Populism and nationalism have captured the attention of voters and leaders around the world, altering both domestic and international politics. Some governments pursue policies of retrenchment in response to isolationist demands from their constituents, while others remain dedicated to international engagement and cooperation in the face of global challenges. What explains the difference?

In celebration of its one-year anniversary, on September 25 and 26, 2017, Perry World House hosted the inaugural colloquium for its research theme on the Future of the Global Order: Technology, Power, and Governance. The colloquium explored, from both an academic and policy perspective, how the phenomena of populism, nationalism, and retrenchment are altering the global order.

World leaders, diplomats, military officials, journalists, and industry experts engaged with scholars, policy experts, and the University of Pennsylvania community to address key questions such as: Can the global order survive in an era of nationalism? Will international alliances overcome national retrenchment? When is electoral democracy a pathway to populism? What key forces will shape the world’s economic future?

To conclude the colloquium, in partnership with the Penn Biden Center for Diplomacy and Global Engagement, Perry World House hosted the inaugural Penn Biden Leaders Dialogue, featuring former Vice President Joe Biden and his guest, former President of Mexico Felipe Calderón.

The Colloquium followed Perry World House’s signature approach of bridging the academic and policy communities. Day 1 of the Colloquium brought academics and policy makers together for a conference that featured commissioned thought papers presented by academics on core substantive areas being impacted by populism, nationalism, and retrenchment. Leading policy makers then commented on each paper, providing critical context for the conversation. Day 2 took the form of a traditional think-tank conference, with keynote dialogues and conversations among world leaders and policy experts.

This briefing paper provides an overview of the key outcomes of the colloquium. It is intended for a wide audience engaged in a variety of disciplines and professions relevant to international affairs and public policy. The report frames the state of the current debates on the issues described above and sets forth, based on the conversation, the most pressing policy challenges and some of the most interesting research questions worthy of further, more focused pursuit.

An executive summary highlights the key points of the conference and orients the discussion of the issues at hand. The report then summarizes the discussions our panel participants led throughout the colloquium, highlighting next steps and open questions for each of the sessions. An appendix includes papers our academic discussants submitted prior to the conference. Videos of our public forum discussions and the Penn Biden Leaders Dialogue are available on the Perry World House website at:

global.upenn.edu/perryworldhouse/events/conferences/past-conferences/the-future-of-the-global-order-in-an-era-of-populism-nationalism-and-retrenchment

As a global policy research center at the University of Pennsylvania, Perry World House (PWH) advances interdisciplinary, policy-relevant research on the world’s most urgent global affairs challenges. PWH leverages the extraordinary range of expertise found across Penn’s 12 schools and dozens of research centers, connecting Penn with policymakers, practitioners, and researchers from around the world to develop and advance innovative policy proposals.
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The Current Political Moment: Crisis of Global Order, or Cause for Hope?

Tectonic shifts in international politics and economics have driven mass worker displacement, spawned refugee flows, challenged interstate coordination on issues from trade to climate change, and fueled great power security competition. These recent changes have generated fear and uncertainty among some groups around the world, giving rise to populism, nationalism, and retrenchment. Yet, these same dynamics have also inspired the determination of others to build novel coalitions to overcome common challenges in hopes of a more secure future.

In a moment of uncertainty as to whether retrenchment or reengagement will prevail, how should political leaders and social communities respond? When might isolationism destabilize the global order, and why might cooperation hold? Perry World House’s Fall 2017 Colloquium on Future of the Global Order considered these questions from the perspective of academic researchers and policy leaders across a range of substantive disciplines.

The Colloquium identified two interrelated dynamics of the rise of populism, nationalism and retrenchment that are likely to determine the impact of these phenomena on the future of the global order:

• Actors below the level of the nation-state, often fueled by disruptive ideologies, are having an ever-greater impact on global affairs

• New technologies are both driving populism and nationalism and facilitating their impact on global affairs, yet may also offer mechanisms to buttress the existing global order

These two dynamics framed the discussions at the Perry World House Fall Colloquium; and this Executive Summary, which synthesizes some of the panelists’ key insights and explains some of the potential implications of populism, nationalism, and retrenchment for the future of the global order.

Ultimately, if the global order is sustained in the face of populism, nationalism, and retrenchment, a key element of a successful sustainment strategy will involve rebuilding trust at a number of different levels. Populism and nationalism have undercut trust within and across societies. Trust at the inter-personal level as well as trust in national government and global institutions must be
restored if populism and nationalism are to be resisted and collective global challenges are to be addressed.

The colloquium grappled with the role of states and other actors in the international system as they both influence and are influenced by ideologies of populism and nationalism. Participants asked whether states can and should continue to play the leading role in shaping the rules of international politics in response to new ideologies, or whether other actors can and should play a larger role in shaping those rules. History shows that ideologies of all varieties can inspire individuals to political action in response to the socio-economic, demographic, environmental, and technological conditions of the world they see around them. Today, beyond the material factors that give rise to such reactions, elites in government, business, the media, and society at large also play a key role in propagating ideas that generate cooperation or conflict across cultural and political divides. While the colloquium examined how current ideological trends are destabilizing, panelists largely defended the agency of both individuals and states to determine the future of the global order.

Colloquium participants concluded that structural trends, particularly technological developments, are both enabling and constraining the strategies that disrupt or buttress the current global order. On the one hand, innovation is challenging domestic workforces to adjust to industrial displacement, especially in developed economies, making it harder for governments to "sell" international trade to voters (see "The Future of the International Economic Order in an Era of Retrenchment" on page 26). On the other hand, new communications media offer great promise as tools to educate citizens on the benefits of globalization and to organize social participation in policymaking (see "Populism, Nationalism, and Electoral Politics: A Global View from the Media" on page 25). And yet, the advent of "fake news" and the subversive use of social media highlight the perils at the intersection of technology and ideology. Digital tools of information and cyber warfare only add to the already long list of threats states face today, from nuclear war and terrorism to epidemic disease and environmental conflict (see "The Future of the International Security Environment" on page 22).

A key debate throughout the colloquium was the relative benefits and risks of these technological dynamics.

IDEAS, ACTORS, AND THE STATE: DEVOLUTION OR PLURALIZATION OF POWER?

Nationalism and isolationism are taking center stage in many country’s domestic political debates. The intensity of the debates pitting nationalist ideologies and populist policies against liberal internationalism are prompting some states, international organizations, and social groups alike to push the international system in new directions. Colloquium participants examined whether this devolution of power is inherently destabilizing, or whether expanding the number of actors engaging the international system could hold prospects for greater order in the global system.

Throughout the colloquium, commentators analyzed a growing number of cases in which individuals, businesses, social groups, and other organizations outside traditional power centers are determining the future shape of parts of the global order. In some instances, populist and nationalist minorities exploit political power to withdraw from international engagement and threaten instability; in others, liberal stalwarts lead efforts outside state
governance structures to protect the environment and human rights.

Despite the rising visibility and importance of non-state actors in defending, shaping, and remaking the global order, nation-states remain the dominant actors in international politics. Notwithstanding the huge market shares of—and intense competition between—corporations like Amazon and Alibaba, they will not go to war. But, in an environment characterized by revived great power and regionalized competition, states like the United States and China—or North Korea—might. Innovation giants like Apple and Google can help project American soft power and influence globally. But, only nation states and groups of states, such as the U.S. global network of government partners—from military allies in NATO and the Asia-Pacific, to its allies fighting terrorism in the Middle East and corruption in Central America—can effectively counter security threats and use coercive diplomacy to force rival states to negotiate instead of fight (see “How are the Dynamics of Great Power Relations Changing?” on page 10).

The unique roles of states and militaries notwithstanding, the colloquium seriously considered the ways in which businesses, NGOs, cities, and transnational groups will play a growing role in determining the shape of the international system of the future, particularly in response to retrenchment by some national governments. Multinational firms, for instance, are already influencing international trade flows and policy (see “Whither the International Economic and Trade Order?” on page 13). These firms’ effect on international cooperation beyond pure economic exchange is increasing as well. Expert participants in the colloquium agreed, for example, that future climate negotiations, if they are to succeed, will need to replicate the Paris Agreement’s model of incorporating non-state signatories like businesses—whose combined annual revenue, in this instance, totaled $1.4 trillion (see “Changing Tides: How Will Global Climate Policy Evolve?” on page 19).

