# Ideas and Information Technology: From a Strategic Application of "Soft" Power in Foreign Policy to a "Third Way" in Domestic Policy

## Wayne Hunt Mount Allison University

T he requirements for doing business in the digital universe are well known. Digital tools have to be used to create virtual teams of independent collaborators. Knowledge workers have to be shifted into high-level, results-oriented thinking. Moving atoms around (meaning physical components in products such as automobiles) is much slower than moving bits around (in the ecommerce economy). The latest technology has to be used to help customers solve problems for themselves (Gates, 1999). This has immediate implications for the form as much as the style of governance in the twenty-first century. Global transformations have reordered the relationship between the public and private sectors. Change has come from the outside in (Halliday, 1992). Despite the acknowledgment of this state of affairs, little work has been done on the way in which the borderless world has made the boundary between foreign and domestic politics less clear cut and more amorphous. One point of entry into the analysis of this 'new world order' is to examine the way in which 'high definition' concepts have been used to create new political alignments. Emblematic of these 'high definition' abstractions are 'soft power' and the 'Third Way.' The first applies to international politics, the second, to internal politics. Case studies of the application of each will be examined in this article. Each can be viewed on one level as an attempt to 'niche market.' At another level, however, they can be read as an attempt to open up an entirely new political space. At this second level, analogies can be made to the concept of value innovation in the business world. Instead of looking within the accepted boundaries that define how they compete, managers can look across them (Kim and Mauborgne, 1999). 'Soft' power and the 'Third Way' works the same way. The politics of the 'Third Way' in particular is making for some strange companions, with the Reform party of Canada ranged on one side of the political spectrum and Britain's 'New' Labour on the other. Vladimir Nabokov called this the balletic parabola from left to right. Traditional political science on its own fails to explain much less comprehend this. But insights taken from critical theory as well as from a number of interdisciplinary perspectives can, however, offer a fresh purchase on the emerging cultural matrix which is driving events.<sup>1</sup>

# 'Soft Power'

In the study of transnational relations, the strategic balance between 'hard' and 'soft' power has been much commented upon. The terms originate with Joseph S. Nye, Jr. According to Nye, the state-sanctioned application of force comes under the definition of 'hard' power, as do the requisite material conditions necessary to sustain this force. 'Soft' power, by contrast, relies on the force of ideas rather than the force of arms. Included in this first definition are the ethical values which have been injected into the international arena by a number of mediating institutions. Mainstream Hollywood

movies as well as sophisticated advertising techniques came into this category, as did advances in communications technology. In this context, 'hard' power was about ends and the bottom-line criteria necessary to achieve those ends while 'soft' power was about process and the means to an end. 'Hard' power was objective, quantifiable and direct while 'soft' power was subjective, unquantifiable and indirect. The first was readily understandable because it spoke to the traditional role of the state which was to provide for security of the person as well as the security of property. The second seemed to indicate a larger transformation, a 'paradigm shift' as some enthusiasts would have it.

But on closer inspection these categories seemed to take on an older dimension. On the one hand there were those who engaged with the world as it is, and on the other there were those who looked to what ought to be. This was observed in the tension between *realpolitik* and idealism which analysts have long detected in America's relations with other powers. Involved as well were competing conceptions of political community. Allied to this was a bifurcated view of the nature of public action, with coercive measures on one side of the divide and co-operative ones on the other. More ancient still, and at a greater philosophic remove, was the contrast between authority and liberty. In Nye's writings this longer scholarly tradition goes unremarked upon. His concern is with the present and the way in which the future can be brought to the present. In his view of the world there is a subtle but implicit business orientation in which the notion of 'soft' power takes on entrepreneurial boldness. The comparative dimension was critically important. 'Soft' power was associated with the relative strength of the American economy in relation to its competitors.<sup>2</sup> Entrepreneurial dynamism, it was further assumed, was tied to the ability to innovate.<sup>3</sup> Nye clearly sees 'soft' power as the way of the future. He implies that it is superior to 'hard' power because it relies on *uncommanded* loyalties. As such it allows for the free play of creative instincts.<sup>4</sup> In short, it approximates an anglo-American form of capitalism, or to be more precise, an idealized version of what this form of capitalism represents.

Nye and Owens (1996) examine this from a geopolitical perspective, insisting that it can be a force for good throughout the world. Thus 'soft' power can work in tandem with 'hard' power, as, in his phrase, "a force multiplier in American diplomacy." Space-based surveillance, direct broadcasting and a high speed 'system of systems,' he argued, had given the United States a "dominant battlespace knowledge"-- as Operation Desert Storm and Operation Desert Fox presumably demonstrated. This assertion rested on the strategic argument that America's capacity for accurate, real-time, situational awareness of military field operations exceeds that of all other nations combined. (Operation Allied Force, by contrast, put many of the beliefs about 'surgical' intervention, in areas where there is not an obvious national interest at stake, to the test.)

