# The shifting subtleties of "special": differences in US and UK approaches to public diplomacy in business

## **Alison Holmes**

American by birth, Alison Holmes has lived in the UK for 18 years. Her experience includes ten years running national political campaigns, corporate affairs at the BBC, communication strategy at Burson-Marsteller and running a transatlantic business membership organization. She recently completed her doctorate in international relations at the London School of Economics.

Cambridge Professor Charles Hampden-Turner, argues:

Business must also be diplomats to survive in most parts of the world today. Government does not have the expertise or the resources for such information.

Since September 11 the number of times the US President and the Prime Minister of the UK have stood "shoulder to shoulder" has gone beyond counting. The idea that the US and the UK are each other's "greatest allies" has been repeated so often as to have become a cliché.

However, underlying, and perhaps at times even helping to drive, the military and geopolitical issues is an area which has been ignored almost as often as the first has been highlighted. That is the simple fact that the economies of the UK and the US are embedded in each other in a way that no other two individual countries in the world can claim.

This may, at first sight, seem unlikely given their obvious differences in size, population and consumer base; but not only is the economic relationship vast, it is also evenly balanced. When people talk of the "special relationship," it is not just about guns and butter. The relationship is "special" because it is bread and butter to millions of people on both sides of the Atlantic. UK and US companies both employ over 1 million people on the other side. As of the latest available figures in the 2005 report from the UK Government; the US and the UK hold the number 1 and 2 slots respectively as the world's largest global investors. They also hold the same spots as the largest recipients of foreign direct investment (FDI). For the UK, its outward foreign direct investment is even larger than its inward level of FDI. Not surprising then, that over a third of all investment that comes to Europe from the US stops in the UK. It has even been suggested that the UK has a complicated relationship with its European neighbors precisely because it gives, in continental minds, undue attention to its US economic similarities – though often dressed in military/geopolitical clothing.

But what does this economic data have to do with public diplomacy? On its own perhaps not much – but it has everything to do with transatlantic business and suggests a shared outlook and large common agenda between the UK and US that goes beyond national security. As such, it may be instructive to note the subtle, but important differences in the approach of these two countries to public diplomacy. I argue here that these differences in emphasis create very different outcomes. This paper briefly looks at the development of the definition of public diplomacy in the US and the UK and then turns to the views of the transatlantic business community in the form of recent survey data and those working in that arena.

The basic conclusion is that a definition of public diplomacy that over-emphasizes national interest and security as objectives of public diplomacy both harms the credibility of governmental communication and leaves little room for business participation; while a view of public diplomacy as only one communication tool amongst many, allows for both governmental flexibility and better business participation.

Simply put, while business and government can work together and have complemented each other for centuries, they do not have the same priorities or motivations. This difference of perspective cannot be ignored if business is to play an effective role in public diplomacy.

### Diplomacy and the public

Diplomacy has existed for centuries and ranks amongst the oldest of professions. Having spokespeople to represent the views of absent allies – and enemies – took time to become established but from the city-state to nation-state the role of ambassador has been acknowledged as an honest conduit between, and confidante to, the powerful. And while the temptation to break such confidences has been intense, most have been able to resist such blandishments knowing that such breaches inflict permanent harm on the credibility of the post which is far more damaging in the long-term than the hurt it does to those whose stories are proffered as humor in the short-term.

"Diplomacy", then, comprises relations between states on two levels: officially as government-to-government communication and privately in the form of one-to-one discussions. This role inevitably evolved with technology as cable, telegraph and telephonic communication meant that the voice of the ambassador was joined by the voices of their leaders. For the first time, heads of state could communicate directly and quickly as well as privately.

It was the modern media age that began to present more serious threats to these backroom relations between governments. Diplomacy could no longer be conducted solely between ambassadors or heads of state. "The people" gained access as never before to these shadowy discussions and countries gained the ability to have one position privately while taking a different line in the media. Mass communication demanded mass tactics.

The challenge, of course, is that "the people" is not an easy category. More than one initiative has foundered on lack of clarity as to which "people" one is trying to influence. The domestic audience is generally regarded as the job of politicians at home and deemed the "public affairs" task of the government of the day.