Non-state actors are also playing a more active role safeguarding international human rights and similar norms where states that have traditionally lead those efforts have taken a step back. Municipalities, non-governmental and international organizations, and social groups have come to wield significant power over the success or failure of international cooperation. Examples include sanctuary cities who have pledged to remain committed to the Paris Agreement (see “Changing Tides—How Will Global Climate Policy Evolve?” page 19) despite the announced U.S. intention to withdraw.

Individuals and the mass public, too, continue to have direct influence on the foreign policies of their governments. Colloquium participants presented research highlighting the impact of popular attitudes on key foreign policy questions in both democratic and non-democratic states. Diana Mutz and Judith Goldstein show how increasingly trade-skeptic public attitudes parallel the rise of economic retrenchment in the United States; Ann Carlson explores how the popular backlash against U.S. withdrawal from Paris may strengthen future climate action. Oriana Mastro discusses how, even in China, mass opinion constrains and shapes public and foreign policy.

Two interpretations of these interactions among ideas, actors and institutions, and their relative power emerge. Under the first, the 21st century is witnessing a devolution of power away from nation-states, eroding their ability to constrain non-traditional actors. Large urban centers appear to buck federal policy on issues such as the environment and human rights. Multinational trade regimes and international climate accords place constraints on national economic policy. As former Mexican President Felipe Calderón quipped, “You can get rid of NAFTA, but you won’t stop U.S. and Mexican trade” (see “Vice President Joe Biden in Conversation with President Felipe Calderón” on page 30).

Under a second interpretation, populism, nationalism, and retrenchment are leading to a pluralization of the actors in the global sphere, but states remain in the lead. Terrorist networks present threats and challenges that differ from traditional interstate war, but such attackers still seek to undermine national governments. While the Paris Agreement allows for the participation of non-state actors, it also empowers nation-states through its use of voluntary, nationally-determined contributions. Pandemics threaten human health and national security, and preventing a global outbreak requires cooperation not only between states, but also with pharmaceutical firms, local jurisdictions, and international organizations such as the World Health Organization.

Both of these interpretations of the current global political moment help to spread light on both the perils and promise of how new actors are influencing international order and disorder.
DISORDER OR REORDER: DEALING WITH NEW TECHNOLOGICAL REALITIES

Socio-economic orders have been and will continue to be shaped and reshaped by the accelerating pace of technological change. International politics is far from immune to its effects. Many of the panels touched on the repercussions of new technologies, including the new opportunities that they provide, as well as the new challenges that they raise.

There is perhaps no realm more visibly affected by the impact of new technologies than the global economy. For Dow Chemical CEO Andrew Liveris, the digital revolution has fundamentally changed the nature of work and economic growth. Automation has significantly reduced jobs in manufacturing. Online retail is squeezing out brick-and-mortar stores—along with the people they employ. At the same time, new technologies have created new jobs, ones that value a skilled and educated labor force that can interpret and utilize the fruits of today’s technologies.

Technological change has also raised new, often more hidden challenges for national security as well. William Wohlforth showed how social media tools change the costs and incentives for states to intervene in each other’s polities through covert information operations, to the disproportionate benefit of U.S. rivals like Russia. Retired Admiral James Stavridis identified cyber as the most likely realm for great power contestation in the near future, insofar as it involves threats to “the highest levels of national security,” including the possibility of disruption to electrical grids and financial systems.

Importantly, as many colloquium participants observed, technological change and the rise of populism resonate with and often reinforce one another. Capital-intensive technologies such as automation have simultaneously led to job losses and contributed to declining income mobility and inequality, which both Goldstein and Liveris cite as causes of populist dissatisfaction with the status quo order. For journalists, new communication platforms such as YouTube, Twitter, and WhatsApp provide populist leaders with direct access to their bases, stymying efforts by traditional media to fact check “fake news.” Furthermore, technological change has driven a balkanization of media sources; as consumers increasingly self-select into ideologically congruent news or select out of news entirely, journalists are faced with the difficult task of reaching and portraying the narratives of disenfranchised, dislocated citizens.

Colloquium discussions framed emerging technologies as a double-edged sword. Future innovations promise to assist in both adaptation to and mitigation of climate change, but many are concerned that the hope of future technological solutions may diminish the will for meaningful climate action today. Automation and digitization have increased unemployment, even while offering the promise of high-skilled, high-paying jobs in a new knowledge economy. In authoritarian regimes, social media could be a venue for information exchange free of government censorship and propaganda, but social media platforms are also being co-opted in an increasingly sophisticated manner by those same regimes, to the detriment of dissidents and democracy.
New technologies are neither a panacea to current problems, nor a poison pill that spells certain doom for international cooperation. The upshot is that technological change provides opportunity for policymakers and public policy to leverage new technologies in defense of the liberal international order against the forces of populism, nationalism, and retrenchment. Technological change also provides space for the disruption of the global order.

MOVING FORWARD: CAN TRUST BE RESTORED?

Despite the apparent rise in global instability as a result of populist and nationalist trends, colloquium participants remained relatively optimistic about the future of the current global system. Yet, stable outcomes are far from preordained. A few baseline prescriptions for maintaining order emerge from the colloquium:

- Traditional state-based security and trade networks cannot be abandoned, but must instead be revitalized.
- A range of non-state actors, including civil society movements, NGOs, corporations and cities will need to support and buttress the international and domestic institutions that protect human rights and the environment, among other issues, when and where national governments step back.
- As technology marches forward, posing both opportunities and threats for prosperity and security, governments and societies must learn to embrace and pragmatically deal with the changes it brings.
- The restoration of stability will require the restoration of lost social trust—among citizens, cultures, ethnicities, religions, and nations, and particularly in institutions, particularly those at the domestic level.

Despite broad consensus around these key points, the colloquium reflected significant uncertainties about the ultimate impact of the rise of populism and nationalism on the evolution of the global order. It is unclear whether technological advances, on the whole, will promote or erode stability. It is also unclear whether the increased salience of new actors—and new ideological voices—in global affairs hails temporary or more permanent shifts in power. Developing understandings of the origins of these dynamics is key to grasping what the future will likely hold. For advocates of the current global order, do solutions lie in reducing the vulnerability of international institutions? Or do they lie in innovations that cut across political, economic, social, and cultural silos to break down order with the aim of rebuilding it with greater resiliency.
As the pages that follow suggest, both some repair to existing international regimes and bold new ideas must be part of the solution if the global order is to be preserved—something the colloquium participants, overall, supported. In any future order, however, trust is likely to remain the critical component—including trust across social divides, trust in governance structures, and trust in international institutions. If indeed human society can live without such trust, the ills that stand as symptoms of its breakdown around the world today show that we have yet to learn to do so.
Competition among great powers has increased since the end of the Cold War, but the risk of major conflict is not necessarily higher because these states are less prone to overt war than at other points in history.

- Nationalism is increasing in liberal democracies and remains a key driver of authoritarian states’ stability. Domestic audiences are therefore more likely to oppose negotiated solutions to intensified great-power competition, making cooperation more challenging.

- Emergent technologies, along with these structural shifts, are rebalancing great powers’ relative capabilities. As a result, these states, particularly authoritarian regimes, may have greater incentives to intervene covertly in other great powers’ internal affairs.

Strategies to promote the resiliency of domestic and international institutions are needed to promote stability in the global order as it faces these challenges.

Mitch Orenstein, Professor in the University of Pennsylvania Political Science Department and Chair of Russian and East European Studies, moderated a panel examining trends in great-power relations and the impact of isolationist domestic politics. Hal Brands (School of Advanced International Studies, Johns Hopkins University), Oriana Skylar Mastro (Walsh School of Foreign Service, Georgetown University), Alina Polyakova (Brookings Institution), and William Wohlforth (Department of Government, Dartmouth College) participated as academic panel members, and Kori Schake (Hoover Institution, Stanford University) served as policy commentator.

**COMPETITION AND TOOLS: OLD FIGHTS IN NEW WAYS**

Great-power competition is increasing as a product of both structural changes in the international system and new strategies being employed by national governments. Following the end of the Cold War, panel members observed that, despite the emergence of the U.S. as an initially uncontested global hegemon, ideological differences persisted and domestic drivers of revisionist policies gained speed. The apparent willingness of challengers, like Russia and China, to more aggressively assert their security and economic interests against U.S. leadership have rendered that competition all the more visible.