Assumed here was a technologically-driven view of American intervention. Also assumed was the relationship between technology and progress. Information, Nye and Owens conclude, "is the new coin of the international realm. . . it ineluctably democratizes societies" (p.136). George Grant (1969) noted that this association was strong because these elements were part of a larger project which involved 'the liberation of mankind' (p.27). In a later article these assumptions became a more explicit part of the literature on international relations when Nye collaborated again with Robert Keohane. The two authors (Keohane and Nye, 1998) took a longer historical view. They observed that in the eighteenth century France was in a pivotal position in the European balance of power. Territory, population and agriculture provided the basis for infantry, and France was the leading beneficiary. In the next century, resources were measured by industrial capacity, as Britain and, later, Germany vied for a dominant position. In twentieth-century Cold War confrontations, scientific advances were a strategic consideration, and in the next century "information technology, broadly defined, is likely to be the most important power resource" (p.87). Behind this progression lies the notion that history is at a turningpoint. Emphasis has shifted away from an industrial era in which the making of tangible products was the primary concern. In a post-industrial, post-material or postmodern era, emphasis is placed upon the 'knowledge-added' component of dialectical change. Marketing counts for much more in this second context. The critical point is that political dynamism now comes from that direction. Keohane and Nye openly acknowledged as much when they based their argument on the belief that "America's popular culture, with its libertarian and egalitarian currents, dominates film, television and electronic communications." Without apparent irony, they later added that the products of American popular culture "enjoy considerable economies of scale in content production and distribution" (Ibid).

How do 'hard' and 'soft' power relate to each other? Nye's colleague at Harvard, Samuel Huntington, viewed them as two sides of the same coin. Keohane and Nye conceded that Huntington was correct to assert that material success makes attractive a culture and an ideology while economic and military failure can give way to selfdoubt and crises of identity. But Huntington was wrong, Keohane and Nye asserted, to argue that 'soft' power rests exclusively on a foundation of 'hard' power. So as not to be associated with the 'realist' or 'neo-realist' camp of specialists, the authors cited examples of 'soft' power inde-pendence. First among these was the Vatican. Also listed was the influence of middle-level states such as Canada, Sweden or the Netherlands, all of which were able to 'punch above their weight' in diplomatic circles. They have an international influence, singly or jointly, which is not commensurate with their economic or military capabilities.

The 'Third Way'

Why should this be so? These nations were able to act as brokers or 'helpful fixers' during certain moments in the Cold War period. But this international role came at a price. The Cold War and the attendant 'Pax Atomica' held a number of practices and institutions in place. The effect within individual nation-states was not always benign. In another middle-level society, that of Great Britain, the larger geopolitical struggle held the monarchy and an associated class system in a state of suspended animation. As Tom Nairn (1994) put it, an internal rigidity was counter-poised against an external rigidity. As a result, significant structural or constitutional change was not contemplated.

This is no longer the case. Almost a decade after the Berlin Wall came down, Tony Blair championed the notion of a 'Third Way' between capitalism and socialism. 'Soft' power and the 'Third Way' also share a dialectical affinity. They have their point of origin in the polarized intellectual and political vortex of the United States. 'Soft' power has entered the political domain by way of what the political science literature deemed 'high' politics (meaning international affairs) while the 'Third Way' was directed at 'low' politics (meaning social policy, education and health). Each has been made to serve a partisan political purpose which has taken on a different coloration and emphasis in different political environments. Through the intervention of the mass media, the original ideas have hardened into constructs, and, ultimately, into slogans.

But as the work of Stephen Skowronek (1997) shows, the concept of a 'Third Way' owes much to a longer historical sequence. Skowronek emphasizes the political context of this particular idea and looks at the career of American political leaders in terms of recurrent patterns of authority. 'Reconstructive' Presidents vanquish an old order, change the terms of the national debate and create lasting political alignments. Andrew Jackson, Abraham Lincoln and Franklin Roosevelt are included in that category. 'Affiliated' Presidents take their legitimacy from this prior legacy. Herbert Hoover, Harry Truman and George Bush are included in that typology. 'Preemptive' Presidents fail to be 'Reconstructive.' They come into power in opposition to the prevailing political tradition but they do not create a lasting realignment. A leader has to situate himself or herself in a public discourse and construct a narrative reading of what he or she intends to do. In Skowronek's terms, a 'preemptive' leader intrudes upon an existing political discourse in order to preempt its agenda by playing various elements off against each other. John Tyler, Andrew Johnson, Woodrow Wilson and Richard Nixon were listed in this category, as was William Clinton. The agenda for Clinton was to liberate market forces while easing the transition to the New Economy for those who are falling behind. The problem was that old habits and ways of thought persist. The traditional left would rather support the Old Economy while the traditional right or the 'haves' do not want their money taken away by an activist

government. Clinton, Skowronek writes, was not, "like Reagan, the great repudiator of a governing regime in collapse; nor was he, like Bush, the faithful son of an unfinished revolution" (p.448). Instead he fashioned various elements together to form a 'triangulation.' The original use of this term came from geopolitics. Nixon visited China in 1972 as an attempt to 'triangulate' the great powers, China, the Soviet Union and the United States. Clinton used the same strategy for domestic purposes; this was, after all, the same President who came to high office promising to have foreign policy follow from domestic policy as a 'seamless web.'

# Britain as a 'Third Way' Society

The 'Third Way' offers an instructive case study in how a parallel set of dynamics were at work in Britain. For Tony Blair, as much as for some of his close advisors, there were key transatlantic links (King and Wickham-Jones, 1999). But the 'Third Way' had to be adapted to the specific circumstances of the Labour party in particular and of Britain in general. The key linkage was the notion of 'niche marketing' and the 'branding' exercise. If Britain was to shed its old-style image and antiquated notions of national identity, it had to shed the legacies of an imperial past. 'Rule Britannia,' famously, became 'Cool Britannia' as the arts and the cultural industries were officially recognized as agents of social change. This was said to be the point where active government met an engaged citizenry but, for those who held a less charitable view, it was the point where designer architecture and designer fashion met 'designer government.' It was supposed to act as a catalyst for self-organization. Governments would use new tools for changing the behavior of citizens to encourage them, as well as the transnational corporations who employed many of them, to act in a socially responsible manner.

