

Forget the nation-state : cities will transform the way we conduct foreign affairs

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In 1814, Ivan Krylov, one of Russia's best known authors, wrote a fable describing a man who goes to a museum and scrutinizes all sorts of tiny things, but fails to notice a bulky elephant. The new elephant in international relations is called "paradiplomacy", the external relations of subnational governments. If the overwhelming majority of cities and states are conducting foreign affairs, and therefore thousands of brand-new actors are rising and adding their voices to global governance, how is it possible that we are not paying full attention?

Aware of their economic potential and faced with gridlock in national capitals, mayors and governors have gone a long way towards exercising political and economic power globally. The international activism of cities and states is rapidly growing across the world, discreetly transforming diplomatic practices and the delivery of public services.

Cities are economic and political powerhouses. The GDP of the state of New York is larger than that of Spain or South Korea. In Latin America, São Paulo state alone is richer than Argentina, Uruguay, Paraguay and Bolivia combined. Guangdong in China is wealthier than Russia or Mexico.

The cities contributing most to global GDP by 2030

Top 15 cities worldwide by GDP in 2030 (in billion GBP)



More than a deliberate choice, paradiplomacy is becoming an inevitable move. And although the phenomenon is not new (the first appointed representative of a subnational government abroad dates back to 1857 when Hugh Childers represented the Australian province of Victoria in England), the trend is more solid than ever.

Cities show their clout

Cities and states manage their own diplomatic networks. Critics assume that only regions that flirt with sovereignty are induced, by the nature of their internal struggles, to establish representations abroad. It's true that Quebec, Catalonia and Scotland boast the widest and better-resourced diplomatic networks.

However, an increasing number of local governments have also seen the need to open representations in foreign countries to protect and advance their specific interests. For Canadian provinces, US states or German *länder*, this is a common foreign policy instrument.

Alberta, for instance, has 12 offices in Asia, Europe and the Americas. Cities are following the same track. Gothenburg, Lodz and Liverpool, among several others, have their own official representations in Brussels to tap into opportunities generated by the European Union.

Cities and states are also members of international organizations. There are approximately 125 multilateral arrangements of subnational governments, including the [Local Governments for Sustainability](#) (ICLEI), [United Cities and Local Governments](#) (UCLG) or the [Cities Climate Leadership Group](#) (C40). It is difficult to find a city with over 1 million inhabitants that doesn't participate in international multilateral arrangements.

These arrangements are growing at a rate that far exceeds the establishment of conventional national-state international organizations. Just last month in The Hague, over 60 mayors established the [Global Parliament of Mayors](#) to "leverage the collective political power of cities". In 2014, the [Compact of Mayors](#) was established as the "world's largest cooperative effort among mayors and city officials to reduce greenhouse gas emissions".

Other subnational governments even participate formally in multilateral bodies of nation-states. Hong Kong and Macao, for instance, are members of the World Trade Organization, whereas Flanders, Hong Kong, Macao and Madeira are associated members of the United Nations World Tourism Organization. Flanders has had diplomatic bonds with UNESCO for nearly 20 years.

Subnational governments are also going a long way to get their international role properly enacted in foundational documents. The new Mexico City Constitution, which will be formally adopted in 2017, includes Article 25 ("A Global City") establishing that the city "will have a strategy for international action to promote its presence in the world".

In addition, cities and states sign international agreements (from innocuous twin-town or sister-state MoUs to forceful international treaties); have formal relations with sovereign nations; and adopt their own foreign policy "actions plans", "white papers" or "government plans" as a means of presenting government policy preferences and priorities.

We're underestimating cities

But despite the growth in sophistication and complexity, the external relations of cities and states are often belittled for being experimental, juvenile and inconsequential.

This is so because paradiplomacy is being looked at through the classical lenses of statecraft, and nation-states obviously outweigh subnational governments in available resources and muscle to pursue foreign agendas. This may be why hardcore foreign policy scholars are not paying full attention to paradiplomacy. For them, paradiplomacy is often and simply regarded as diplomacy conducted at a lower hierarchical level.

But they are missing the point. Paradiplomacy and diplomacy are different ball games making comparisons and judgements unreasonable.

How are diplomacy and paradiplomacy distinct?

First, the foreign policy of subnational governments is generally built upon their domestic competencies. Most cities or states deal only with issues such as health, education, transportation, culture, tourism or public safety, demanding that they are handled within the local-global spectrum. This is what inspired Chicago and Mexico City to sign the Global Cities Economic Partnership, which has given birth to an array of pragmatic and result-based initiatives and projects in areas normally reserved for subnational governments.

Paradiplomacy represents the projection abroad of the domestic competencies of non-central governments. Indeed, cities and states rarely venture into areas where they have no jurisdiction. In the same way that it would be difficult to find a minister of foreign affairs discussing sanitation or transportation on a global stage, a mayor will also refrain from discussing a major world conflict or nuclear proliferation. Cities and nation-states simply have different and non-competing agendas.

Second, state and local governments rely greatly on the private sector, nonprofit institutions, and civic organizations to help promote and protect state and local interests in the international arena. California's official office in China, opened in 2013, is a public-private programme operated by the Bay Area Council – a business-sponsored organization.

Paradiplomacy also differs from diplomacy when it comes to *modus operandi*. The first is more pragmatic, targeted and opportunistic, whereas the latter tends to be more ceremonial, institutionalized and ritualistic. Subnational partnerships have the advantage of being far more flexible than nation-to-nation agreements. This makes it easier to target specific needs across national borders, largely absent from foreign policy agendas of countries.

One example is the improbable agreement on regional cooperation that the Sakhalin oblast signed with the Japanese prefecture of Hokkaido, despite the serious territorial dispute between Russia and Japan over the Kurile Islands, currently administrated by Sakhalin.

Subnational agreements are also better suited to policy innovation and the tackling of tough issues like climate change, because the stakes are much lower than at the international level.

And could you imagine national foreign offices selling consulting services to ally nations? Maybe not. But that's what London & Partners – the international arm of the city of London – does, charging a fee from local or national governments that want to replicate London's expertise on an array of issues, from urban mobility to the organization of global events.

It is also different on the final goal. Paradiplomacy is more oriented towards the needs of citizens, as its ultimate objective is to perfect the tools available to local governments for adoption of policies that benefit the welfare of the population.

In countries that are not directly touched by international conflicts or terrorism, and enjoy stable commercial ties with other nations, it is difficult for the population to see the immediate impact of their country's foreign policy on their individual welfare. That is not the case with paradiplomacy.

In the words of Mike Bloomberg, then mayor of New York: "We're the level of government closest to the majority of the world's people. We're directly responsible for their well-being and their futures. So while nations talk, but too often drag their heels, cities act". Whereas diplomacy is carried out for the state, paradiplomacy is executed for the population.

Foreign policy conducted at local level still faces many challenges in terms of resilience, professionalism, coordination and efficiency. But if we insist that foreign affairs ought to be under the exclusive purview of central governments, we will be overlooking the full complexity of global governance and competitiveness. With the UN expecting 75% of the world's population to live in cities by 2050, paradiplomacy is here to stay.