A weaker world

BY G JOHN IKENBERRY

The key global and regional governance bodies are all suffering a crisis of late middle age. Is this a legitimacy problem? Or is it the fault of US unilateralism?

T IS STRIKING that over the last few years, almost all of the world's global and regional governance institutions have weakened—the UN, EU and Nato chief among them. In the 1970s, political scientists warned us of a "crisis of governability" in the advanced democratic world. Governments, they said, were losing the ability and public confidence to confront the hard tasks of economic management, crime and welfare. But now it looks as if the crisis has gone global.

Even in the best of times the collective management of the international system is work in progress. But today, summits and global gatherings of leaders appear to be empty rituals rather than acts of hard bargaining and compromise. Sixty years ago last April, President Harry Truman told the founding UN conference in San Francisco that "the essence of our problem here is to provide sensible machinery for the settlement of disputes among nations." His generation went on to build a postwar international order around an array of institutions and frameworks for co-operation that bound democratic states together and launched an era of security and prosperity.

Today the machinery of the postwar era is in disrepair. No leader, international body or group of states speaks with authority or vision on global challenges. The Bush administration champions the spread of democracy but pays little regard to the rules or machinery of international politics. Nationalism is back in fashion in most of the world.

So how bad is it, and what has gone wrong? Consider some of the key regional and global institutions.

The UN. At the UN summit in New York in September, the global body seemed poised to make itself more relevant as a tool for co-operation in the 21st

G John Ikenberry is the Albert G Milbank professor of politics and international affairs at Princeton University

century. But it failed, and the moment has now passed.

It is true that the UN has been far more active since 1991 than it was during the cold war. Neither France's war in Algeria nor America's in Vietnam were even debated, and after the failure in the Congo in the early 1960s, peacekeeping was almost unheard of. But with the end of the cold war, expectations of the UN soared.

There has been a widespread desire for reform to help meet those expectations. The secretary-general's high-level commission of experts issued a report last December urging bold steps to place the UN more squarely at the centre of the global struggle against terrorism and the advancement of democracy and human rights. It proposed a "grand bargain" between advanced and developing countries. The US—and the other advanced states—would get a commitment from other nations to address terrorism and weapons of mass destruction, and to advance the agenda of human rights. In return, the developing countries would get greater support for their concernspoverty, infectious disease, environmental degradation, civil war and violence. But member states were unable to agree to these grand bargain reforms.

The UN is still vital in peacekeeping, protecting refugees, supervising elections and many other tasks. But efforts to make it a central vehicle for global security co-operation and collective decision-making on the use of force are at a standstill. The management of the UN is also under a cloud—a situation made worse by the scandal over the oil for food programme in Iraq and the sexual abuse of children and women by UNhelmeted troops in Africa.

The EU. The EU constitution has been rejected and Europeans are thinking about what comes next. This means that the EU is unlikely to play a more active global leadership role for some time. The federal vision of Europe is dead. Soft nationalism is on the rise.

The expansion of the EU has masked rising disputes within the union over its future direction, both in economic reform and relations with the US. Older foreign policy differences among the big states seem to be reasserting themselves in the absence of the Soviet threat. The introduction of the single market in the 1980s and the euro at the end of the 1990s proved relatively successful. Since 2000, however, Europe has seen the collapse or stalling of a series of initiatives—the Lisbon process intended to make the EU the world's most competitive knowledge-based economy by 2010; the growth and stability pact that sought to impose budgetary discipline on states; the Bolkestein services directive that aims to introduce a single market for services; and, most spectacularly, the European constitution. This should not be pushed too far. Membership talks with Turkey have, finally, begun. And despite the failure to create a more effective structure for foreign and security policy, there are currently more than 50,000 European troops operating "out of area," from the Balkans to Afghanistan, in many cases supporting US initiatives. Yet the EU's identity crisis may make it a less alluring political model for other regional blocs.