The Conservative party also promoted change through cultural agencies but they did not present a coherent programme in this regard (Perri 6, 1997). For philosophers such as John Gray (1997), this was one of the unintended consequences of a Thatcherite ideology which glorified free markets even as it undermined the long standing social forms which undergirded them. To Gray there was an inevitable contradiction. On the one side there was talk of a 'free market utopia' which sprang from 'an Enlightenment project of the most primitive variety,' and on the other side there was the political rhetoric of fundamentalism. The British philosopher was reputed to be a Prime Ministerial favourite. Tony Giddens, the Director of the London School of Economics, was another. Giddens (1998) authored a work which linked the 'Third Way' to emerging trends in the global order.

Tony Blair was not about to involve himself in overly abstract debate. Cultural change was not to be ponderous. It was intended to convey a deliberately 'light' image that was in accord with the 'New' Labour project. One of his key advisors, Geoff Mulgan,

moved from the *Demos* think tank to the Office of the Prime Minister. *Demos* specializes in flexible, rapid response think pieces rather than ponderous public policy tomes, and, presumably, Mulgan supplies the same manner of services to his political boss. It specializes in constitutional innovations rather than indepth macroeconomic analysis. Reform of the monarchy is one such idea. It annoys traditionalists without involving significant public expenditures. The emphasis on the information revolution and think-tankery suits Blair's style (Denham and Garnett, 1999), which can be traced to Mulgan. Mulgan, in turn, quotes Italo Calvino (1988) on the coming millennium with evident approval. The essential qualities of the new era, Mulgan (1997) opines, will be the "swiftness and lightness, exactitude and multiplicit"' which may "contrast sharply with the slow, standardizing bluntness of so much government and administration this century" (p.xii).

This was to be socialism with a human face-- but the features were those of the present occupant of No. 10 Downing Street. Blair resolved to put his personal stamp on events. In his pamphlet on the Third Way he declared an end to what he abruptly dismissed as "outdated ways of thinking." This meant moving beyond an "old left preoccupied by state control, high taxation and producer interests" while, at the same time, moving "beyond a new laissez-faire right championing narrow individualism and a belief that free markets are the answer to every problem." In theory, Blair's version of the Third Way calls for a new political constellation which would unite "the two great streams of left-of-center thought -- democratic socialism and liberalism -- whose divorce this century did so much to weaken progressive politics across the West" (Blair, 1998).

In practice, this means a closer alliance with Britain's third party, the Liberal Democrats. Those who had influence with the prime minister insisted that the left needed to recapture a sense of what was called 'civic liberalism.' In a seminar held at Harvard University it was pointed out that political debate in Britain was being conducted on Labour's terms. The Conservatives were left in an 'unattractive political space.' The enemies of 'New' Labour are no longer class-based. Instead they are 'the lucky and the lazy' -- those "who take benefits without wanting to work; company directors who pay themselves huge rewards for poor performance or for control of a monopoly; those who are privileged through inheritance or luck." While Blair may not have been of the same mind, at least one of his advisors was strongly of the view that their version of the 'Third Way' was not exportable (Halpern, 1998). This was socialism in one country. A new political space, however, is beginning to open over the issue of genetically modified organisms (GMOs for those in the know). The controversy is made emotional because of public memories of the egregious mishandling of the controversy over *Bovine Spongiform Encephalopathy*, BSE, or in the popular imagination, the 'mad cow' disease (Pilkington, 1998). Ranged on the one

side of the debate is Tony Blair, on the other, Prince Charles; on the one side stands the metropolitan, North London view of the world, on the other, the worldview which was given a huge public profile by the countryside rally in London to protect the rural way of life. On the one side are those who embrace globalization, on the other there are those who Orwell defined as radicals for countryside and cricket, railways and real ale. This is the 'Little Englander' tradition, based upon a belief in self-reliance at home and a distrust of entangling alliances aborad (Gott, 1999). The long-standing divide between town and country took on a new urgency when issues such as fox hunting became the subject of national debate. For Prince Charles, there is a paradox in this. He is acting as the unofficial Leader of the Opposition. More paradoxical still is the thought that a premodern institution such as the monarchy should be put to postmodern purposes.

The prime minister is not viewed as a grass-roots populist. He has been widely accused of using authoritarian tactics to stifle dissent within his own party. There were tactical reasons for this which had to do with internal party dynamics. While their Tory opponents were tearing themselves apart in a very public manner with bitter debates over Britain's place in Europe, Blair insisted that his party keep its policy wrangles in camera. 'Control freak' was the term which was gratuitously applied to him by both the broadsheet and the popular press. There was, however, a broader strategic purpose to be served. This was transformed into a matter of high principle. As Blair put it in his Third Way pamphlet, a new balance between rights and duties had to be struck. There was no doubt where he stood. With the full weight of his office behind him, he insisted on emphasizing responsibilities to the wider community. Talk of rights, it was implied, had gone too far. Welfare assistance and a new approach to family assistance which placed far greater emphasis on the duties of parenthood were the result. This in itself was not new. The words could have been written by Margaret Thatcher.<sup>5</sup> Blair had declared himself to be an admirer of the Iron Lady, an admiration which was reflected in his determination to leave the fundamentals of what had been called the Thatcher Revolution unchanged. Put another way, it was said that he was convinced that "you could do Tory things on the basis of Labour beliefs and be thanked for it."<sup>6</sup>

