

THE PARTNERSHIP IMPERATIVE:

Maintaining American Leadership in a New Era

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Final Report of the Foreign Policy Project

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Foreword

Americans are enthralled by the looming millennium. But the important watersheds in human history rarely fit the calendar's frame. Europe's long nineteenth century began with the French Revolution and ended in August 1914. The twentieth century effectively ended when the Soviet Union collapsed, taking the long and costly Communist experiment with it. Americans have been watching wholesale change shake up countries and markets ever since. The future is now. We are already immersed in a wholly new era; what we do, or fail to do, creates our country's, and the world's, inheritance for decades to come.

So it is not anticipation of change in three years but appreciation of change already under way that stimulated the Henry L. Stimson Center and the Overseas Development Council to undertake the Foreign Policy Project. The result is this report and its recommendations. It does not suggest the need to prepare for a new era so much as to adapt to the one that is already here.

War between major powers, which dominated the history of the twentieth century, is now a fading prospect, although conflict itself is not, and security cannot be taken for granted anymore now than in the past. Civil wars continue to tear up a number of developing countries and may be only temporarily in abeyance on Europe's doorstep. Disease, drugs, and criminal cartels thrive in the wake of war. Terror remains the most lethal weapon of the weak and has begun to add weapons of mass destruction to its arsenal. The technologies of these weapons are old and widely known. The Cold War has left behind tons of deadly nuclear and chemical materials that must be destroyed or forever secured. The combination of weak governance, criminal influence, motivated terrorists, available technology, abundant materials, and global communications and transport threatens disasters no less horrible for being delivered by cargo container instead of by missile.

The world is merging economically as markets and their agents become global in scope, and as governments everywhere relinquish their grip in the face of these forces. Developing states are in a race to modernity as economic growth, population expansion, and political backlash hand old regimes new wealth, new mouths to feed, and new demands for a say in government and fairer share of that wealth. In the world's rich countries, including the United States, fraying public safety nets make people anxious about their futures and wary of the outside world, even as their lives become more and more intertwined with it. Trade is a growing fraction of the U.S. economy, finance is increasingly global, and communications and computing

technology enable the swift and growing exchange of knowledge, ideas, and values.

Finally, and probably in the long run most importantly, human beings have become so numerous, technology so powerful, and energy use so expansive, that the incidental impact of human activity has begun to alter the basic conditions for life on the planet. Once altered, basic environmental conditions like weather patterns will be costly, and perhaps impossible, to restore.

To meet the challenges and rise to the opportunities presented by this emerging world, the United States must craft a foreign policy that tackles issues in an integrated fashion in partnership with others, because the most important issues in international affairs can only be addressed effectively by nations acting together. That goes for trade and the environment, as well as terrorism, crime, and arms control. Rising global wealth means that the cost and responsibility for these activities can be widely shared, far more so than when the industrial world last reorganized itself at the end of World War II. The spreading acceptance of governing values familiar to Americans, including principles of popular participation and respect for human dignity, mean that a growing number of like-minded partners may be available to confront common problems.

So far, U.S. policy has responded to sweeping global change cautiously and incrementally, with the stability-oriented reflexes of the Cold War. Yet stability—or predictability—can no longer result from efforts to keep things as they are. Stability derives, instead, from constructive adaptation to changing circumstances. And sustained public support for engagement abroad requires policy that is not just practical, but principled. The American public wants to see not only good value from policy, but good values in policy.

What kind of a world do we want for our children and what role should America play in creating that world? To answer these questions is to define the principles and purposes of U.S. foreign policy today and in years to come. We need to look beyond the short-term bottom line to see where we want to go and what kinds of investments we need to make along the way. The authors of this study harbor no illusions that the answers will come easily, but the beginning of a new U.S. administration is the right time to make the start.