As Washington, Beijing, and Moscow pursue disparate interests, Brands and Wohlforth predict that the risk of
security-focused conflict among great powers will continue to increase. The security strategies states employ will have to adapt to this new environment. Further, as Mastro and Polyakova in particular discuss, nationalism will constrain the extent to which leaders are able to adopt positive-sum solutions on behalf of constituencies who favor winner-take-all outcomes. Breakdown of the global order is far from inevitable, the panel concluded, but great powers must take steps to respond to trends that may lead to conflict in order to ameliorate the risk that global institutions erode to an extent beyond repair.

The visibility of great power competition has risen not only from a decline of U.S. power relative to its rivals, but also from the emergence of new tools, incentives, and strategies for these states to challenge one another. For example, digital media have expanded the avenues available for great powers to conduct information operations to influence one another’s internal affairs. Moreover, Wohlforth asserts, technology has also increased the perceived payoffs for rivals to probe the U.S. without raising the risk of U.S. retaliation, allowing powers like Russia to “hit above their weight.” Adding to the uncertainty that such actions generate, effective defenses and norms against the malicious use of such tools have yet to be developed.

**A NEW SALIENCE OF DOMESTIC POLITICS**

Across regions and regime-types, populations have increased demands for policies of retrenchment and nationalist prerogative. For instance, while the Chinese Communist Party retains an uncontested hold over the direction of China’s economic and foreign policy, Mastro showed how the party is also bound to pursue policies consistent with domestic audiences’ nationalist expectations about their country’s continued rise on the global stage.

Domestic politics have thus taken on a new salience for how the world’s major powers will manage the international system. The role of domestic audiences in foreign policy itself is not new. But, drastic realignments of constituencies in some countries and the preeminence of leaders who are taking concrete steps back from the liberal international order have the potential to bring about unprecedented consequences likely difficult to reverse. If populist movements in Europe and the U.S. continue gaining speed, Polyakova predicts the erosion of regional multilateral institutions, like the EU and NATO, thereby facilitating geopolitical shifts that challenge the transatlantic community’s global leadership.

**RETURN TO NORMALCY OR REVOLUTION? PROGNOSIS FOR THE FUTURE GLOBAL ORDER**

Great power competition and the rise of nationalist domestic policies may be mutually reinforcing and feed off one another. Structural change and new technological means of interference allow would-be “spoilers” of the global order to gain disproportionate influence and undermine existing institutions. These
challenges could prove lasting, but panelists agreed optimistically that states and societies can work to diagnose and address them.

Panelists differed, however, in how they assessed the longevity, risks, and degree of destabilization caused by populism, nationalism, and retrenchment: Will old systems be preserved? Are they undergoing a revolution or merely gradually evolving? Schake and Brands, in particular, questioned whether populist movements would retain their current momentum and noted examples of the relative resiliency of the current global order, such as the centrist constituencies of some Western democracies like Germany and France. Changing the trajectories of global institutions trending toward instability will likely require combinations of measures that address both sources, such as economic and demographic change, and symptoms, such as undermined trust in democratic institutions.

NEXT STEPS AND OPEN QUESTIONS FOR FUTURE RESEARCH

Evaluate whether current definitions of nationalism, populism, and retrenchment remain useful to analysis of present-day challenges. Do these ideological categories adequately explain domestic and international dynamics as they relate to great power competition, or do we need different definitions to better describe the mechanisms driving observed political changes?

Reexamine assumptions about the stability of international institutions and domestic regimes. Are social and political changes likely to follow patterns of the economic cycle as a pendulum, or are structural changes driving permanent realignments of domestic constituencies’ economic and ideological interests? Are so-called “great powers” still the most important power-brokers in influencing global governance?

Further develop and test the specific objectives that states and other actors should pursue to make societies and institutions more resilient to the effects of global destabilization. What are the most critical outcomes at the grassroots and institutional levels to decrease conflict risk and increase cooperation, and what technologies or novel approaches can support the achievement of these goals?
There is clear evidence of rising anti-trade attitudes among the American mass public, among both Democratic and Republican voters.

- While the current U.S. administration has refrained from making additional decisive breaks with the global trade regime, U.S. retrenchment from multilateral economic institutions poses a threat to the global economic order.
- Multiple approaches are needed to buttress and defend the global economic order, including greater leadership by defenders of free trade, more effective pro-trade messaging to voters, the diversification of to better absorb negative shocks to labor, and reform of the global economic order to do more for those left behind by current disruptions.

Recently, international economic institutions have come under increasing criticism, both from populist political leaders who seek to overturn established rules of international economic exchange and from disaffected citizens who increasingly view international trade as having adverse economic consequences. Why have such trends occurred? How will the consequences of these changes manifest in the future? And for those who wish to defend the current international economic order, what is to be done?

The Fall 2017 Colloquium brought four leading academic scholars together on this panel to discuss these and other pressing challenges confronting the existing global economic order. They include: Judith Goldstein (Stanford University); Diana Mutz (University of Pennsylvania); Chad P. Bown (Peterson Institute for International Economics); and Kishore Gawande (University of Texas at Austin). Jen Harris, a Senior Fellow at the Council on Foreign Relations and former State Department expert, served as the policy commentator for the panel.

TRADE SKEPTICISM: A RECURRING BUT TROUBLING DYNAMIC

The panelists were united in identifying rising trade skepticism among the U.S. public and in other developed economies as one of the primary challenges to the global economic order. Goldstein began the panel’s discussions by pointing out that the “motif” of unfair trade is not a new phenomenon to the U.S., but has frequently recurred in public and Congressional debates since the early 19th century. Indeed, the recent rise of trade skepticism following the post-1945 period of open economies parallels the concerns about fair trade in the Gilded Era following the domination of free trade in the antebellum years. However, what explains the trade skepticism we observe today, particularly the partisan polarization driven by a particularly trade-skeptical Republican base and Democrat Left?

Both Goldstein and Mutz used panel survey data to test a variety of potential explanations. For Goldstein, anti-trade attitudes appear to be driven by a complex interaction of objective economic conditions, subjective economic experiences, and personal views and beliefs about foreign nations and individuals. Specifically, trade skepticism is greater for those living in areas with low upward mobility and those that see the rest of the world as a threat to American culture. For Mutz, increasing polarization of attitudes on trade is driven primarily by demographic factors that both explain trade preferences and differ across partisan identification. Specifically, Mutz finds that Republican voters, relative to Democrats, tend to hold more nationalist views, be more conservative on racial issues, have lower levels of education, are older, and are more likely to be white—all characteristics that strongly predict opposition to free trade.

Slight disagreement emerges on the effect of “the China shock” on public attitudes. Gawande and other economists identify the rise of Chinese manufacturing productivity, which began with its accession to the World Trade Organization (WTO) in 2001, as one cause of the displacement of manufacturing employment in the U.S. Using a formal model of how voter preferences and firm-level lobbying translates into trade policy, Gawande concludes that the Trump administration’s efforts to limit free trade are the result of increased salience of trade as an issue among a protectionist public. In contrast,
Goldstein finds no difference in trade preferences between individuals living in areas most affected by competition from Chinese imports compared to those living in relatively unaffected areas. This leads her to contest the idea that Chinese import competition at the local level is the root cause of rising trade skepticism.

GLOBAL TRADE REGIME: DEATH BY A THOUSAND CUTS?
Although the Trump administration has, as of the time of writing, refrained from outright breaks with existing international trade institutions, Bown’s analysis of administration policy suggests a U.S. retrenchment from the existing rules-based, multilateral order. First, the United States has taken steps toward initiating several disputes with China regarding steel imports and intellectual property rights. Second, the administration has used heated rhetoric to publicly criticize core tenets of the international economic system, such as most-favored-nation status. Third, the administration is “starving the WTO of legitimacy” by holding up appointments of WTO Appellate Body members.

