



Is it time to move beyond speaking truth to power? Adam Posen, head, Peterson Institute for International Economics

Think tanks try to influence the powerful—people who hold government office and make decisions—by independently speaking the truth and not being afraid to do so.

Adam Posen, president of the Peterson Institute for International Economics, a Washington think tank, says that doesn't seem to be enough these days.

The norms and protections of free speech and intellectual pursuit are being eroded and, at a minimum in places like UK and US, there seems to be no shame in dismissing other well-established or expert opinions. It's also not enough to simply speak the truth to power because the game has changed.

Posen was addressing the Global Think Tank Summit in Yokohama in May. Organized by the Asian Development Bank Institute in Tokyo and the Think Tanks and Civil Societies Program at the University of Pennsylvania in Philadelphia, the three-day gathering was held ahead of the annual meeting of the regional development bank

Posen says the single greatest economic achievement over the past 30 or 40 years has been the reduction in world poverty.

This is, of course, a China story but not only a China story. It's also an Indian story, it's also a Mexican story, it's also an African story, an Indonesian story. This should carry more moral weight in our discussions than almost anything else we talk about in economics.

But in politics, notably in the US and the UK, this tends to get overlooked.

What seems to matter to people is not the achievements for others to benefit the world. What matters is their relative status first and foremost.

If think tanks can no longer speak the truth—that the reduction in poverty has been in everyone's interest and not at the expense of white men—what can they do?

The first option one can do is just play the insider game. This has its uses but ultimately it catches up with you, because then it's just the insider game of the establishment and you never rebuild the support we need to close this problem.

Posen suggests better fact-checking and truth-telling as a second option.

In some parts of the world, including the US, there is an independent press which does a very good job of this. There are lots of institutions. One thing we might consider is whether this is a place think tanks can come together.

A third option is for think tanks to give up—to a degree—pretending to be neutral.

This is different for different think tanks in this community. There are some think tanks in this group that are partisan by definition and then there are some think tanks in this group that are creatures of their government by definition, and there is nothing wrong with that. There are a number of think tanks, however, including the one I represent, where the goal is to be nonpartisan, supposedly, and independent and therefore you're not supposed to pick sides.

Posen says that Germany's development since World War II—including how its political institutions and cultures have evolved—has been a great lesson to the rest of the world.

You draw the line on certain things that are unacceptable. We do have to overtly fight fascism and neo-fascism and the think tanks all have to draw the line where that is. Fascism by its nature is denial of truth and denial of intellectualism, denial of expertise and reality, and there is no negotiating with that.

But how to address white males who believe they have been dispossessed?

These groups have been bought off repeatedly, they've been entrenched in privilege economically, and this is not something that can continue even if you want justice but also if you want economic efficiency and mobility.

The first economic challenge, Posen says, is to figure out how to sell globalization and economic liberalism as the least bad option.

This is difficult because people have high expectations, particularly people in Asia who've seen the miracles of the recent decades in economic progress. We have to start from, say, globalization and liberal economics—there's the old Churchill line about democracy is the least bad, it's what you do after you try everything else. I think that is the way to think about it rather than oversell it.

Posen stresses the need to divert populism into a message about competition against entrenched interests.

Reduction of competition in the US and entrenched corporate power is actually harming our productivity growth, harming our innovation, harming our labor mobility maybe that is part of how to answer it—both improving our economic performance and improving our politics.

As for governments that take the wrong route, Posen says they should be isolated. He recalls speaking in London the day after the Brexit vote last year.

People asked me about the UK special role and special relationship with the US—what I said is that it makes no sense now. What made the UK special, both to Europe and the US, was its commitment to liberal values. If it's turning its back on those values, then it ceases to be special and so we have to be unafraid to call out those countries.

Posen highlights the importance of standing up to the US if necessary.

If the US does not correct course—either through internal action through adult supervision, through learning of lessons—in the next couple of years, it will be very important for the rest of the world to stand up to the US in a rules-based system. And it's institutions like ADB and growing economies like Asia that have to be the ones to do it.

Adam Posen, president of the Peterson Institute for International Economics, a Washington think tank, speaking to the Global Think Tank Summit in Yokohama in May, organized by the Asian Development Bank Institute in Tokyo and the Think Tanks and Civil Societies Program at the University of Pennsylvania in Philadelphia.

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