This report is a joint effort of the Overseas Development Council and the Henry L. Stimson Center. It grows in large part out of the year-long deliberations of the Foreign Policy Project's Strategy Group, a group of

experts from different fields and backgrounds who constituted the central component of the project. It also arises out of three regional meetings sponsored by the Project in Los Angeles, Austin, and Milwaukee, designed to give the authors first-hand exposure to the views of communities across the country. The report reflects the spirit of the discussions held by the Strategy Group and the general policy thrust and judgments reached by the group. While the Strategy Group as a whole endorses the publication of this report as a worthwhile analysis of the nation's foreign policy, not all members of the

group necessarily subscribe to all of its findings and conclusions.

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Executive Summary

Seven years after the fall of the Berlin Wall, U.S. foreign policy remains, for the most part, a piecemeal construct. It lacks strong purpose, has not yet adjusted sufficiently to the opportunities or the challenges of the new era, and has not yet fully awakened to the importance of long-term transnational problems. The nature and complexity of the new international environment and the lack of a single overarching threat may mean that a single new grand design—a successor to containment—cannot be crafted. Nevertheless, U.S. policy can better adapt to the new environment in ways that will dramatically advance the country's enduring stakes in peace, prosperity, and a world hospitable to American values.

Four trends are profoundly altering the world and America's role within it. Technology is linking the world by making the movement of goods, capital, people, and ideas easier and cheaper—for any purpose, good or ill. Demographic trends—rapid population growth in developing countries and aging populations in the industrial world—challenge the economic and social stability of both rich and poor countries. The increase in global wealth, which has bettered the lives of millions of people, is creating vast new markets and more capable international partners though its spread has been uneven. Finally, as ideas are increasingly shared across national borders, political and social values born in the West are reshaping international relations and norms of governance across the globe.

Acting alone, the United States can neither cope with the many challenges posed by the new era, nor seize the opportunities it presents, but acting in concert with other nations it can shape the evolving international order in ways that will support U.S. interests and values well into the next century. The United States should use its substantial influence to build ambitious international partnerships that will revamp the architecture of international cooperation—the coalitions, alliances, and formal institutions through which U.S. influence blends with others' to deal with common problems.

In this new era, U.S. military power remains unsurpassed and plays a vital role in key regions, but security is to be found not only in the ability to muster and project military power but in the productivity, competitiveness, and innovativeness of a country and its people, the ideas that they share, and how many others share them as well. Moreover, the new world's principal security challenges do not respond well to traditional forms of military power. These challenges involve chemical, nuclear, and biological weapons proliferation; criminal syndicates and terrorist groups; threats to communications networks and

the information they hold and transmit; and threats to the natural resource base and to the health of populations. The United States cannot, and need not, address them alone.

U.S. economic power remains second to none, but economic power is more widely distributed than ever before. "Globalization"—growing international economic interdependence and deepening integration of markets for goods, services, and capital—is propelling much of the world to greater wealth. Along with its benefits, however, globalization brings new vulnerabilities to internationally transmitted economic instabilities, and new patterns of social and economic inequities between and within countries. These are among the key challenges of globalization that countries, acting together, will have to manage if the benefits are going to be sustained. Fortunately, expanding global wealth is also creating a larger number of potential partners with whom the United States can work to address the difficult problems that stem from humanity's successes as well as its failures. These problems are toughest in the regions, countries, and segments of societies that globalization has not yet reached, and where rapid population growth, choking urbanization, and continuing poverty shorten lives and provide a staging ground for militancy, terrorism, and communicable disease—the effects of which can spread far, thanks to modern technology.

But military and economic power are not the only sources of American strength. There are also the hard-to-measure benefits that derive from being a country that stands for more than material ends and a powerful country that plays by the rules. If the United States uses its power of persuasion properly and fairly in this new era, it can be an ideal regional balancer, troubleshooter, mediator, and partner in enterprises intended to advance humanity's condition. America's power of persuasion is enhanced, moreover, by the independent actions of thousands of nongovernmental organizations, the work they do, and the example they set in promoting local free enterprise, participatory governance, and respect for human rights.