THREE WAYS FOR MOVING FORWARD
Despite the challenges confronting the international economic order, the panelists offered a number of practical recommendations for free-trade advocates to buttress the international trade system. Orthodox macroeconomic theory suggests that trade raises aggregate welfare, and Bown argues that any policy steps toward protectionism need to be met with public explanation and examination of the costs that such a policy would entail. But who should be doing the explaining, and how?

For Mutz, given differences in the partisan demographics of voters, it is Democratic leaders who are better positioned to take on the role of defending the current global economic order, as Democrats are likely to be more receptive to such messaging. One likely consequence of such messaging is the acceleration of partisan sorting along foreign policy views, but the alternatives—robust bipartisan defense of free trade or total absence of political leadership on this issue—are in the former unlikely and in the latter undesirable.

In addition, Mutz identified a need for simple, clear, and effective pro-trade messaging. When the anti-trade argument frames international exchange as other countries “stealing” from the U.S., lectures on comparative advantage and its translation into consumer savings will be relatively ineffective. What is currently missing is a simple narrative that can counter the rhetorical advantage currently enjoyed by trade skeptics.

Finally, Gawande suggests that public investment in economic diversification offers a promising solution. He pointed out that while California, New York, and Texas lost the most jobs to rising Chinese manufacturing productivity, their diversified economies were able to absorb displaced labor in growth sectors. Less diversified economies in Ohio, Kentucky, the Carolinas, and Alabama fared far worse from globalization. Such public investment strategies would also complement and augment the effectiveness of existing efforts to compensate workers displaced through trade in the form of the Trade Adjustment Assistance Program, which offers allowances for training and job searching.
NEXT STEPS AND OPEN QUESTIONS

Isolate the effect of trade attitudes on political alignments and identification, including disentangling the importance of salience and valence of trade preferences in the 2016 election. Should the explanatory emphasis be on rising trade skepticism, or on increasing prominence of trade as a policy issue, or both? To what extent did trade preferences affect political outcomes?

Explore what form a clear and convincing pro-trade message might look like, and evaluate its effectiveness. What would the components of such a message be? How persuasive would such a message be, and for whom? Is there one broad frame that can be effective, or must trade be justified in different ways to different members of the mass public?

Examine the political feasibility for supporting diversification of state and national economies. What exactly would such policies look like? Which actors can be considered to support such policies, and which would be opposed? What level of government—federal, state, local—is best positioned to enact such policies?

Consider possible reforms to the international trade order itself that would better advance the needs of those left behind by globalization and increasing trade flows.
Contemporary debates over refugee policy and immigration have exposed major cleavages within and among societies around the world. Will the populist and nationalist rhetoric exhibited in many of these debates lead to the dismantlement of the international political and legal institutions charged with safeguarding human rights? How serious or permanent a challenge to the stability of this global regime does the spread of xenophobic ideologies and policies pose? How can communities and individuals play larger roles upholding human rights norms and supporting human rights institutions?

The third panel of the symposium took up these questions under moderator Beth Simmons (University of Pennsylvania). Ryan Goodman (New York University Law School), Catherine Powell (Fordham Law School), and Erik Voeten (Georgetown University) contributed academic perspectives to the discussion, and Mark P. Lagon (Georgetown University) served as policy commentator.

DIFFUSE CHALLENGES TO GLOBAL REGIMES: IDEOLOGICAL SPREAD

The panel focused on defining and examining the spread of ideologies that endanger the global human rights regime. Liberal norms and ideas about rights afforded to all humans form the cornerstone of the international institutions erected to protect these rights. As such, populist and nationalist challenges to the legitimacy of such institutions and to the domestic policies that promulgate human rights have the real potential to erode and counteract norms. Populism, which rejects the role state elites should play in policy formation, is an encompassing ideological orientation that need not be illiberal. Voeten and Goodman underscored, however, that populism’s rejection of institutions makes it a vehicle to undermine human rights.

Goodman discussed academic research that explores how ideologies diffuse globally and take hold in domestic contexts. While transnational advocacy networks of “norm entrepreneurs” have long supported the human rights regime, norm entrepreneurs can also promote worldviews that deny human rights and mobilize support against international institutions on the basis of populist politics. Panelists, particularly Powell, noted that such actors are able to use political and legal institutions to further proliferate ideologies capable of hollowing out human rights regimes. Lagon and Goodman called attention to the need to better understand how conditions of perceived insecurity and fear among populations may enable anti-human rights ideologies to take hold.

Voeten noted, though, that populism is “thinly” defined and lacks substantive policy prescriptions, which likely makes it too weak to cause a complete dismantlement of human rights institutions. While Powell noted that domestic institutions can impose limitations on how much populist political figures can pursue policies counter to human rights norms, she and Goodman argued that such institutions cannot prevent all human rights violations. As such, society has a key role to play in limiting the negative effects of populism.

LOCALIZING SUPPORT FOR HUMAN RIGHTS

Although international and domestic democratic institutions may be vulnerable to the negative influences of illiberal ideological spread, human rights norms are
diffused beyond institutions and deeply embedded in many societies. This provides individuals and organizations opportunities to offset the effects of the undermining of human rights institutions. Panelists emphasized that the fact that human rights norms have become so deeply embedded in some societies and legal regimes over the past seventy years offers a key reservoir of resiliency that can be leveraged, as contemporary examples show, to minimize the challenges populism pose.

Lagon suggested that, relative to other areas of international cooperation, peoples’ ideas about human rights may matter more than do institutions themselves. Relatedly, Powell summarized the findings of her work, which have helped to catalogue local responses in the U.S. to policies that have challenged human rights. Local support for “sanctuary cities” and municipalities’ use of legal tools to protect immigrants and refugees against abuse show how diffuse ideas that support, not undermine, human rights can produce positive outcomes—even in the absence of stronger institutionalized protection for these populations.

Panelists also discussed academic work that explains external support for human rights norms and institutions. Goodman showed how social groups which support human rights organize and give rise to alternative centers of political power. For her part, Powell focused on how the localization of human rights and more local foci of political organization provide a legal basis for sub-federal jurisdictions to support human rights, even when in opposition with national measures that may violate human rights. Voeten’s analysis, however, served to illustrate how devolving legitimacy from state institutions to voters can backfire, given how populism has fueled domestic political rebellions across the West against liberal institutions meant to guard these rights.

**OUTLOOK FOR INSTITUTIONS**

What will be the impact of populism, nationalism, and retrenchment on key global and regional human rights institutionalists? Panelists enumerated causes for concern and for hope. Pointing to the negative effects that the current U.S. administration’s retrenchment from leadership positions in human rights regimes is having, Goodman argued that these trends are worrisome. The regime has not collapsed, but there is no certainty that in the absence of strong U.S. leadership, it will not get worse. Voeten predicted it is more likely than not that continued populist domestic politics will constrain how and to what extent international regimes and institutions can advance human rights norms.

Still, despite the constraints populism is placing on the effectiveness of institutional human rights protections, the panel did not predict the collapse of the key pillars of the global human rights regime. Norms and ideas persist, Lagon emphasized, even when institutions are under fire. Goodman highlighted opportunities social groups and the individuals behind government leaks and “alt” social media accounts to ally and signal support for human rights at the societal level. Last, as Powell argued, while legal bases for such action are nascent, local resistance to measures that jeopardize human rights are having real impacts.
NEXT STEPS AND OPEN QUESTIONS FOR FUTURE RESEARCH

Further probe the patterns of how ideologies—both “pro” and “contra” human rights—spread and stick in societies. Which social conditions and mechanisms—insecurity, fear, economic hardship—give rise to xenophobic policy, and which conditions—civil society, solidarity, empathy—add momentum to movements to strengthen human rights protections?

Focus efforts on not only understanding the ideas that support human rights, but also the institutional designs most effective at protecting them in a variety of social settings. How might the vulnerabilities observed in current human rights institutions, both domestic and international, inform strategies for designing new institutions? How might new legal, technological, or other tools leverage support from actors—from faith-based groups to educators and businesses—to strengthen the global regime and its resiliency to current and future challenges?