Nato. The Atlantic alliance still exists as a security treaty, but since the Kosovo conflict it has steadily declined as a vehicle for strategic co-operation between the US and Europe. The US is reducing its troop deployments in Germany and the idea of an Atlantic security community has a ring of nostalgia about it.

As US officials proudly note, Nato forces are in Afghanistan—some are even in Iraq. But America ignored Nato after 9/11 and the Bush administration has built its global war on terrorism around "coalitions of the willing." The Pentagon has announced that all of

its alliance "assets" are on the table as it rethinks its forward deployments and security partnerships. Many of the American Nato forces that have been diverted to Iraq will never go back to Europe. The US increasingly stands alone as a global military power, bereft of the legitimacy and support that alliances provide.

G8 summit. This gathering of the world's most powerful democratic capitalist states has always been a disappointment as a mechanism for collective action. Since the early 1970s, leaders have met annually to discuss economic and political challenges. A host leader has sometimes used the occasion to shine the spotlight on a pressing global problem. Tony Blair did so this year, generating new sup-

port for international action on Africa. But the G8 process has no joint staff or institutional memory, and the meetings have little or no lasting impact.

World Trade Organisation. The WTO remains perhaps the strongest link in the global system. But efforts to reach agreement on a new trade round—and to tackle agriculture subsidies, trade in services and other issues—have so far failed. The negotiations are more than two years behind schedule. Pascal Lamy, the WTO head, has said that a meeting set for Hong Kong in December is probably the last chance to save the Doha round. In the meantime, bilateral or regional trade agreements are spreading. Some say that the age of multilateral trade agreements is over.

The non-proliferation treaty. Most people outside Washington think that the non-proliferation treaty (NPT) and treaty-based arms control are in crisis.

The bargains have broken down. The US has ignored its NPT obligations. The Pentagon's nuclear posture review announced that the US would create new options for the use of nuclear weapons against non-nuclear states, including pre-emptive attacks using "bunker-busting" nuclear missiles against suspected biological and chemical weapons facilities. This undermines the central pledge of nuclear states to forswear the use of nuclear weapons against non-nuclear states that are party to the treaty. The Bush administration did not even send the secretary of state to a recent five-year review of the NPT.

The American provision of governance. The US is a

"private" provider of governance through enlightened if self-interested—rule-making and institution-building. It helps to generate international order by inducing others to co-operate and play by the rules. In the global village, the US by turns plays the role of mayor, sheriff, banker and firefighter. It uses domestic market to encourage openness and free trade. It uses its good offices to encourage the settlement of disputes and searches for consensus on the rules and norms of the system.

Recently, however, this "liberal hegemonic" logic of international order that had informed postwar US foreign policy has been replaced by a more unilateralist and nationalist logic that calls into question the very idea of global governance. The Bush administration has resisted a

long list of international deals, such as the international criminal court (ICC) and the Kyoto protocol. It launched a preventive war in Iraq and threw postwar understandings about alliances and the use of force into question. Colin Powell was the least-travelled secretary of state in 30 years, and Bush the least-travelled president in 40 years. If America is a private provider of global governance, the provision has become increasingly private and difficult to detect.

O WE seem to have arrived at a point where the demand for co-operative mechanisms and institutionalised collective action is growing but the supply is dwindling. There are several possible explanations for this apparent crisis of governance.

First, it is possible that the basic observation is wrong—governance is not in decline. Indeed,



observers of a "realist" turn of mind would say: sure, there is a crisis of global governance, but it's a 500-year crisis. The underprovision of co-operation is inherent in world politics. Things are no worse or any better than at earlier moments. Anyway, be thankful for the long pause in great-power wars.