Yet increasingly, technology means that the rest of the world is able to, in effect, "read over the shoulder" of the average citizen and examine those "domestic" explanations for any inconsistencies with those offered by public diplomacy initiatives overseas. One recent example caught the US Ambassador to the UK "proactively" defending US troops against an accusation of the use of phosphorus as a weapon in Falluja only to find his government conceding the accusation just a few hours later (Tuttle, n.d.; *The Independent*, 2005; Reynolds, 2005).

A lack of clarity as to audience and the immediacy of modern media may explain at least part of the perils around public diplomacy and should be borne in mind when considering possible roles for non-governmental players, including business. Without attempting to go over well-trod ground, definitions are important here to point to an important shift in both definition and approach between the US and the UK.

#### Public diplomacy - American style

The classic starting point for all public diplomacy discussions is in the US, with Dean Edmund Gullion who, in 1965, argued that:

Public diplomacy... deals with the influence of public attitudes on the formation and execution of foreign policies. It encompasses dimensions of international relations beyond traditional diplomacy; the cultivation of governments of public opinion in other countries; the interaction of private groups and interests in one country with those of another ... communication between those who job is communication ... central to public diplomacy is the transnational flow of information and ideas[1].

Just over 20 years later in 1987 the definition had moved on and, according to the United States Information Agency (USIA):

"The focus throughout the UK review is clearly as concerned with issues that have an impact on tourism, individuals, immigration/investment, export brands and culture/heritage as on those that impact foreign or domestic policy."

Seeks to promote the national interests and the national security of the United States through understanding, informing and influencing foreign publics and broadening dialogue between American citizens and institutions and their counterparts abroad[1].

Nearly another 20 years on and the Chair of the Advisory Commission on Public Diplomacy in her November 5, 2005 report stated that:

Public Diplomacy seeks to convey the truth about American values, culture and people to the world. Although public diplomacy has various facets, it is critical to understand its core goal: to advance policies. Public diplomacy entails informing, engaging, and influencing foreign publics so that they may, in turn, encourage their governments to support key US policies. In involves building mutual understanding and fostering more favorable attitudes towards the US (US Department of State, 2005).

Or, as set out on the Department of State's home page explaining the role of the Undersecretary for Public Diplomacy and Public Affairs, as being to "ensure" that "public diplomacy (engaging information and influencing key international audiences) is practiced in harmony with public affairs (outreach to Americans) and traditional diplomacy to advance US interests and security and to provide the moral basis for US leadership in the world" (US Department of State, n.d.).

It seems clear that there has been a seismic shift from information provision to overt persuasion; from an open ended exchange of views, to a "dialogue" with a pre-determined outcome: supporting US policies and its world leadership.

It seems to leave to one side both a need perceived in the rest of the world that the US should attempt to engage in a dialogue so as to better understand them; and the dilemma that "truth" is sometimes best served not by defending a line but admitting a problem.

Even a cursory glance at the rest of the Department of State site or that of the Office of Global Communication in the White House (viewed as a part of recent public diplomacy initiatives) makes it clear that the new mission is geared towards the Muslim world. Other places have become locations to gather support for the US "war on terrorism". Public diplomacy has become a by-word for defending the US against the views of others rather than engaging in discussion that might change the views of all those involved.

#### A very British approach to diplomacy

The gradual but fundamental shift in the objectives on the US side is in contrast to those offered in the UK. This became clear during the course of the UK review started just prior to the recent work in the US but also after the events of 9/11. One starting point could have been that offered by Robin Cook – then Foreign Secretary – in his introduction to the "Foreign and commonwealth office public diplomacy best practice guide". He defined public diplomacy as simply:

The projection and promotion of the UK's image, values and policies overseas[2].

However, the Public Diplomacy Strategy Review Board decided to start with a broader definition:

Work which aims at influencing in a positive way, including through the creation of relationships and partnerships, the perceptions of individuals and organisations overseas about the UK and their engagement with the UK, in support of HMG's [Her Majesty's Government] overseas objectives[2].