More precisely specify the effects that the withdrawal of certain countries from international human rights institutions will have on enforcement outcomes at the national and global level. Do state exits from the human rights system have cascading and mutually reinforcing effects? Does illiberal rhetoric within states lead to illiberal practices in those states and beyond? Or, does debate and contestation over human rights norms and institutions raise attention and salience, thereby generating greater—though perhaps more diffuse—efforts to protect the vulnerable?
Efforts to circumscribe global climate change appear to be early victims to the waves of populism and nationalism sweeping the world. Sharply accentuated by the Trump administration’s decision to withdraw the U.S. from the Paris climate accord, action on climate change—a perennial challenge for international politics—seems particularly imperiled. What are the future prospects for the Paris Agreement? What steps can be taken to advance climate policy, given the political atmosphere of the times?

Panel Four

The Paris Agreement, with its “bottom-up” approach based on voluntary, nationally determined contributions, represents an innovation and advancement from traditional top-down treaties, which may help it persist in the face of U.S. retrenchment.

Future climate policies, both international and domestic, should take into account the importance of non-state actors in curbing emissions; how policies may be framed so as to have popular appeal; and how institutional design can induce dynamic shifts in state preferences to make climate cooperation more likely in future negotiations.

The panel addressing such questions consisted of Ann Carlson (UCLA School of Law), David Driesen (Syracuse University School of Law), Thomas Hale (University of Oxford, Blavatnik School of Government), and Eric Orts (The Wharton School at the University of Pennsylvania). Vaughan Turekian (Director for Science and Technology for Sustainability at the National Academy of Sciences) served as policy commentator.

The Future of Paris

Adopted in December 2015, the Paris Agreement entails commitments and contributions that are individually and voluntarily determined by the ratifying parties. As a number of the panel’s participants noted, Paris represented a “bottom-up” approach to climate policy, in contrast to traditional “top-down” treaties that contain stipulations and explicit expectations of its signatories. The Paris agreement is based on nonbinding, voluntary commitments. Nonetheless, in June 2017 the Trump administration announced its intention to withdraw from the agreement, rendering the future of this and other international climate accords uncertain.

However, as Carlson pointed out, the Trump administration was always capable of limiting the scope of U.S. commitments to the Paris accords through executive action short of withdrawing from Paris itself. The Clean Power Plan, a centerpiece of U.S. commitments under Paris, is currently under review following an executive order signed by President Trump and is widely expected to be eliminated, despite potential judicial action. Other commitments, such as efficiency standards for automobiles and appliances, have either been frozen or are expected to be weakened by the Environmental Protection Agency (EPA) under Administrator Scott Pruitt. The Trump administration could have pursued these actions without withdrawing from Paris outright, leaving U.S. participation entirely toothless and symbolic. For Carlson, the silver lining to the U.S. public withdrawal from the Paris agreement is that it has galvanized those who remain committed to seeing the U.S. play an active leadership role in global affairs.

Other panelists were similarly sanguine about the agreement’s future. As Driesen noted, no other parties have thus far defected from Paris following U.S. withdrawal, suggesting a strength and benefit of the treaty’s voluntary, “bottom-up” approach. For Orts, the key innovation of Paris’ approach is its ability to allow participation by non-state actors. In the U.S., 24 states (including California), 274 cities (including New York), and firms with a combined annual revenue of $1.4 trillion have announced that they intend to remain in compliance with U.S. Paris commitments. The panelists were in general consensus that Paris will remain robust as a result of its bottom-up template, and that this approach represents a promising path forward for future international climate accords.
HARNESSING “POPULISM” IN SUPPORT OF CLIMATE POLICY

A number of the panelists spoke about the need for paradigmatic shifts in our understanding of international climate negotiation, that expand the engagement of non-state actors and harness “populist” sentiments in support of climate action. Orts argued for a general “decentering” of the nation-state in climate policy. Though national governments hold considerable influence in the success and failure of climate initiatives through legislation and regulation, other relevant actors include individuals, subnational governments, NGOs, firms, and international organizations. Each set of actors can make independent decisions that have direct impact on the global climate. By moving beyond traditional state-centric treaties and expanding participation to non-state actors, the Paris Agreement provides a template upon which future international accords can be built that is potentially more resilient to populist backlash and national retrenchment.

Driesen similarly called for a shift, specifically in designing climate legislation domestically, that better resonates with national polities. According to him, the current approach is based on a “political economy of compromise,” in which analysts pitch policies that appeal broadly to politicians (a revenue neutral carbon tax to appeal to Republicans, for example). In contrast, Driesen referenced a “populist political economy” approach, one that designs climate policy with an aim to excite and mobilize support among voters and various domestic groups. As one example, Driesen cited France, which has managed to drastically reduce carbon emissions from the utilities sector through its use of nuclear power. These French plants, however, were themselves justified on nationalist and populist grounds under President Charles de Gaulle using arguments about French national security and self-determination.

Hale suggested that the theoretical framework most often used to model the problem structure of climate change—that of the tragedy of the commons, as self-interested actors deplete a common pool resource—is inappropriate. Instead, Hale argued that the challenge posed by climate change is more akin to a ‘tipping point’ model, in which the primary barrier to cooperation is not freeriding, but the disincentive to be the first mover.

A number of specific policy recommendations emerged from these calls for shifts in the theoretical frameworks of climate cooperation. For Orts, the wide variety of actors participating in climate mitigation under the Paris Agreement is a key feature that should be preserved in future international climate accords. In calling for “populist” climate legislation, Driesen suggested that carbon taxes, rather than being revenue-neutral, may become more broadly popular if revenue is instead put towards popular spending programs such as infrastructure development. Finally, Hale argued that climate change as a “tipping point” model requires the formation of what he terms “catalytic institutions,” or institutions that aim to change the preferences of its participants over time. The Paris Agreement, in which national contributions are expected to be reviewed then ratcheted up every five years, exemplifies this dynamic.
NEXT STEPS AND OPEN QUESTIONS

Examine how populism and public opinion can be harnessed in defense of action on climate change mitigation. Has opinion shifted as a result of the Trump administration’s retrenchment on climate change? Is environmentalism a core component of “left-wing” populism, and to what extent can environmental messaging be attractive to “right-wing” populism as well?

Consider how to build upon the “bottom-up” approach of the Paris Agreement in future climate negotiations and institutions. To what extent can institutional innovations in Paris and other “catalytic institutions” be used to strengthen existing multilateral regimes? How can non-binding and voluntary commitments be most effective? How can the range of stakeholders and participants in such agreements coordinate and synergize their efforts?

Evaluate how domestic climate policies can be better designed to generate popular enthusiasm and broad-based support. What use should the revenues of a carbon tax be put towards in order to maximize popular and political support?
Day 2: Perry World House Public Forum

THE FUTURE OF THE INTERNATIONAL SECURITY ENVIRONMENT

Morning Conversation

Admiral James Stavridis (Ret.), Dean of the Fletcher School, Tufts University
Michèle Flournoy, CEO of the Center for a New American Security

Rising great-power competition, terrorism, and the risks of other unconventional threats, like cyber warfare and epidemic disease, are challenging the stability of the international order and U.S. national security.

U.S. retrenchment and disengagement from allies and partners creates openings for major powers like China and Russia to step in. Further, a failure to leverage diplomacy is giving rise to avoidable regionalized tensions in the Middle East and with North Korea.

Domestic politics continue to motivate and constrain decisions that leaders make in the international arena with populism and nationalism helping to fuel retrenchment by key states such as the U.S..

With North Korean provocations, rising populism in Western Europe, a revisionist Russia under Putin, and the uncertainty resulting from U.S. retrenchment in the headlines and on the minds of many, what do current events suggest about where the international security order is headed? Michèle Flournoy, CEO of the Center for a New American Security, and Admiral James Stavridis (ret.), the Dean of the Fletcher School of Law and Diplomacy, engaged in a wide-ranging discussion moderated by Yochi Dreazen of Vox (C’99) on the security challenges presently facing the international order.

Flournoy and Stavridis made clear that there are numerous reasons for concern about the international security environment today. First, geopolitical competition is on the rise, given the apparent return of great power politics since the end of the Cold War. Second, persistent and emerging non-conventional threats, like terrorism, cyber warfare, and epidemic disease add to such risks. Last, regional and global instability as seen in the Middle East and on the Korean peninsula is likely to increase if U.S. retrenchment continues. Yet, optimistically, the panelists identified a range of policy solutions and strategies they argued hold the potential to minimize these risks.
LEADERSHIP VERSUS RETRENCHMENT: THE U.S. AND INTERNATIONAL STABILITY

Flournoy argued that the security and prosperity of the U.S. benefitted enormously from the stability of the international order it created and led through the twentieth century. By stepping back from this leadership role, the U.S. risks not only its own continued security and economic well-being, but also adds to the momentum of forces already destabilizing the system itself. Vacuums created in the absence of U.S. leadership allow for challengers like China to step in and “set the rules” that tilt the advantage away from U.S. interests. Stability among allies and rivals alike was a hard-won prize of World War II.