Realists would remind us of another point—the importance of the cold war for stimulating the earlier decades of internationalism in the west. It is unlikely that the US would have launched itself on such an ambitious agenda of multilateral rule-making and security co-operation without the looming threat of Soviet power. Truman and other postwar internationalists confronted a sceptical and sometimes hostile congress. It was not obvious that the American people would support the Marshall plan, undertake long-term commitments to rebuild Japan and Germany, or champion the UN and multilateral economic rules and institutions. So the realists are not surprised by the retreat of internationalist ambitions in America or Europe—perhaps, they would say, it is the price to pay for winning the cold war.

Second, it may be that there is more co-operation going on—only not in the old-style global treatybased institutional way. Anne-Marie Slaughter of Princeton argues that an entire world of intergovernmental networks is flourishing below the radar. In her book A New World Order, she notes: "Networks of government officials—police investigators, financial regulators, even judges and legislators—increasingly exchange information and co-ordinate activity to combat crime and address common problems on a global scale." These intergovernmental networks tend to be informal, practical and built around the exchange of information. They escape the issue of democratic accountability because they operate unnoticed. The implication of this view is that there is no crisis of governance, only a shift in its form.

Third is the view that there is a crisis of governance driven by the inability to infuse international regimes and institutions with democratic accountability and legitimacy. The failure of the European constitution may be the most direct casualty of this constraint. But it may reflect a more general difficulty of building and pooling authority above the level of the state. John Bolton is only the most famous critic of global governance along these lines. But this is a real impediment for liberals and other internationalists who want to pursue a progressive global agenda. How do you build authority above the nation state without undermining the ability of a democratic society to hold power-wielders to account and to chart its own destiny?

Obviously, some governance institutions run into this legitimacy problem more than others. The leading postwar institutions—such as the IMF, World Bank and Nato—accommodated the prerogatives of the US and other major states quite nicely. Leading states protected their democratic rights and policy

autonomy through weighted voting, opt-out clauses and veto rights. Newer multilateral institutions—such as the ICC—tend to impose universal and legally binding obligations on states, and this intensifies the argument about democratic control.

Fourth, there is a view that one of the reasons for a deeper legitimacy problem is simply that the problems are getting harder and it requires more challenges to national sovereignty to solve them. In the economic realm, for example, multilateral trade rules and co-operation were possible during the long postwar era when tariff barriers were the most important impediments to open trade. Tariff reduction lent itself to multilateral exercises. Today, the blockages are built into domestic legislation and law-and dealing with them is a more direct challenge to national norms. Hence the shift to regional, bilateral and "minilateral" trade agreements. In the same way, some observers argue that the new security threats—WMD in the hands of illegitimate, unstable or untrustworthy states—cannot be handled by the treaty-based arms control regimes that emerged in the decades of US-Soviet bipolar nuclear summitry. The crisis of governance is driven by the mismatch between the nature of the problems and the way in which collective action must be organised.

Finally, many people argue that the decline of global governance results primarily from the shift in US policy. Today, the US just doesn't seem to have an interest in sponsoring, supporting, funding and enforcing global rules and institutions. This shift may be related only to the specific outlook of the Bush administration. But there may be deeper structural shifts in America and the global system that make the US less interested in rule and governance provision. In particular, the rise of America's unipolar power position during the 1990s has complicated the old postwar logic of co-operation among allied democratic states. America's power advantages make it easier for it to say no to other countries or to go it alone. America's military budget is roughly half of the world's total—and it alone is capable of projecting military force around the globe. These advantages make the US less willing to listen to allies. Multilateral treaties also impose more onerous obligations on America's worldwide military forces than those of other countries. America's global supremacy raises the costs of multilateral action for itself, while creating new incentives for other countries to seek multilateral solutions to global problems.

T is difficult to measure the "gap" between demand and supply of governance, especially when we have all sorts of clubs and networks in highly specialised areas of the international economy that demand specific types of regulatory co-operation and management. In any case, what counts as the optimal degree of rule-governed co-operation reflects values and subjective preferences as well as calculations of cost and benefit.