The American domestic setting both impels and constrains U.S. engagement abroad. With the end of the Cold War, the public's concerns have shifted from national survival to personal quality of life. As a result, most foreign policy issues have low day-to-day salience for most citizens. Yet there are many, seemingly irreversible connections between domestic and foreign affairs. Americans' economic well-being increasingly relies upon a growing

world economy, while many of the country's most pressing social problems—from crime on the street corner to illegal immigration—can only be addressed through a combination of domestic and international responses.

While the American people often do not want their country to act alone, there is every indication that they do want it to act, pulling its fair share. Fortunately, there are now more potential partners to share the load than ever before. Europe and Japan together produce nearly one-half of the world's wealth, many other economies in the world are growing rapidly, and the United States is tied increasingly into, and benefits from, that growth. The creation of a global market and the diffusion of basic norms of governance are engendering a broad community of interests among a growing core of countries. There is unprecedented opportunity to form ambitious partnerships with others to make the world more stable and secure, to expand the global economy for the benefit of ourselves and others, and to address shared global problems, from rapid population growth to climate change.

Such partnerships would differ from the international collaborative efforts of the Cold War era—in the priorities to be addressed, the leadership style required, and how responsibility would be shared. They would not reduce American influence but maintain and extend it; they would not reduce respect for America's power but increase it. Indeed, such an approach seems the only way for the United States to seize an historic moment to lay the foundations for a future world whose norms of exchange, governance, and humanitarian values are compatible with our own. It will take vision and rigorous efforts of coalition building in exchange for which the United States should be able to expect a fair sharing of the burdens of sustaining global peace and economic opportunity.

What would be examples of new ambitious partnerships? Some could build on current relationships and others would need new coalitions and new fora:

- A much revamped NATO—based on a more equal sharing of responsibilities and leadership by the United States and its European allies—would both support peaceful transitions in Eastern Europe and protect shared vital interests beyond. This security partnership would share responsibilities not only in Europe, but in places such as the Persian Gulf where the principal challenges to shared interests lie, and would further the goal of a broad-based “pluralistic security community” for Europe that eventually includes the Russian Federation and other states of the former Soviet Union.
- A robust and broad-ranging partnership among the leading economies and today's emerging markets would

improve the management of growing economic interdependence. To capture the benefits and reduce the risks of globalization requires more than the continued pursuit of open trade and investment opportunities and efforts to prevent or respond to financial crises. It also requires new arrangements—which include the emerging economies—to manage the interconnected problems of monetary, financial, and trade relations in an integrated way.

- A concerted global effort would expand the reach of globalization to those countries at risk of being left behind, through a new development partnership that aims to increase rates of sustainable growth while reducing aid dependency. This would focus on improving access to international private capital and enhancing capacities to take advantage of the more open world trade system, resulting in a more integrated approach to development cooperation.
- Serious attention to the further development of norms, standards, and international technical capabilities would deal with mounting transborder problems in areas such as the environment, health, and international crime. In each of these areas countries will have to agree on a sharing of rights and responsibilities and the reform and refocusing of institutions including new forms of public-private partnerships.

Reorienting U.S. foreign policy toward ambitious partnerships will be a challenge both for the United States and for the rest of the international community. But as the most open, diverse, and powerful society in the world, the United States is best-placed to lead the world into this new era of cooperative problem solving. We do not underestimate either the international or the domestic challenges to be overcome to implement the approach that we advocate. To create effective foreign policy tools and claim the resources necessary to use them will require political engagement of the highest order. In the U.S. system, this means a presidential effort to engage the public—and a parallel effort to convince the Congress—that America needs to be an active and productive partner with others on a range of critical issues.