Flournoy and Stavridis both emphasized the role that the United States’ unique global network of allies, partners, and friends plays in enabling the achievement of security and prosperity in the name of global interests. Recent debates over the value of this network to U.S interests have centered on the extent to which U.S. allies bear their fair share of the burdens and costs of protecting mutual interests. While Flournoy acknowledged the need to examine the proverbial “balance sheet,” she argued that investing in these relationships returns enormous payoffs for American interests and broader stability.

Looking to the future, Stavridis predicted that the values the U.S. shares with its transatlantic allies would endure into the twenty-first century and pose a counterweight to the rise of China, the preeminence of which is rooted in a fundamentally non-democratic value system. Yet, Stavridis also called attention to the larger role India is likely to play in the future world order, advocating for continued efforts to develop a U.S.–India strategic partnership rooted in the shared democratic values of both countries.

COERCIVE DIPLOMACY: MEANS TO STRATEGIC ENDS

Given increased global security competition and instability today, Flournoy and Stavridis evaluated strategies that states and leaders are using to advance national interests while minimizing risk. Each their recommendations proposed a mixture of military and diplomatic solutions, arguing that in tough cases like North Korea, coercive diplomacy can be an effective, lower-risk strategy.

Current tensions, as Stavridis observed, have increased the likelihood of war on the Korean peninsula to a higher level now than any time since the end of the Cold War. Deescalating rhetoric between Washington and Pyongyang is essential to defuse tensions. Flournoy and
Stavridis agreed that the global community and U.S. policymakers need not abandon policies calling North Korea’s denuclearization, provided that tools of coercive diplomacy are used to contain Korean nuclear threats. However, diplomatic options, they agreed, are being underleveraged. They recommended the U.S. pursue a path forward in which, with increased Chinese support, a combination of pressure from sanctions, deterrent military threats, and modest offensive cyber-attacks could lead to negotiations and progress toward long-term stability.

Stavridis and Flournoy also considered the role particular leaders can play in managing, or fueling, international security crises. Considering communications between President Trump and Leader Kim Jong Un, they discussed how both sides struggled to distinguish the idiosyncrasies of national leaders from their true, rational purposes. Flournoy entertained the proposition that some strategic “unpredictability” could be tactically advantageous for the U.S., but she argued that the current lack of clarity in the statements and tweets from the U.S. and North Korean leaders creates an unnecessarily high risk of miscalculation. Later, the panel considered examples of how other leaders, like Putin and Merkel, have also effectively used their positions to represent competing value systems, obtain domestic and international support, and implement policy in their strategic national interests—albeit in opposite trajectories in the cases of Russia and Germany.

GLOBAL CHALLENGES HIT HOME

Stavridis and Flournoy discussed how the United States, Germany, and Russia offered three cases in which current global economic trends, demographic changes, and international rivalries are impacting domestic politics and, in turn, are contributing to security tensions. U.S. and German public support for retrenchment has increased, Flournoy noted, due to automation-induced economic uncertainty and fears of cultural alienation stoked by nationalist rhetoric. Stavridis and Flournoy argued that forward-looking policies that support debt-free education, provide industrial retraining, and incorporate immigrant and refugee labor sources, could help manage these problems. In their absence, Stavridis assessed, domestic politics are likely to continue to trend toward retrenchment and withdrawal from the global stage.

Under Putin’s leadership, in Flournoy’s assessment, Moscow has channeled potential popular dissatisfaction with similar but different economic and social dynamics—hydrocarbon dependency, low standards of living, and demographic decline—into a similar strand of nationalism that now resonates in Russian domestic and foreign policy. She and Stavridis agreed that this has manifested itself in Russian irredentism and its interventions in Western politics. Violations of sovereignty, they staunchly argued, constitute serious threats to the vital U.S. interest in protecting its democratic system and require serious responses. Pragmatic cooperation between the United States and Russia, Stavridis suggested, still has a chance in a range of issues of mutual interest, from countering terrorism, narcotics, and piracy, to security in the Arctic—domains where coordination and cooperation are needed to most effectively address problems that face both sides.
POPULISM, NATIONALISM, AND ELECTORAL POLITICS: A GLOBAL VIEW FROM THE MEDIA

Roundtable

Graeme Wood, National Correspondent, The Atlantic
Anna Sauerbrey, Editor, Der Tagesspiegel
Francisco Toro, Editor, Journalist and Consultant, Caracas Chronicles
Sylvie Kauffmann, Editorial Director and Columnist, Le Monde

While criticism of traditional news media is common to nearly all populist movements and leaders, journalists must remain committed to objective reporting and to avoid blurring the line between journalism and activism, lest the media end up legitimizing such criticisms.

★ Social media and the spread of disinformation or ‘fake news’ represent a challenge to the activities of traditional media, although the seriousness of this threat varies across political contexts.

Increasing forms of alternative media and easier access for consumers to such media have made it more difficult to maintain a readership with diverse political views and economic backgrounds. Traditional media must do more to reach out to ‘the other side.’

Transparency around the partisanship of media outlets and the sources of news in both traditional and new media is ever more critical to ensuring both accuracy of reporting and building trust among divided polities.

Populist movements in the U.S. and across the world have made criticism of traditional media a key component of their messaging. At the same time, the rise of social media and increasing political polarization have challenged the ability of the traditional media to communicate objectively across readership demographics. These same trends have eroded the traditional business models of many publications, putting them under unique financial stress at the same time as innovation and outreach are most needed. How have media outlets around the world responded to these challenges?

Perry World House convened some of the world’s leading journalists from publications of record in key countries grappling with the challenges of populism and nationalism, They included: Graeme Wood (National Correspondent, The Atlantic); Anna Sauerbrey (Editor, Der Tagesspiegel); Francisco Toro (Editor, Journalist and Consultant, Caracas Chronicles); and Sylvie Kauffmann (Editorial Director and Columnist, Le Monde). Michael X. Delli Carpini (Dean of the Annenberg School for Communication at the University of Pennsylvania) served as the moderator.

POPULISM AND ITS CRITIQUE OF TRADITIONAL MEDIA

President Trump, both during the 2016 campaign and afterwards, has criticized media outlets, calling them “the enemy of the American people.” As Wood noted, while hostility towards the news media is not a new phenomenon in the U.S., what is unique about current populist attacks on the media is the particularly sharp form that such hostility takes. Sauerbrey added that while trust in German media have only dropped slightly, populist parties such as the Alternative for Germany (AfD) have made defunding state television a key plank of their campaign platform. For Wood, such sustained efforts at vilifying the media amount to “an assault on the truth.”

Despite differences in the political contexts of their respective countries, the roundtable participants were in agreement that the best way to meet populism’s assault on the media is to continue pursuing high quality journalism. As Wood put it, the work of journalism is “translational,” to describe the positions of different actors and explain how events fit within a wider political context. Thus, there was a general consensus that despite populist pressures, the position and responsibility of the news media had not fundamentally changed.
“As a journalist I feel outgunned,” said Toro. “It’s a losing battle.”
Indeed, the round table participants affirmed the need for the media to remain independent, cautioning against traditional media taking on more activist or adversarial roles. In Venezuela, political activism on the part of traditional media legitimized the populist critiques made against them by the Chavez regime. Toro pointed out that in the early 2000s, traditional media outlets became a de facto part of the political opposition, including through participation in the 2002 coup d'état attempt. By threatening the regime directly, Venezuelan media outlets invited the subsequent crackdown on press freedoms that resulted in virtually all independent media in the country being closed or co-opted. In addition, publications run the risk of losing the trust of readers. Sauerbrey noted that German papers have traditionally been partisan, and that these leanings affected their coverage of the refugee crisis. She suggested that many publications were forced to eventually recognize that their optimistic coverage had run aground of the realities experienced by its readers, and as a result trust in these publications were lost.