Crucially for this discussion, this had changed in their final paper, "Changing perceptions: review of public diplomacy", completed in March 2002 in the direction of less connection to national interest, not more. Their final version simply left off the final clause and deleted "in support of HMG's overseas objectives" leaving the focus on relationships and partnerships. The "impact" as they go on to say, "is then the positive difference which public diplomacy work makes to those perceptions and engagement" [2].

The focus throughout the UK review is clearly as concerned with issues that have an impact on tourism, individuals, immigration/investment, export brands and culture/heritage as on those that impact foreign or domestic policy. Initiatives such as the Coalition Information Centres are listed as an important part of public diplomacy in response to 9/11 (also considered by the Council on Foreign Relations to be a key part of US activity), but they are listed alongside the responses to other crises such as the impact of foot and mouth disease and the ongoing work of the British Council and the BBC World Service[3].

Its recommendations ranged right across the full breadth of the "hexagon of communication" (as Placebrands Ltd would call it (Anholt and Hildreth, 2004)) in contrast to those offered by the Council on Foreign Relations – whose report on public diplomacy was commended by US Representative Henry Hyde (Centre for Media and Democracy, n.d.) – and which focused mainly on gathering reactions to US policy and using Muslim or Arab as "indigenous messengers" to "criticise bin Laden more witheringly than US diplomats can" (Council on Foreign Relations, 2002).

#### Business as usual or business in action?

Where does that leave business? Global business has resources right around the world and business can clearly be affected by public opinion of their home market. So how, can, and should, these resources be used to assist in public diplomacy?

UK Trade and Investment (UKT&I) is a governmental department deliberately placed between the Department for Trade and Industry and the Foreign and Commonwealth Office to support inward and outward investment. Its stated task is to act as "the lead government organization" that "provides integrated support services for UK companies engaged in overseas trade and foreign businesses focused on the UK as an inward investment location. It brings together the work of teams in 200 British embassies and FCO posts overseas and government departments across Whitehall"[4].

Officials from this organization and its two "parent" departments are direct channels to the business community. From their inward and outward investment officers, to their extensive network overseas in consuls and embassies, these are the people who see the real impact of government policy on relations with business and various non-governmental communities abroad. Meanwhile, BritishAmerican Business Inc. (BABi) is on the receiving end of this equation as a business membership organization. It has offices in London and New York and 700 member companies consisting of some of the largest transatlantic business names as well as small- and medium-sized companies looking to expand their international business.

Convinced of the need to gather more detailed information on the transatlantic business agenda, BritishAmerican Business Inc. approached UK Trade and Investment to conduct an issue survey of its 5,000 strong database. UK Trade and Investment agreed and the survey took place in April/May 2005 using primarily online responses.

" 'Diplomacy', then, comprises relations between states on two levels: officially as government-to-government communication and privately in the form of one-to-one discussions. " Issues ranged from changes in visa/immigration regulation, infrastructure and employment/staffing issues to much wider areas such as corporate governance, drivers and barriers to transatlantic business and relations with Europe. The most striking and consistent feature of the survey was the general impression that on the "headline" of most issues the UK and the US seemed to agree. Yet, below that superficial agreement, there were considerable differences in attitude[5].

There was only one question in the entire survey that garnered exactly the same response on both sides. It is also, probably, the most relevant question to this discussion. The survey asked: "In your opinion place the following in order in terms of presenting the greatest challenge to transatlantic business over the next three years?" The list, for both sides, in order, is shown in Table I.

It would appear that business clearly does not have security at the center of its attention but is more worried about the "other guy". National identity is less important than getting out from under national/governmental regulation and global currency trends and lack of home team competitiveness are what keeps business awake at night.