But despite all this, it is all too clear that something is wrong with the current system of governance. In my view, the crisis is generated primarily from choices made by the US, which is not doing as much as in the past to operate within a system of consensual rule-based governance. The reasons for this are complex. Some *are* specific to the Bush administration—biases and viewpoints that will pass from the scene as Bush and his team leave office. But America's global position and the structure of incentives that it generates are also part of the explanation. In the past, the US provided global services—such as security protection and support for open marketswhich made other states willing to work with rather than resist American pre-eminence. The public goods provision made it worthwhile for these states to endure the day-to-day irritations of American foreign policy. But the trade-off seems to be shifting. Today, the US appears to be providing fewer global public goods and the irritations associated with its dominance appear to be growing.

It may be useful to think of the dynamic this way: the US is unique in that it is both a provider of global governance and it is a great power that pursues its own national interest. America's liberal hegemonic role is manifest

when it champions the WTO, engages in international rule or regime creation or reaffirms its commitment to co-operative security in Asia and Europe. Its great power or nationalist role is manifest when it seeks to protect its domestic steel or textile industry. When it acts as a liberal hegemon, it is seeking to lead or manage the global system of rules and institutions; when it is acting as a nationalist great power, it is seeking to respond to domestic interests and its own relative power position. Today, these two roles—liberal hegemon and traditional great power—are increasingly in conflict.

But Europe is also contributing to the situation. Europeans—France and Germany in particular seem to want to isolate themselves from the effects of the international system rather than engage with it and shape it. US power makes it easier for Europe to take this inward-looking path. We call this free-riding—and it reinforces the wrong tendencies in the US.

In both America and Europe, the internationalist visions that defined the postwar era and gave shape to global governance are in at least temporary retreat. In the US, the end of the cold war did not signal a dramatic shift in foreign policy, but it did remove one of the critical supports for the domestic internationalist coalition. It made it harder for US politicians to identify US interests with Europe—and even more so

with the wider world. This is not to argue that the Soviet threat was necessary to turn America and Europe into "free world" partners. Roosevelt and Churchill—and generations of leaders before them had visions of a western alliance long before the Red army emerged as the enemy. But at critical moments, the Soviet threat made the difference in getting American elites to think internationally and make commitments. Fifteen years after the end of the cold war, the US is still in the heart of this western-centred global system that it led for many decades. But the support for the system within America is weaker.

If nationalism is more evident in the US, so too is it in Europe. This is not the nationalism of Europe's past. It is a soft nationalism that reflects the decline of socialism and class politics, and a rise in populist worries and insecurities about economic openness and globalisation. It is also a nationalism that reflects the search within European countries for a collective identity that can create unity amid the fragmentation that comes with affluence, immigration and the decline in class consciousness. With the return of

The legitimacy problem may

have arisen because the

problems we face pose more of

a challenge to the nation state

nationalism, the cosmopolibeen forced into retreat—and global governance.

tan, post-nationalist aspirations of European elites have so too a Europe that ties itself to an expanding system of

As a result, America and Europe are increasingly dys-

functional partners—and eroding global governance is the result. The end of the cold war has made the US less willing to underwrite the global system while the pre-eminence of its power has made it more willing to act alone. Rising European nationalism—together with US unilateralism—makes it easier for European leaders to turn inward, which in turn reinforces nationalist sensibilities in the US.

Round and round America and Europe go. In the meantime, the postwar multilateral institutions that provided governance weaken. But a world of increasing integration demands a stable set of rules and working relationships. Into this breach have appeared intergovernmental networks and other functional groupings that offer tiny transnational realms of policy co-ordination. But the future of global governance cannot be built on these informal networks. The postwar institutions—Nato most of all—were important because they allowed the great powers to make grand bargains. To make commitments to abide by rules and operate within global public institutions is costly. States do it only if they get something in return. Today our leaders appear content to undo these bargains and let collective management of the global system wither. But a day will surely come when American and European leaders seek to rediscover the benefits of global governance.