In large measure this has to do with the tendency of the Queen's first minister to side with the managerial right of his party rather than the more traditional 'therapeutic' left. This had to be done in order to impose his metropolitan version of a New Class ideology. The reforming impulse has been directed toward internal politics. Many of these policies were in line with long-standing Lib Dem positions. As a third party, the Lib Dems felt the single member constituency set-up, which allows a winner-to-takeall, systematically discriminated against them. Hence the enthusiasm from their quarters for a system of proportional representation for elected assemblies in Northern Ireland, Scotland and Wales as well as for the 1999 European elections. Reform of the upper house, the House of Lords, had also been a Lib Dem priority until Paddy Ashdown's resignation as leader of the party left a question mark hanging over the future direction of all inter-party negotiations.

## Canada and 'Soft' Power

The contrast with the country to the immediate north of America's border could not be greater. Few could gainsay the proposition that in Canada there is 'little genuine political choice.' Supporting this view is the argument that the most advanced form of the managerial-therapeutic state is to be found in Canada. As a consequence, opposition to this regime tends to be weaker than in other societies and the opposition which does exist is framed by the dialectic between managerial tendencies and their therapeutic counterparts (Wegierski, 1998). In Britain, the managerial-therapeutic regime channels its most creative instincts toward internal concerns; in Canada, the regime directs these same instincts in an external direction.

This accords with a pan-Canadian sense of national identity. Canadian myth makers like to portray themselves as 'boy scouts' or 'girl guides.' In other words, it is a young country intent upon doing good in the world. Hollywood made the Mountie a caricature of this, with Disney in control of the marketing rights. But there is a public policy component to this. A vibrant part of Canada's diplomatic history revolves around the 'golden era' of Pearsonian internationalism. As evidence of the strength of that tradition, it is pointed out that Canada has been an active participant in every peacekeeping effort that has been sponsored by the United Nations. Canada also prides itself in its middle-power diplomacy. It is a self-evident truth that middle powers are not great powers, although some may still live with the legacy of their past. Middle-powers have, in the words of one analyst (Stairs, 1998), "a natural preference for the safety of numbers and the security of rule-governed environments." It was also a new way 'to bring the state back in' to international affairs. Courts, regulatory agencies, executives and legislatures are networking with their counterparts abroad to create a new transgovernmental grid of power relations (Slaughter, 1997).

This is precisely the context to which 'soft' power has been adapted. Bracketed between trade and diplomacy, it has been made to serve as one of the pillars of Canadian foreign policy. At the same time, Britain's Foreign Secretary, Robin Cook, announced a parallel policy for his country. Cook insisted that his government's idea of a 'Third Way' meant that priority would be given to an ethical dimension in foreign policy. Britain would set an example in good international citizenship (Wheeler&Dunne, 1998). Canada did the same but Canadian foreign policy made more explicit use of the concept of 'soft power' to put together a new alliance of middle powers -- the Humanitarian 8 -- as a counterweight to the big-power Group of Seven. This was the personal initiative of Lloyd Axworthy in his official capacity as Canada's Foreign Minister and in his unofficial capacity as a former academic with close ties to Harvard's Kennedy School of Government, where Nye serves as Dean. Axworthy has included in the definition of 'soft' power the concept of sustainable human security. By this latter term, the Minister means that basic human rights should take precedence over concepts of national sovereignty which no longer fit both the realities and the ideals of global society. This was not new. In a sense, the Minister is taking an earlier debate that was waged less than two decades previously in Canadian politics and placed it in a larger forum. At that time the debate was over a Charter of Rights and Freedoms. Trudeau made the case for the Charter by using the same argument, saying that the rights of individuals were more important than the sovereignty of governments. At that time cases which involved basic human rights could only be settled by taking the issue to the courts and having the courts declare that one level of government had been operating outside of its constitutional sphere of influence.

Axworthy made the case for Canada's use of 'soft' power by asserting, with confident authority, that it "blurs, even counters, the perception of traditional power assets, such as military force, economic might, resources and population." Canadian skills "in communicating, negotiating, mobilizing opinion, working within multinational bodies and (in) promoting international initiatives" were, in his most considered of opinions, "increasingly effective ways to achieve international outcomes." As evidence of the merit of this proposition, the Minister pointed to the International Campaign to Ban Landmines (ICBL). This resulted from what was known as the 'Ottawa process' or, later, the 'Ottawa Treaty.' It was carried forward by a 'coalition of the willing,' of governmental and non-governmental organizations. The Nobel Peace Prize was awarded in 1997 to Jody Williams as co-ordinator of the ICBL. From the perspective of Canada's top foreign policy actor, 'soft' power had numerous advantages, flexibility chief among them (Axworthy & Taylor, 1998). It also fit with a wider shift in what government was attempting to accomplish in Canada. In the past, information technology was used to improve the efficiency and productivity of government itself (Bourgon, 1999), but in an effort to be 'proactive' (emphasis intended) governmental operations were being redesigned to support "the acquisition of knowledge (emphasis in original text) and the process of innovation" (p.205).