In the end, the principal issue for U.S. foreign policy is not whether the United States will be engaged in the world but the terms of that engagement: whether it will exercise an effective voice in crafting the rules, norms, and structures that will govern the evolving system, and whether U.S. policy will attend to more than the short-term bottom line. Seizing the opportunity to build such a system—supportive of U.S. interests and values in the twenty-first century—will require a new form of leadership and a new vision that recognizes the partnership imperative.

Introduction

Seven years after the fall of the Berlin Wall, American foreign policy remains, for the most part, a piecemeal construct. It lacks strong purpose and is propelled more by events and the pursuit of short-term gain than by a strategic vision and is, as a result, too often vulnerable to the vagaries of domestic politics. This stands in marked contrast to U.S. policy at the last great watershed of history. In the late 1940s, drawing lessons from two world wars and the Great Depression, the United States led the drive to create a new collective security system and built the Western alliances that challenged the Soviet Union. It also spearheaded efforts to open up the world's trading system, stabilize the international economy, and promote growth at home and abroad; and it pressed for an end to colonialism and for the acceptance of a universal code of human rights.

Those efforts were phenomenally successful. The North Atlantic Treaty Organization (NATO), the U.S.-Japan Security Treaty, and other alliances helped contain Soviet influence; the United Nations Charter established new norms for interstate relations; and the economic initiatives first closed a disastrous period of beggar-thy-neighbor economic policies and then opened a dynamic new era of global economic growth and integration. The strategy of promoting rapid recovery and greater economic interdependence among the major industrial nations, along with a set of international rules and institutions to structure those relations, also fostered economic growth at home and abroad, enabling the Western democracies to prosper despite the high costs of containment and providing the economic strength that, in the end, triumphed over the communist order.

The end of the Cold War has left us in a fundamentally different world, one marked not by the awesome and harsh stability of the nuclear-dominated order, but by the opportunities and challenges of change as profound as they are pervasive in world affairs. No great powers are at war with one another, and democracy is the political system of choice for the large majority of countries throughout the world.

The United States stands as the leading power in this new world. When it decides to engage on an issue, engagement is less risky for others. When it decides to remain disengaged, constructive international action proves very difficult in many instances. But the United States can no longer lead in the same manner as before; nor does it need to. Trends in technology, demographics, and increasing global wealth are creating a world less amenable to the exercise of traditional military power, more dominated by economic factors, increasingly shaped by the diffusion of economic power, and driven by an expanding array of interconnections across societies and the efforts of internationally active nongovernmental organizations (NGOs). These changes place greater

demands on America's powers of persuasion and diplomatic flexibility. At the same time, they increased the capacities of America's allies to share responsibilities for the management of the global order.

In attempts to reflect these changes, both the Bush and first Clinton administrations floated replacements for the Cold War's unifying concept of containment. But neither President Bush's "new world order" nor President Clinton's "engagement and enlargement" produced a strategic framework that could structure foreign policy decision making or excite the support of the public. The nature and complexity of the new international environment may be such that a single new grand design simply cannot be crafted.

In the absence of a compelling strategy, day-to-day politics of foreign policymaking have become ever more partisan and conflictual. Yet, beneath the intensified haggling over particular policy initiatives, the contours of an emerging foreign policy consensus can be discerned. There was no debate on foreign policy in the recent presidential campaign, in large part because President Clinton and Senator Dole essentially agreed on the broad elements of policy. Moreover, though isolationist voices (which are ever-present in American foreign policy debates) gained heightened attention in the early days of the primary campaigns, a clear majority of Americans signaled their preference for engagement over isolationism.

We endorse this outcome. The United States retains three enduring foreign policy goals—peace, prosperity, and a world conducive to American values—and accomplishing each of these goals requires continuing U.S. engagement in world affairs. More specifically, the United States must pursue the opportunity to consolidate the great transformations of our time—the shifts in Eastern Europe, the former Soviet Union, and elsewhere to market-based, democratic societies—a transformation that, if successful, will unalterably change the international environment in ways favorable to American security, material well-being, and core values.