Professor Charles Hampden-Turner of the Judge Business School at Cambridge University is an expert in cross-cultural issues and consults all over the world. He argues that business and the public sector simply want different things. He recognizes that government is now trying to implement more of a "business model" by identifying the voter with the consumer, but feels that it will always be problematic because the profit motive is much clearer than public goods. Government, in his view, must constantly struggle with questions of, "what is my dilemma? What do I have to optimize? What are my criteria of success?" It is a paradox to him that businesses, out for themselves, can often do more good than do-gooders who, in his view, tend to encourage a climate of dependency. As he put it:

Self-interest is a good cover for doing good, while doing good is a terrible cover for doing good because they always want more – they want recognition and love and gratitude as well. That puts business in a much better position. They accept that you get what you pay for and get nothing for nothing[6].

This is echoed by those familiar with government initiatives from the inside. One former diplomat suggested that:

The empire was built by business. Reach is not driven by commerce entirely but commerce plays a huge part in inter-communal relations. The difference today is the role that business plays directly with other governments... Relations are state to state when issues are covered by treaty but as often as not they are company to state or sometimes state to company.

This direct contact is why, he argues, companies have problems representing anyone other than themselves. The problem, as he saw it, was that:

All sectors: government, NGOs and business, all argue that representing a country abroad is someone else's problem vs saying we all have a part to play.

He felt he had seen a consistent refusal on all sides to set out strengths and weaknesses in an objective manner. He also felt the tendency was to look to business rather than NGOs and

Table I The survey			
Challenges	Total	UK	USA
Growing competition from developing			
economies	2.49	2.52	2.45
Burden of growing regulation, e.g. tax and legal	2.68	2.67	2.69
Global uncertainty of currency fluctuations Diminishing competitiveness of developed	3.17	3.33	3
economies	3.31	3.38	3.24
Threats to national/homeland security	3.74	3.86	3.62
Notes: $1 = \text{greatest}; 5 = \text{least}$			

civil society. This was a mistake, he argued, not only because business has their own agendas but also because business have their own images to protect and promote. The company would have to differ in every situation because they say different things to the consumer of your message. For example, he argued strongly that if he wanted to portray the UK in a good light the last person he would use would be a British business. It would, he felt, be far better to use a company from the other country by way of endorsement[7].

This point was also made by a current insider who said that while the government has industry ambassadors it was difficult to get them on board. Like other observers, he saw that business had their own agendas to pursue and were not always best placed to put the diplomatic line when they wanted to pursue their own.

There had been, he added, some improvement in the coordination of public diplomacy initiatives. The "Changing perceptions" paper had suggested more coordination on country initiatives between home departments as well those on the ground both inside and outside government. The first initiative organized after this report took place in 2003 in China and was called "Think UK".

The initiative was an 11-month long effort in four major cities with a huge range of media and "wrap-around" activities from literature and author exchanges to trade and fashion shows and exhibitions. In the follow-up report the work undertaken by all arms of "public diplomacy" were examined. Suggestions as to improvement were made but the overall view was that they had worked much more effectively by bringing everyone on board early in the process. It also noted that it was more effective to allow various groups to get on with their own work using their own expertise rather than run it all from the center. This was, in their view, an operational necessity in China with relatively few governmental staff on the ground, but ultimately worked to the project's benefit.

This was also the view taken of the next major public diplomacy initiative on science and technology in the US in 2004. While this was an industry-specific initiative rather than a country approach, it worked in much the same way in terms of bringing various arms of government and outside bodies together in the planning as well as the implementation stage. Despite the fact there were considerably more resources in the US, they worked from the "China template" and was again deemed to be a success in terms of public diplomacy outreach as well as business development.

This insider very much reflects a wider approach when he concluded that:

The role of public diplomacy in the work we do is very important, influencing the key influencers and not just politicians or business ... we try to manage perceptions of the UK but sometimes the images used reinforce old stereotypes. For example, in terms of culture, stressing our history could undermine our objective of representing the UK as the modern society and the idea that what makes us successful as an economy is ... basically getting it down to people ... Our efforts have notched up a gear recently and we are concentrating on a very international agenda[8].