This view of the world did not meet with approval from all quarters. Foreign policy specialists cautioned against 'pulpit diplomacy' and 'moral multilateralism.' The exorbitant promises of a wired world had to be balanced against domestic realities within Canada. And listed on the side of domestic realities were a less-than-fulsome military capacity and a relative decline in the foreign aid budget. This was foreign policy on the cheap. After adjusting for the size of the two economies, it was pointed

out that Canada spends one quarter of the amount that the United States spends on the Pentagon. It was argued that the landmine issue was unique because Canadians were united on a core set of values. The same set of conditions did not obtain on other issues (Hampson & Oliver, 1998). Journalists derided the whole project as a 'New Age melange' which was used to justify Canadian trade with repressive regimes in China, Cuba, Indonesia and Burma. In the latter instance it was acknowledged that both the United States and the European Union imposed stronger sanctions on the military regime than did Canada. There was a growing gulf, it was claimed, between Canada's public statements, which placed it in the position of being the conscience to the world, and the private reality of memos from behind the scenes. As one journalist argued in an article which probed Canada's relations with Indonesia prior to the 1997 APEC summit, there were problems with the position taken by the Canadian government. It was said that Team Canada trade missions of politicians and business leaders represented the pinnacle of this tendency.<sup>7</sup>

#### Canada and the 'Third Way'

Within Canada there has been a search for a new constellation of political forces to challenge a state-centric and Ottawa-centered ruling orthodoxy. The Reform party has been at the center of this. Preston Manning, leader of the party, has suggested a 'united alternative' response to the Liberal party. Manning's reasoning is that as long as there are two parties of the right, the vote will always be divided and the Liberals will continue to dominate national politics. Hence his call for a conference on this topic, held in February 1999, and the decision of the conference delegates to form a new political party. By this one act of conceptual daring, Manning has achieved something that a generation of textbook writers have manifestly failed to achieve: he has made Canadian politics interesting. But a number of practical obstacles remain.

The leader of the federal Progressive Conservative party has declared his distaste for the entire enterprise. Clark returned as leader of the Conservatives in the autumn of 1998, after being forced out of the leadership by people associated with Brian Mulroney. Clark's main opponent for the leadership was Hugh Segal, a media pundit, an Ontario-based party strategist and a one-time advisor in the Prime Minister's Office to Brian Mulroney (positions which caused his popularity within the party to fall in descending order). The reverse qualities recommended Clark to the position. Best described as George Bush without the 'vision-thing,' Clark is a pragmatist in the same sense that his American counterpart is a pragmatist. Not for him are plans for grand constitutional changes. Likening himself to Bush the younger of Texas and New York's mayor Rudolph Giuliani, Clark called for a 'compassionate conservatism.' Clark and Manning have known each other since university but they treat each other with a studied cordiality. Clark was reportedly 'leery' of 'Manning's crowd,' with their penchant for social engineering.<sup>8</sup> In 1988 the competition was sharpened. That year Manning ran against Clark in the Yellowhead riding in a federal election. Clark won. His rival's political movement has had reversals of fortune but it has been a gathering force. The same cannot be said for the contemporary state of the Progressive Conservative party in Canada. Although it shared the same percentage of the popular vote in the 1997 federal election, the electoral system rewarded Reform much more handsomely. This allowed Preston Manning to become the official Leader of the Opposition in Parliament.

Particularly offensive from Joe Clark's point of view, were Reform advertisements in the last federal election which questioned the wisdom of a system which continuously returned leaders from one region of the country. Since that region was Quebec, opponents of Reform charged it with racism. Reform supporters responded by saying that the national media in general and the state-sponsored Canadian Broadcasting Corporation in particular already had that bias. At the urging of Preston Manning, Reform is exploring the possibility of moving away from its Calgary-centered base in Western Canada. It intends to re-invent itself as a national party with support from all regions of the country. In practice this means southern Ontario. In the past, the party tried to identify itself as a 'party of the regions' to no great electoral success -- except in British Columbia and Alberta. Manning's is, at point of origin, a populist movement. But he does not see it as a conservative populism. Populism, for him, is a methodology and not an ideology (Flanagan, 1995). Flanagan maintains that Manning views socialist movements in Western Canada as a precursor of his own political effort even though socialism is conventionally located at the other end of the ideological spectrum (p.23). This explains why the Reform leader is comfortable using the latest technology to determine the drift of public opinion. The tension between a 'postmodern antimodernism' and a 'postmodern hypermodernism' continues to define the dilemma for Manning (Sigurdson, 1994). Most of his followers belong to the first camp, most of his methods to the second. The antimodernism is intuitive and emotional, a visceral reaction against Ottawa and all its ways, while the hypermodernism is cerebral. Manning cleaves toward this second polarity. He bases his personal political philosophy upon a fundamental critique of the nature of western society, believing that we must make a decisive break with modernity in order to rediscover the foundations of freedom and order (p.269). To smash the present 'glass ceiling,' to appropriate another metaphor from a completely different context, the Reform leader focused upon structural change in the Canadian federation. This is a strategic calculation of the first order. But it is not a situation which was arrived at in haste. It accords with Manning's thoughts on the nature of the Canadian federation and how deals can be struck to maintain a sort of moving balance within that federation. The deal-making would be structured along business lines with various functional interests involved. The important point was that the national interest was

not synonymous with the interests of the federal government (Manning, 1992), but they would be 'the vector sum of various provincial and federal interests' (p.84).

