

Living in a multi-polar world

The change of administration in the US is an opportunity to prove the value of public affairs

President Barack Obama says: 'I am the change.' And what a change. A change for the better, say most Europeans. Even considering that many of Obama's senior appointments are Clinton-era veterans, 20 January 2009 marked a break with the past eight years.

Change is the very essence of public affairs, and we live in exciting times as we guide our organisations, companies and clients towards an appreciation of what the new administration means for them. That we do so against the backdrop of intense budgetary pressures and greater scrutiny of public affairs practice emphasises the need for practitioners to demonstrate the economic value added by their counsel.

If increased multilateralism is what most Europeans hope to see from the US, the whisper in boardrooms is of regulation, the bread and butter of public affairs. That there is likely to be more of it is a given. But will it perform its intended role – protecting consumers – or will it create side effects that gum up trade and, perversely, reinforce deflationary pressures? The announcement in Davos of the B20 (a business version of the G20) was a pre-emptive strike by business to ensure sustainable solutions are recommended by the G20.

Clients will demand that new regulatory regimes in the EU and the US are harmonised to ensure that European companies do not find themselves locked out of the world's most innovative economy and the EU's largest foreign direct investment destination.

From a green perspective, the fact that the US is anxious to engage in the drive to restrain carbon emissions is one of the most welcome changes.

The bailout of Detroit was arguably WTO-incompatible, but European companies would be smart to make their (strong) case for a piece of the action based on our public and private sector experience, as well as arguing for



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a green shift as a medium-term benefit for companies, consumers and the environment. Europeans, with effective public affairs support, can play a supportive role to the Obama agenda.

His promise to widen healthcare access has less obvious European relevance, but Americans spend more than Europeans with similar outcomes. Structural reforms in the US will encourage further efficiency drives in Europe, but Europe already has important lessons to showcase.

The flip side for the insurance industry and the European pharmaceuticals sector is that widening access in the US and increasing generic competition will demand that companies find creative ways to be reimbursed at the prices they want. Healthcare is relatively impervious to the global downturn so it is an attractive focus for consultancies with the requisite expertise.

Europe can take satisfaction from the fact that it is well placed to reflect its competencies back into the US for once, but it should not overplay its hand. A multi-polar world imposes its own responsibilities and, again, public affairs will be key in acclimatising governments to the new realities.

Bluntly, multilateralism requires European states to play a greater role in the world, not a smaller one. If Europeans want the US to exert its influence in the Middle East, Europe will have to take the strain where it can bring pressure to bear, not least in Africa, and in contributions to our mutual defence. European governments will not be helping businesses that want to increase their share of the US market if Washington DC perceives Europe as an economic rival rather than an active partner in global security, including energy security.

Change in the US requires change in Europe. As agents of change, the opportunities to underscore our value proposition have rarely been more apparent.

Brad Staples is CEO, Europe, Middle East and Africa of APCO

Views in brief

How is the recession affecting public affairs?

We are seeing more project-based assignments, an increase in crisis-related work and longer time frames for closing business.

Special adviser to watch? Why?

John Woodcock, former adviser to John Hutton, made a seamless transition to Number 10 – well liked, hardworking and straightforward.

Your yacht is moored off Corfu but Mandelson, Osborne, Rothschild and Deripaska aren't available. Who is on your fantasy guest list?

Yachts are so last year. I'd prefer to hit the Brecon Jazz Festival with Ken Clarke.