at risk in a dystopian world. Instead of confirming America's traditional alliances with, for example, NATO as a means to protect the US in the face of these threats, he questions the mutual defence clause at the centre of the NATO treaty and repeatedly promotes the idea of reaching some kind of accommodation with Russia which could extend the latter's sphere of influence. More recently, he has gone so far as to suggest that the EU is an economic "foe" of the United States.[13]

In office, Trump has substantially implemented several of the measures he had promised in his campaign. These include withdrawing from the Paris climate change accords, unilaterally imposing tariffs and other trade restrictions on China, the EU and several other countries; restricting travel and immigration into the US from a number of countries that are mostly Muslim; and withdrawing the US from the international agreement on Iran's nuclear programme and from the UN's Human Rights Council. While these actions are not necessarily dissimilar from those of previous American presidents, they go much further in their scope.

Throughout its history the U.S. has gone through periods of isolationism. In the interwar period, the US Congress rejected membership of the League of Nations and adopted protectionist trade measures that helped to turn the Wall Street crash into a global depression.

In what sense is Trump different from previous presidents like Calvin Coolidge or Herbert Hoover who saw advantages to the US from standing away from the world? Not only do Trump's challenges amount to a significant change in US policy since 1945 – no major country has done more to promote a rules-based international order than the US – but they appear to chart a course towards a world without the structures and rules that have helped to smooth relationships between nation states.

Trump's supporters argue that his policy agenda is influenced by his own experience of business. This is not an uncommon argument deployed by populist leaders and their supporters, many of whom have entered politics after a career in business. They tend to assert that their ability to do deals makes them ideally qualified for national leadership.

An early assessment might note the conflict in his approach between actions such as imposing tariffs on European steel imports and then meeting the President of European Commission and announcing that he hopes to be able to reach a major trade agreement with the EU. This sort of approach has become very common with Trump; he has used similar tactics with the leader of North Korea and with President Xi Jinping of China. He combines severe criticism with flattery in a manner that is perhaps deliberately confusing.

One commentator has pointed to the assessment of senior figures in China who argue that far from being the chaotic, reckless figure portrayed in Europe, Trump is a "master tactician" trying to protect his country from the consequences of its relative decline. In this view

[13] 'Donald Trump: European Union is a foe on trade', *BBC News*, 15 July 2018

Trump is pursuing a policy of "creative destruction" which will pull apart the international order so that it can be re-made in ways more amenable to the United States.[14]

Previous attempts at correcting trade imbalances to the disadvantage of the US through the imposition of punitive tariffs, for example to protect the US steel industry under George W Bush, have failed. However, Trump's interference with the workings of the World Trade Organisation by the destructive tactic of blocking the appointment of new members of the WTO Appellate Court, risks doing lasting damage.

If Trump is intent on rendering the post-war trade system inoperable he may, at least initially, have some success. But it is likely that other countries who have much to gain from the preservation of the international order will – as a number of Pacific countries have done with their relaunch of the Trans-Pacific Partnership after Mr Trump took the US out of it – seek to save the WTO. Whilst the departure of the US from the WTO would be a very serious matter, it would be enable China and the European Union to take the lead in the setting of the international trade rules. Such an approach could have serious adverse consequences for the US in the long run.

Responding to the challenges

Most countries in the world support sustaining the international order. Small and medium sized countries perhaps have most to gain as larger countries have a greater chance of exercising leverage in a world where relationships are based on raw power. This means that the attacks on the international order are likely to provoke a range of defensive responses. If they are to be effective it is important that they do not shy away from addressing some of the problems that have triggered objections in the first place.

Economic action

To ordinary people the fact that the response of the international community to the global financial crisis was largely effective in that it reduced banking failures and restricted the impact on the real economy is beside the point. As far as they can see the people who caused the crash have largely escaped justice and ordinary people have had to pay for the consequences.[15] It is vital for the future that this lesson about accountability for misjudgements and inappropriate behaviour is fully learnt and applied by political leaders in their countries.

The citizens of many countries have reason to argue that their incomes have remained static or even fallen in real terms in recent years. In the year 2000 at least half the households in 43 of the US states were middle class. By 2013 that had fallen to 28 states.[16] Stagnant income growth, persistent low productivity and a skills mismatch have led to serious economic and social problems.