Canadian electoral arithmetic changed after the Charlottetown Accord served to further regionalize the party system, but certain fundamentals remain (Feaver, 1995). Either the ruling party controls central Canada, as the federal Liberal party has done for most of the twentieth century, or the major Opposition party does by forming an alliance of Western populists and Quebec nationalists, as the Conservative party did under Brian Mulroney and, several decades prior to that, under John Diefenbaker. Manning was the only political leader of consequence from outside of Quebec to oppose the Charlottetown Accord. This demonstrated that he, as much as the party he headed, had the courage to take on established interests. This was not new. He had coauthored a political tract with his father, Ernest Manning, a former Premier of Alberta who belonged to a populist movement called Social Credit. Manning the elder was brought into political life by William 'Bible Bill' Aberhart. Aberhart was a schoolteacher and lay preacher who created the Calgary Prophetic Bible Institute in 1927. He was one of the first to recognize the potential of an emerging new technology, radio. His "Back to the Bible" broadcasts were a regular feature of Alberta life in the Depression Era. This gave him what they now call 'name recognition' in the political trade. Aberhart became Premier. Upon his death he was succeeded by Manning senior. The elder Manning continued to fuse populism with fundamentalism. He wrote a book (Manning, 1967), co-authored with his son Preston, which attacked vested interests and called for the realignment of political forces. In order to accomplish this, 'a totally new political party' had to be created (p.81). And so it was. The Reform party was formed in 1987 and was (potentially) 're-branded' twelve years later.

The 'Third Way' in Britain offered an obvious point of comparison. Manning liked the dynamism and the decisive break with the past. Thus he exhorted those assembled at the united alternative convention in Ottawa to "cross political and linguistic lines in a greater effort of the heart and the head." The result? His own rendition of a 'Third Way.' On the one side there was "the frozen, fossilized status quo federalism of Jean Chretien and the federal Liberals" and on the other side there were the separatists. Of these, the Reform leader had little to say, presumably because he needed their support, be that support either covert or overt, tactical or strategic. Thus Manning spoke of a "rebalancing of the powers between Ottawa and the provinces-- not as an end in itself but to improve the lives and security of our people." His central point reinforced this: "If we do not connect at a deeper level,' he told the delegates, ' we will never get the trust required to put policies into practice."<sup>9</sup>

#### The Broader Intellectual Context

Again there is a greater geopolitical dimension to this, which works its way into these discussions at a subliminal level. Samuel Huntington (1997) has written of "The Erosion of American National Interests" which came at the end of the Cold War. During its first phase as a hegemonic power, America spent billions of dollars trying to influence government decisions, elections and political outcomes in other countries. America radiated a sense of national identity outward, as much through 'hard' power as through 'soft.' In the second phase, according to Huntington, that order has been reversed. 'Hard' power has given way to 'soft,' but as events in Kosovo would later prove, 'hard' power was still a necessity when diplomacy failed. But Huntington raised questions about political will. Multiculturalism and divergent notions of national identity as time, Huntington argued, meant that America's purposes abroad had been blunted.

Huntington's friend and colleague, Henry Kissinger, render the same verdict on 'soft' power. Kissinger (1994) was able to observe-- without irony-- that American films often depict the transformation of a villain into a 'paragon of virtue' (parenthetically adding that this is, as often as not, done 'cloyingly'). This aside was the closest the former aide to Richard Nixon came to 'cultural studies,' but his purpose was clear. Looking beyond the cinematography, Kissinger discerned in American movies "the pervasive national belief that the past has no final claim and that new departures are always possible." In the real world, he noted, such departures are rarely observed. Such influences, he suggested, cause American policy makers to favor multilateral approaches over national ones. It also causes them to favor disarmament or a human rights agenda over objective calculations of America's 'true' national interest (p. 833). Technology transfers to potentially hostile nations involve a 'hard' national security interest, as do no unrelated economic questions over trade balances. China stands first among equals in this regard.

For his part, Nye is aware of these concerns. The balance between 'hard' and 'soft' power, as he acknowledged, shifts from one society to another even as it is altered from one period to another. In the relations of states, the claims of morality have to be balanced against practical necessity. John Gray is a political philosopher who believes that no ideology can track the paradoxes that animate political life today. Particular opprobrium is reserved for those who hold to an eighteenth and nineteenth century belief in progress. Those contemporary internationalists who assume their values are perennial and universal are placed in the position of viewing the world in terms of the 'West and the rest.' Gray (1998) attacks the whigs, positivists and Marxists of every variety who assumed that modernization and secularization were intertwined. Elsewhere Gray (1995) frames his analysis in terms of an axial conflict between system and lifeworld. On the one end of the world order are those who hold to self-

undermining Enlightenment-inspired projects, while on the other are those who, in his words, believe "in the fundamentalist project of re-enchanting the world."

Writers such as Benjamin Barber (1995) frame global change in a stark dialectic of Jihad v McWorld. This is not new. Michael Oakeshott (1996) observed a tension between two political styles, the 'politics of scepticism' and the 'politics of salvation.' Devotees of the latter were enthusiastic about the possibility of perfection on earth and wanted to mobilize popular approval for this project while those who hold to the 'politics of scepticism' were much less enthusiastic about the nature and purpose of collective enterprise. For people in this position, a rule of law is central to their objectives. Others view this from a difference perspective. To some (notably, Riker, 1982), this demarcation is viewed as a confrontation between populism and liberalism, between a theory of democracy and a theory of social choice. But all of these arguments came to the same conclusion. Too much emphasis on Oakeshott's 'politics of scepticism' comes at a price. A sense of local identity is lost, as is a larger spiritual identity.

The same point was made with respect to public administration within individual nation-states. A New Class of experts and managers has tried to turn public administration into a technical domain, thereby depoliticizing the issues which enter that orbit. They have grounded their practices on a set of Enlightenment 'oughts' which do not fit the circumstances upon which they have been imposed (Gottfried, 1995). Theirs is a secular religion in its own right, complete with specialized rituals and language.