“GUARDIANS OF THE TRUTH”: JOURNALISM IN THE AGE OF SOCIAL MEDIA

The rise of social media sites and apps promised to herald a new age of free-flowing information, but it has also augmented populist voices and placed financial and operational strain on traditional media outlets. Though journalists for such publications view themselves as, in the words of Wood, “guardians of the truth,” social media has made possible concerted campaigns of disinformation, while media balkanization has rendered more and more segments of the population unreachable for traditional media outlets.

In Venezuela, social media has been a mixed blessing. On the one hand, because traditional media has been co-opted by the regime, citizens turn to social media such as Twitter and WhatsApp for information that they trust. On the other hand, the regime has become increasingly adept at manipulating information on these social networks as well. Toro noted the regime’s success at discrediting opposition leaders through rumor-mongering on social media sites. Such messages are then passed along by individuals who perceive a post shared by a friend or relative as more trustworthy than the co-opted traditional outlets. The result is a devastatingly successful campaign at bolstering regime legitimacy. “As a journalist I feel outgunned,” said Toro. “It’s a losing battle.”

Elsewhere, however, the role of social media disinformation has thus far been muted. According to Sauerbrey, the German media system has remained relatively stable, with readership focused on regional newspapers. Attempts by populists to spread disinformation through social media have thus far been unsuccessful. Additionally, Wood noted that “fake news” may warrant coverage insofar as people believe such stories to be true. “Falsehoods that people believe… There is a true fact about whether people believe falsehoods, and those falsehoods have to be reported as such,” he said.

In addition to the greater possibility for disinformation, social media has increased choice in media sources, making it easier for consumers to either self-select into publications that confirm their prior beliefs or select out of news media coverage altogether. Furthermore, websites such as YouTube and Twitter provide politicians with direct access to voters, allowing them to bypass the media entirely. Thus, an additional challenge that social media presents for traditional outlets is the difficulty in reaching “the other side.” Both Wood and Kauffmann lamented the fact that their publications’ elite status made it difficult to present perspectives that differed, either from the countryside far from Paris, or from the American heartland. In response to such challenges, the Caracas Chronicles tries to publish at least two stories each week that it believes will incense its readership. While a perspective may make one ideologically uncomfortable, there is usually “a grain of truth,” said Toro. “You have to explore that grain; otherwise you’re not serving your audience.”
The Digital Revolution has resulted in both the destruction of old forms of employment and the creation of new ones. However, job creation has lagged behind job displacement, fostering populist sentiments and national retrenchment. The U.S., in particular, needs to make more effort at supplying workers with the skills necessary to succeed within the burgeoning “knowledge economy.”

Manufacturing will remain important within advanced economies, and the U.S. should “double down” on advanced manufacturing in strategic sectors.

The existing international economic order, and particularly the WTO, has failed in the eyes of many, to live up to its promise and to adapt to changing circumstances. The biggest challenge for the U.S. foreign economic relations is working with and within a China that has an economic model distinct from the market economies of the West. How international economic institutions take account of those new realities will be critical to their survival.

The U.S. should make more effort to promote science, technology, engineering, and mathematics (STEM) education in schools, while pursuing tax reform, infrastructure spending, and deregulation to stimulate economic activity. At the same time, firms and business leaders have a responsibility to ensure that growth is beneficial for all.

Technological changes within the last several decades have transformed the structure of economies, the nature of work, and the relative importance (and affluence) of various economic actors. In a discussion with Geoffrey Garrett (Dean of the Wharton School of the University of Pennsylvania), Andrew Liveris (Executive Chairman of DowDuPont and Chairman and CEO of The Dow Chemical Company) discussed the challenges facing both the United States and the world as it seeks to adjust to the technological and social changes of the new century.

GROWTH AND EMPLOYMENT IN THE INFORMATION AGE

Like the Industrial Revolution before it, the past several decades have seen the Digital Revolution fundamentally change socio-economic structures across the globe. Even greater changes may lie ahead with the 4th Industrial Revolution and the rise of artificial intelligence. Liveris characterized the pace of technological change in the present day as both a passing a “tipping point” beyond which the pace will not slow down, as well as a period of disruption where innovations continue to present new shocks to the system. While the archetypical “tech job” is a position in Silicon Valley, Liveris was careful to point out that digitization has resulted in the complete remaking of factories and manufacturing industries as well. New technologies have drastically increased the importance of interpreting and utilizing insights and information provided by machinery, and those with the ability to do so have been rewarded as a result.

Yet new opportunities created by digitization have displaced traditional forms of employment. Simultaneously, those who remain employed in traditional sectors have seen a slow erosion of wages, benefits, and prestige. It is this disconnect between the rate of job creation and the rate of job displacement that, for Liveris, drives the recent surge in populism across the West. “Capitalism and democracy are not coexisting well today,” Liveris said.
For him, the critical economic and political challenge of today’s world is the undersupply of workers for the new knowledge economy. According to Liveris, “We are not prepared to fill the jobs we are creating.” He argued that 7.5 million jobs were lost for the United States from 2008 to 2016 due to an undersupply of high-skill labor.

**Manufacturing in the 21st Century**

No sector exemplifies the socio-economic tensions left in the wake of the Digital Revolution better than manufacturing. For Liveris, who has long been an advocate for the importance of manufacturing in advanced economies, it is a simple observation that the new technologies powering the knowledge economy will still need to be made. “And if you make,” Liveris said, “you innovate.”

Liveris pointed to China as an example of a country that has leveraged its manufacturing capacity—developed at a time when its predominant exports were labor-intensive products such as textiles and footwear—towards the creation of technologies powering today’s global economy, such as smartphone screens and advanced appliances. The U.S., Liveris noted, is at the forefront in advanced manufacturing in technologies such as lightweight composites and sensors. He argued for an industrial policy in the U.S. that can identify and support such strategic domestic sectors.

**The United States in the Global Economy**

Populists make the case that globalization has wreaked havoc on the livelihoods of average workers while eroding national sovereignty by way of binding, rule-based multilateral regimes. Liveris shared this skepticism to an extent, suggesting that international institutions “are wonderful on paper, but terrible in practice.” Liveris singled out the WTO as a particular institution that “just doesn’t work.” Furthermore, Liveris voiced support for aspects of the “fair trade” movement, notably encouraging trade with partners that share common environmental and labor standards. However, he also made the case that globalization is here to stay. The global supply chains underlying economic activity are unlikely to be reversed, no matter how vocal demands for protectionism and retrenchment may be.

Liveris and Garrett also discussed the economic relationship between the U.S. and China. Liveris saw sharp differences between the world’s two largest economies. First, while China’s economic policy prioritizes increasing the standard of living for its citizens, the U.S. has, in Liveris’ view, taken the role of a consumption economy at the expense of investment. Second, China appears to be a fundamentally inward-looking country, in contrast to American extroversion. Third, China desires its own distinct economic model, one that provides a prominent role for the state and state-owned enterprises in economic activity and exchange. Liveris suggests that the U.S. must work with and within China’s model, avoid the imposition of Western values, and focus on creating mutually beneficial partnerships and opportunities.

**Looking Towards the Future**

Liveris identified key policies to respond to the economic challenges facing the U.S. today. To address an undersupply of skilled labor, primary and secondary schools can do more to emphasize STEM in their curricula. Legislation such as tax reform, investments in infrastructure, and deregulation (particularly the removal of barriers to investment) should be pursued to ease and facilitate economic activity. At the highest level, Liveris also noted that a better functioning government is a necessary prerequisite.

In addition, Liveris discussed the roles and obligations of different economic actors. To him, “Preserving the planet is an ethical, moral, and financial responsibility.” He singled out the financial sector as being too often dislocated from stakeholders, which has resulted in a declining sense of corporate responsibility.
VICE PRESIDENT JOE BIDEN IN CONVERSATION WITH PRESIDENT FELIPE CALDERON OF MEXICO

Inaugural Penn Biden Leaders Dialogue

★ Populist ideologies have a tendency to divide societies, making it easier for malevolent actors to exploit domestic politics for their purposes and to challenge the international order.

Without strong international institutions and leaders who pursue cooperation, global challenges like climate change cannot be overcome.