If the populist challenge to the international order is to be successfully resisted, countries need to promote sustainable, long-term economic growth. And they need to ensure that the benefits of this growth are shared, and are seen to be shared, across society. Ironically,

[14] 'The Chinese are wary of Donald Trump's creative destruction', Mark Leonard, *Financial Times*, 24 July 2018

[15] See 'Why have so few bankers gone to jail?', *The Economist*, 14 May 2018

[16] "Middle class" in these terms means households earning between two-thirds and twice the state's median household income; figures from Tim Henderson, 'In Most States, the Middle Class Is Now Growing — But Slowly', Pew Trusts, 12 April 2018

the best way to do much of this is to strengthen the international order so as to reduce barriers to trade, to reduce systemic risks in the financial system to prevent another crash, and to tackle complex regulatory problems such as the balance between privacy and economic gain in the information technology sector.[17]

But in addition much economic action is needed at nation state level because it relates to improving skills, and to improving the infrastructure so as to enable companies to succeed.

In some countries, measures are needed to tackle market failures. These often include the failure to pay statutory minimum wages, to ensure that workers will have a decent income in retirement and to protect employment rights in new economic sectors.

Social action

Measures to strengthen society can help to address some of the fears that motivates voters to turn to populist political leaders. Concern about migration for example should not be ignored. Arguments about the economic value of migration are well made but it is important to recognise that the concerns of many populations about migration relate to the social and cultural impact as much as to the economic consequences.[18]

This points to a particular difficulty with the behaviour of elites – the tendency to focus on economic arguments and to avoid ones about culture and identity. Populist politicians will continue to exploit the discomfort of elites in discussing cultural and identity questions until political leaders in mainstream parties address these concerns. In many countries the problem is worsened by an unwillingness to make the arguments for the social as well as the economic benefits of migration. There is also a tendency to suggest that migration cannot be controlled because of forces such as globalisation that are beyond the control of national leaders. The latter argument merely makes the situation more unacceptable because it is the very powerlessness that many people feel about immigration that is the cause of their concern. National leaders need to demonstrate their ability to manage migration effectively.

In a number of western countries there is not just a lack of growth in real wages, and a loss of jobs from changes in the workplace, there is also a lack of social mobility.[19] Strengthening education systems, removing unfair advantages to elites, such as corruption in appointments, and many other measures can increase social mobility over time. The key challenge of social mobility lies in the length of time it takes to bring about meaningful change. Political leaders need to demonstrate the direction of policy and give confidence that perceived unfairness is being tackled effectively.

Political action

These measures can combine to show that political leaders are responding to public concern. But also successful reform of international institutions and rules demonstrates the leaders are listening and are treating voters' concerns with respect. It is critical, as Hillary Clinton found in the 2016 presidential election, not to give the impression that elites have a lack of respect for ordinary people and their concerns. Any perception that those in power

[17] See James Manyika *et al.*, *Can long-term global growth be saved?*, McKinsey Global Institute, January 2015

[18] See the extensive work of the Migration Observatory at Oxford University: 'About The Migration Observatory', 18 October 2018

[19] 'Social mobility in the richest countries has "stalled since 1990s"', Phillip Inman, *The Guardian*, 15 June 2018

or who seek power are contemptuous of people they disagree with is likely to rebound in favour of populist politicians.

The international order would be greatly strengthened if some of the major challenges to peace and stability in the world could be successfully addressed. The failure to reach any kind of negotiated settlement of the Syrian Civil War, the collapse into disorder of Libya since the western intervention there, the continued flouting of international law by Russia in Crimea and Ukraine and China's expansionist activities in the South China Sea are all vivid examples of the apparent failure of the international order to deliver the peace that it promised. These are difficult problems and the structure of some international organisations makes solving them particular difficult – both Russia and China have vetoes in the UN Security council for example. But supporters of the international order must show the resolve and determination necessary to address these and other problems. Failure to do so will only embolden critics of the international order and increase its vulnerability.

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Senior European Experts

The Senior European Experts Group is an independent body consisting of former high-ranking British diplomats and civil servants, including several former UK ambassadors to the EU, and former officials of the institutions of the EU.

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