# **Mediating Institutions**

An important component of 'soft' power has been scanted by Nye. Mediating institutions are a key factor in this matrix. But the author of 'soft' power failed to look at the changing climate of journalism. During the Cold War, a premium was placed upon 'hard' news. However doctored or manipulated for larger reasons of state, the demand was there. 'Hard' power required 'hard' news. After the Cold War there has been a well-documented tendency to move toward a tabloidization of the news. Mainstream media outlets in the United States have displayed a much remarked upon obsession with the private politics of public policy. A strong narrative rhythm informs the storytelling. As Leo Braudy (1997) made clear, there are deeper roots to this. Braudy looked to the eighteenth century to find an audience that did not passively respond to its idols but took instead an active role in defining them. The dialectic between the celebrity presence and those who 'buy into' that presence frames what has been called, in another context, the long history of the twentieth century. He explains that the frames which existed before-- the audience of citizens, the audience of God, the audience of history-- have been superseded by "the more palpable and

immediate audience for performance." More than in previous centuries, the famous are onstage, prisoners of a glass kingdom not entirely of their own crafting. Politicians, as much as other public luminaries, must be aware of this. Braudy acknowledged as much when he observed that popular culture in democratic societies "serves as a form of collective emotional memory, which supports the creation of our social identities, not because we owe allegiance to the state and its institutional occasions, but because we connect the stages of our lives to public people and their doings." He further observes that they "represent unfinished business in the national psyche, emblems of heroism or villainy, innocence or guilt, that may last for decades, even centuries" (p.600).

At the same time there is an increased consciousness of the role of the medium itself, or more exactly, the role of the new media. The boundaries between fact and fiction or virtue and virtuality are transformed even as the boundaries between the public and the private realm are altered. A 'postmodern cynicism' debunks both the image and the image-maker and yet accepts both of them at the same time (Hallin, 1997).

The ending of the Cold War was coterminous with the shift from network broadcasting to narrowcasting. Successful political actors adapt to the dominant form of communications of their era. Bill Clinton's skills at narrowcasting were the stuff of political legend. He knew how to create empathy with his target audience. His handlers could work the requisite mechanisms to demographically profile this component of the 'therapeutic' state while the managers were left to fine tune a powerfully expansive business cycle without overt political interference. The strength of the American system is that each political cycle brings in a different alignment of political forces. Each President brings in trusted advisors from various parts of the country. A different President and a different Congress brings a different power structure. In Canada that does not happen. One part of the country controls the Parliament and much of the national agenda. The power structure is relatively static. As Joe Clark acknowledged, when he was a senior figure in government, the institutional response to the influence of the 'New West' was inadequate. The 'hard' power of the 'New West' came from its growing population base and its diversification of a resource-based economy. Its 'soft' power came from the way it attacked the Old Establishment interests of Central Canada. In Peter Newman's terms the Old Establishment was a club, the New Establishment is a network; the Old Establishment was national, the New Establishment, global. Newman (1998) chronicles in anecdotal detail an emerging business and economic nexus that was often centered at the University of Calgary. The Tories were Old Establishment, Reform, New.

#### The 'New Medievalism'

Although the connection has yet to be made, Preston Manning's thinking is close to an alternative to liberal internationalism called 'the new medievalism.' It offers a back-to-the- future view of the next millennium. Where liberal internationalists see a need for state-sponsored regulatory activity and rule-making, 'neo-Medievalists' envision an end of the nation-state. Or, more precisely, a disaggregation of the nationstate as power shifts up, down and outward to suprastate, sub-state, and non-state actors. This 'power shift' changed organizational structures from hierarchies to networks (Mathews, 1997). Like the proponents of 'soft' power, the 'new Medievalists' (Kobrin, 1998) are true believers when it comes to the wonders of the information revolution. This revolution, they assert, downgrades the traditional sources of authority even as it creates new sources. These new sources have a fluid and interstitial pattern. This pattern is corporatist but it is not bounded by national borders. It bears an uncanny resemblance to world trade in the late Middle Ages. This skein of global governance connects Microsoft to the Vatican, and Amnesty International to the European Union and China. In order to come to terms with this emerging reality, specialists in international relations must turn to literary theory for insights into a situation in which new modes of discourse are continually generating new meanings and new identities. The Russian literary theorist Mikhail Bakhtin used the term 'dialogism' to describe this situation. International relations theorists have appropriated the term to describe the plurality of views in a multipolar and multicultural environment (Der Derian, 1997).

Reform supporters have been chided in the national media for their premodern nativism. In this respect they share certain features in common with right-wing radicalism in the United States (Mudde, 1996). The leadership of the party has been called postmodern because of its reliance upon the latest advances in information technology. Reform was able to effectively critique the New Class methods of those who control the national political structure. This begs the question: if it was so successful as a 'brand,' why try to 're-brand' it? ' New' Labour offers an example of 're-branding,' but does Reform want to buy into the New Class methods the Labour leadership has been obliged to adopt?