#### Redefining public diplomacy for active business participation

The disciplines of business suggest companies need a single image and a single message. Further, that the image and the message must be consistent and then repeated continuously to be effective. Businesses are equipped to do this because they can project a cohesive unit from the CEO to the shop floor. They have one motivation and if they fail they go bankrupt. Countries, however, are not businesses. There are no single criteria to measure its success and no one image or message that can encompass its breadth and depth.

The question here is the role of business in public diplomacy. I would suggest that business should play no role unless it is allowed to play to its strength. Definitions of public diplomacy that put unrealistic constraints on those who want to support its overall aims defeat the overarching objective of diplomacy.

It is an issue of jobs and the right skills to deal with them. The job of government is to defend the country's national interest. They have a range of skills to run departments, deliver social structure, represent its views abroad and, one hopes, to defend its citizens. The job of business, or civic organizations, or NGOs, on the other hand, is to do their business or tend their hobby or defend their concerns. They have another set of skills. However, by setting up the public diplomacy task as one of making foreign people see "truth" it has been transformed into the job of the missionary not the businessperson, or the civic leader – or even the diplomat.

Business can teach government two important lessons as to why this rigid approach does not work for them and arguably harms the government's own messages.

The first is that business understands there is no one "truth". They set out a stall, talk to consumers and get feedback. If the feedback is bad you change the product. That is business. So broadening the task to gathering information and intelligent feedback allows business to play an active role in public diplomacy. Real dialogue, active engagement and questions of perception are the lifeblood of business. But they are no good at being purveyors of "truth" and should not try.

The second lesson is that credibility is key. The road to bankruptcy is littered with arrogant companies who thought they could get away with leaving out important details or skipping over financial misconduct. Without trust there is no credibility. Destroy credibility and business is dead. For all the calls for "respectful dialogue" and "two-way communication" it must be understood that every spokesperson who takes the mike has no credibility as long as the objective is clearly driven by a pre-determined, one-way agenda.

The US and the UK share a common history, language and cultural background. Their economic ties involve every industry, every kind of company and probably every UK county and state in the union. However, there are important differences between the two countries. Many a merger has fallen foul by thinking that the two countries were identical instead of only similar.

Public diplomacy has become one such area of important difference. The US has moved towards an approach that feels more like a demand than a dialogue. But even as business in the US is trying to work with government, their counterparts abroad have retreated. For example, membership in "American" organizations is on the decline and finding an American business willing to speak in the media "about America" is nearly impossible – even in a "friendly" country like the UK.

It would seem the more the US defines public diplomacy as existing to support a political line the more vulnerable and less able businesses abroad (where the US need the most help) feel able to participate.

Perhaps a more open and inclusive position on public diplomacy would enable business – and a range of other groups and organizations – to bring their expertise and support to the public diplomacy objectives of a government with so much to share but in need of such an understanding.

#### Notes

- According to a Library of Congress study of US international and cultural programs prepared for the Committee on Foreign Relations of the US Senate, this definition was used in one of the first brochures from the Murrow Center for Public Diplomacy created in 1965 at the Fletcher School of Law and Diplomacy at Tufts University. It can be found on the Public Diplomacy website – sponsored by the United States Information Agency Alumni Association (www.publicdiplomacy. org/1.htm).
- 2. 1997 "Foreign and commonwealth office public diplomacy best practice guide", internal document quoted in "Changing perceptions: review of public diplomacy," March 22, 2002, p. 12.
- 3. It should be noted especially for US readers that both of these organizations are funded by, but not controlled or managed by, the UK Foreign Office. While they work closely with government on their objectives and priorities they are allowed to devise their own activities and programming. They are perhaps two of the most effective examples of public diplomacy at-a-distance precisely because their reputation is built on their own work and known to be free of government control.

*Keywords:* United Kingdom, United States of America, Politics, International organizations

- 4. The United Kingdom Trade and Investment "boiler plate" found on press releases and in their mission statement.
- 5. BritishAmerican Business Inc./UK Trade and Investment Transatlantic Business Survey, 2005 (unpublished).
- 6. Hampden-Turner, Interview, October 25, 2005.
- 7. Former Diplomat, Interview, October 31, 2005.
- 8. Current staff, Interview, October 10, 2005.

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