★ U.S.–Mexican relations show how great the mutual gains of trade and security cooperation can be when societies and governments understand these benefits and find ways to advance them collectively.

Joseph R. Biden, Jr., former Vice President of the United States and current Benjamin Franklin Presidential Practice Professor at the University of Pennsylvania, and Felipe Calderón Hinojosa, former President of Mexico, led an engaging conversation with the Penn community to conclude the colloquium. They articulated a shared vision of the need for leaders today to staunchly defend the global order and the benefits it affords against populist ideologies, uninformed attacks, and national retrenchment.

Biden and Calderón shared a recognition that absent such leadership, the global order could give way to expansionist powers and greater conflict. President Calderón put it simply in saying, “We are stronger together.” Noting the shared values of American and Mexican citizens, they agreed that openness and cooperation were critical for solving collective challenges while advancing prosperity and security for both the U.S. and Mexico. Vice President Biden said that in the United States, “We’re great because of immigration. Great neighbors are the reason for our greatness.”

THE THREATS OF POPULISM TO COOPERATION AT HOME AND ABROAD

Biden and Calderón shared their observations of a growing tendency in both U.S. and Mexican societies, in Biden’s words, “to blame the ill of the moment on ‘the other.’” They agreed that the divisiveness that such attitudes create poses a challenge to the stability and prosperity of the liberal world order. Calderón and Biden acknowledged that that economic uncertainty from industrial displacement generates real fear among populations and can cause significant suffering for individuals most affected.

Biden and Calderón sharply criticized the populist strategies of U.S. and Mexican politicians that prey on individual fears and scapegoat “the other.” This divisive populism is playing out at both the domestic and international levels. In addition to their own countries, Biden and Calderón observed that populist themes in politics have opened fissures in many societies across Western Europe, making it easier for foreign powers to meddle in democratic process and derail cooperation within societies. Biden and Calderón also discussed how populism undermines the capacity of countries to work together to solve issues of a global scale. By exacerbating the trust deficit in politics, efforts of some politicians to promote populist sentiment erodes the strength of international institutions, too.

Populism and retrenchment pose significant threats for global politics and security today, observed Biden and Calderon. In the case of Russia, Calderón asserted, Putin’s expansionist project was enabled by oil-driven economic growth and a desire to stoke nationalist sentiment in Russia. As a result, Russia has tested the resolve of the international community by making its military and non-conventional interventions abroad.

Biden underscored several examples of how U.S. allies and partners led a robust response to imposing sanctions on Russia and providing support for Ukraine. Biden agreed with Calderón, that maintaining the coherence of international organizations is critical to guard against the ambitions of states who may seek to challenge the international security order in the future.
THE BENEFITS OF COOPERATION: TRADE AND ACTION ON CLIMATE CHANGE

Given widespread threats to stability around the globe, the Inaugural Penn Biden Leaders’ Dialogue addressed the broad benefits of cooperation, particularly in overcoming collective challenges that no one country can solve alone, such as climate change. Calderón pointed to trade as another clear way in which cooperation creates mutual benefits in the global arena. Noting how populist politics have led to common understandings of international economics as a zero-sum game, Calderón argued that liberal internationalists need better ways of explaining the benefits of trade and cooperation, a theme reminiscent of the earlier conversation between Liveris and Garrett.

To illustrate in greater detail how international cooperation catalyzed progress on a global challenge, Biden and Calderón discussed the experience of the UN COP 16 Climate Change Conference in Cancun. Arguing that no country, rich or poor, has a right to pollute the earth, Calderón relayed how in the lead up to the conference, as president, he had advocated for developing countries to raise their standards of environmental protection. He insisted that action on climate change is not mutually exclusive of increasing economic growth while reducing poverty and raising living standards, a position Biden praised.

Calderón recalled how, despite doubts about Beijing’s participation at Cancun, China had stepped up to cooperate at the conference through nationally determined commitments (NDCs), an institutional innovation ultimately included in the Paris Climate Accord. China’s interests in maintaining a positive reputation as an international leader and in responding to its citizens’ demands for clean air, Biden and Calderón noted, helped bring about this outcome.

U.S.-MEXICAN RELATIONS: A MODEL OF THE BENEFITS OF COOPERATION

Biden and Calderón praised the U.S.–Mexican bilateral partnership as an essential model for cooperation on trade, security, law enforcement, and immigration that delivers mutual benefits. In addition to the substantive merits of cooperation, they argued, the U.S. and Mexico share similar values that bind the countries together at a social and personal level. Indicative thereof, Calderón thanked group of undergraduate students from Mexico, present in the auditorium, who led the University of Pennsylvania community to raise over $49,000 for disaster relief efforts in response to recent earthquakes in Mexico.

On trade, Calderón shared several statistics illustrating the deep interconnection of the U.S. and Mexican economies, including through NAFTA. He also underscored the degree to which bilateral trade provides mutual benefits beyond what either country could have gained alone. For example, were it not for U.S.–Mexican economic integration, Calderón asserted, the U.S. auto industry would not have survived the 2008 financial recession. Clearly, he said, “Cooperation is the right way to go.” If the U.S. administration were to take steps toward fulfilling promises to renegotiate NAFTA, Calderón argued, amending NAFTA would be an insurmountable task. He added that doing so would
damage both the U.S. and Mexican economies and likely have the effect of reversing immigration flows of Mexicans back into the U.S.

The two leaders also emphasized the mutual benefits of Mexican support for U.S. security interests, including on counterterrorism, and U.S. support of efforts to enhance law enforcement. No citizen, regardless of nationality or political ideology, Biden asserted, wants to be taken advantage of by corrupt officials or have to breathe polluted air. From China to Ukraine and the U.S. and Mexico, the stable political systems, governance, and the rule of law are critical to increasing social welfare.

Calderón acknowledged the weak rule of law in Mexico is the single most important challenge his country faces. He lauded the supportive U.S. role assisting Mexico in building institutional and law enforcement capacity. Biden and Calderón discussed how in many countries across Latin America, fighting corruption, increasing trust between communities and police, and improving education, are essential to increasing both prosperity and security.

**SPEAKING ACROSS DIVIDES: THE FUTURE OF COOPERATION**

Despite the challenges that populist rhetoric poses for U.S.–Mexican relations and global cooperation, Calderón and Biden concluded the Dialogue in agreement that opportunities for realizing mutual interests abound. Biden reiterated his belief that most U.S. citizens believe in the value of international cooperation and acknowledge the U.S. interest in welcoming immigrants as innovators, building international institutions, and supporting the strength and prosperity of U.S. neighbors and friends.
Conclusion

Populism, nationalism, and retrenchment are compromising the integrity of the liberal international order in significant, tangible ways. The political repercussions of such movements are being manifested at the global level in the erosion of international institutions governing trade, human rights, climate change. This vulnerability of the liberal order has not escaped the attention of Russia and China, who are better positioned to challenge the West and undermine rule-based global governance more than ever before.

Despite these trends, the colloquium participants all identified practical objectives that citizens and governments alike can aim to meet in response to the challenges posed by populism, nationalism, and retrenchment. Domestically, subnational governments and private actors have already taken up the defense of human rights norms and stuck to commitments to mitigating climate change. In the absence of U.S. government leadership, these efforts can continue to have concrete impacts. To preserve the global order, however, a key effort will involve rebuilding trust in local, national, and international institutions. It is necessary to shore up popular (if not “populist”) support for free trade through public education and more effective political messaging.

Complicating these issues is the way that rapid technological change is disrupting the local and global economy. It is critical to make local economies more resilient to the forward march of globalization and to ensure citizens are well-positioned to take advantage of economic change and innovation. These are critical domestic and global policy objectives.

The challenges that rival powers pose to international stability, and perhaps even U.S. unconventional military preeminence, in the security realm serve to highlight the urgency of addressing these cross-cutting domestic and international conundrums.

Was the emergence of the forces of populism, nationalism, and retrenchment inevitable? How much more can illiberal ideology stress the global system short of a total breakdown? What values should guide the construction, or re-construction, of the international order of the future? These, like the questions posed to conclude each report sections to the academic panels above, are important to address both as a matter of academic analysis and of pragmatic policymaking. This colloquium took one step—in a series of many—toward their answers.
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