The deeper problem is that political parties are tied to the nation-state. As nationstates are pulled apart, political parties have been forced to respond. This trajectory is most pronounced in Canada, a place that is constantly cited as the paradigmatic example of a postmodern society. Canada's fragmented party system is likely to remain fragmented along regional lines. When the United States operates in its capacities as 'hard' power, it performs the function of a modern nation-state. When it operates in a 'soft' power capacity, it operates as a postmodern society. China operates as a nation-state in the modern sense of the term. Somalia, Afghanistan, Liberia and parts of Russia qualify as pre-modern in the sense that the state, as Weber would have it, no longer holds an exclusive monopoly on the legitimate use of force (Cooper, 1997). Textbooks assume that political parties perform a nationalizing role, pulling regions and classes together. This conventional wisdom also holds that as a movement becomes a party it will have to water down its principles. The closer it comes to power the more it will have to abandon its principles. This is the divide between 'Old' and 'New' Labour in Britain. This requires a new person at the top. Hence Tony Blair. Parties were to be marketed with a 'charismatic leader' (itself a media construct) and a high-definition slogan. Hence the 'Third Way.' Completing the trilogy is party fundraising (Amyot, 1996). The association between money and politics, long honored, is a central part of the 'New Politics.'

The strength of Reform has been that it has been able, and willing, to defy convention and conventional wisdom. It cannot criticize the therapeutic-managerial state, however, and then operate the same way as the other parties who work within the broad parameters of this state. Will its identity make-over work for the electors of southern Ontario? Or is this an illusion? 'Soft' power and the 'Third Way' have been attacked as plastic concepts and the fashion of the moment, but that is not the point. They have merged into other concepts. Tony Blair talked of an evolution, an appetite for new political ideas. To do otherwise would be to rely on marketing alone. This invites cynicism. A fable from Aesop is instructive for all 'Third Way' governments and 'Third Way' Opposition parties:

> A dog was crossing over a river with a piece of meat in her mouth. Seeing her own reflection in the water she thought it was another dog with a bigger piece of meat. So she dropped her own piece and made a spring to snatch the piece that the other dog had. The result was that she had neither. She could not get the other piece because it did not exist, and her own was swept down by the current.

Beware of losing the substance for the shadow.<sup>11</sup>

# Endnotes

1. This paper was presented to the annual BACS Conference which was held at Royal Holloway College, University of London between 29 March and 1 April, 1999.

2. The intellectual context of the debate over America's place in the world at the close of the Cold War was a shaping influence. Paul Kennedy's *The Rise and Fall of Great* 

*Powers* (New York: Random House, 1987) spoke of an 'imperial overstretch' which contributed to the historic decline of hegemonic states. A 'declinist' view of America's future prospects was encouraged by this publication. In order to counter this interpretation, Joseph Nye wrote a book which pointed out that Kennedy paid little attention to non-economic and non-military factors X in other words, 'soft' power. Nye maintained that America had unrivaled 'hard' and 'soft' power resources which, in combination with 'political leadership and strategic vision,' gave it a genuine purchase upon world affairs. See Joseph Nye, Jr., *Bound to Lead: The Changing Nature of American Power* (New York: Basic, 1990, p. 260).

3. Few could gainsay the assertion, boldly proclaimed in *The Economist*, that "innovation has become the industrial religion of the late 20<sup>th</sup> century." The British publication further asserted that business sees it as key to profits and market share, governments automatically reach for it to fix the economy. It is, finally, "the new theology that unites the left and right of politics, says Gregory Daines of Cambridge University." This is from the "Innovation in Industry Survey," *The Economist* (20 February, 1999, p. 5). On the next page, the point is made that America receives more than half its economic growth from industries that barely existed a decade ago and that this growth is particularly apparent in the information and biotechnology sectors of the economy. This growth is used to underline the importance of innovation.

4. In examining the relationship between culture and socio-economic institutions, Daniel Bell held that a nineteenth century tradition, "deeply ingrained with Marxist conceptions," gave the social structure a determining role. But a longer scholarly tradition relates our imaginative reach to the tools which we employ. An important distinction was made between *homo faber*-- the tool making animal-- and *homo pictor*-- the picture-producing animal. The *homo pictor* was given the power of the imagination and to the bigger realm of culture was ascribed the initiative for change in a society. Bell saw in this "a dominant impulse toward the new and the original, a self-conscious search for future forms and sensations." *The Cultural Contradictions of Capitalism* (New York: Basic, 1976, p. 33).

5. Like the iron lady, he was not a believer in moral relativism. "I tell you, "Blair explained to a party conference, "a decent society is not based on rights. It is based on duty. Our duty to each other." Quoted by Samuel Beer, "The Roots of New Labour, Liberalism rediscovered," *The Economist* (7 February, 1998, p. 25).

6. "The Third Way, Goldilocks politics," The Economist (19 December, 1998, p. 75).

7. Naomi Klein, "The Real APEC Scandal," *Saturday Night* (February 1999), pp. 43-49.

8. "I wasn't at ease with what seemed like their incipient social engineering," he remembers, further cautioning that some of the people "around Preston thought they knew better than the rest of us about how to live our lives." Quotes in Bruce Wallace, "Range Wars," *Maclean's* (22 February, 1999, p. 20).

9. An excerpt from the speech was published in the *Globe and Mail*. See "Mr. Manning's united alternative: a union of heart and head," *Globe and Mail* (22 February, 1000, A11).

10. Milan Kundera offers a parallel insight. He refers to the public person as a 'dancer' who is performing before a crowd and who is aware of the audience only as an "infinity with no faces! An abstraction." See Milan Kundera, trans. L. Asher, *Slowness: a novel* (New York: HarperCollins, 1996, p. 29).

11. S.A. Handford, translator, *Fables of Aesop* (Harmondsworth: Penguin, 1954, p. 122).

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