The United States also must confront three distinct new challenges. First, it must revise military capabilities and relationships to deal with a multi-tiered set of post-Cold War security problems that include keeping the risk of great power conflict low, containing hostile activities by a handful of rogue states, and dealing with threats posed by lawless nonstate actors such as criminal syndicates and terrorist groups, especially where access to chemical, biological, or nuclear weapons may be involved. Second, it must find ways to mitigate the instabilities and inequities brought about by the march of "globalization" without, in the process, impeding the positive forces of technological and economic change that are expanding economic opportunity and giving

people everywhere a stake in a peaceful world. Third, it must grapple with an array of transnational problems, from overpopulation to climate change, that neither the United States nor any other country can handle alone and for which existing international norms, policies, and institutional capacities are inadequate.

We believe that the current approach to foreign policy cannot fully meet these challenges nor exploit these opportunities and therefore cannot accomplish the United States' enduring foreign policy goals, because it maintains too much intellectual and institutional carryover from the Cold War. It fails to account sufficiently for the scope and pace of technological innovation and the resultant political, economic and social change. It remains unduly oriented toward short-term gains brought about by market forces and is not sufficiently attentive to related instabilities and inequities. It is not fully awakened to the importance of long-term problems that transcend national borders, and it does not take sufficient advantage of the opportunities presented by the changing international environment to share responsibilities and leadership with an expanding group of partners.

Senator Richard Lugar has said that the United States is in a period of "maximum strength" and should apply that strength toward long-lasting major improvements in global relations. We agree. We do not posit an idealized world in which problems can be easily and unambiguously addressed and in which the goodwill of other actors can be taken for granted. Obviously, there will be times when the United States will be at odds with other powerful actors and will choose to act alone. Nevertheless, it now has the unprecedented opportunity to act in concert with other nations—sharing both risks and responsibilities in varied forms of global partnership—to shape the evolving international order in ways that will support American interests and values even when the United States' relative power in the world is no longer as great as it is today.

Therefore, we believe that the United States should use its current, unrivaled global position to strengthen and/or build ambitious new partnerships—international and domestic, North and South, public and private—to deal with the diverse and increasingly complex challenges that the new world presents. In short, hard-headed optimism, energetic engagement, and ambitious partnerships should characterize U.S. foreign policy in the turn-of-the-century's rapidly changing world.

Although the United States already looks more and more to others to shoulder the costs of global actions, the long-standing U.S. ambivalence toward working within international arrangements continues and may even have deepened. Witness the tendency in recent years to saddle the United Nations with tasks that the United States is unwilling to give it the authority or resources to perform effectively. But a focus on partnership does not mean subordinating U.S. foreign policy to the United Nations or any other international institution.

As envisioned here, partnership implies no one institutional setting: Issues that can best be addressed bilaterally, or among small, informal groups of states, should be so addressed, and formal organizations that are not functioning well should be restructured or phased out. But some issues that are regional or global in scope can be dealt with more effectively through a standing organization than in bilateral deals. Sometimes a multilateral institution is the only politically feasible way to get a job done, as in the case of monitoring nuclear facilities under the Nuclear Non-Proliferation Treaty, or dismantling Iraq's chemical, nuclear, and biological weapons programs.

To build a stronger framework of international relations, U.S. foreign policy needs a much sturdier domestic foundation. Current American public support for freer trade, in particular, is vulnerable to economic downturns, and competition for jobs on the lower rungs of the economic ladder between recent immigrants and the native-born poor could trigger growing ethnic or racial friction. To avoid such risks, the conduct of foreign policy and key domestic policies in such areas as education, worker retraining, and immigration needs to be closely linked. The same need exists for closer integration between domestic and foreign policies regarding drugs and environmental protection. If the United States cannot cope with the dislocations of increased global integration at home, then it is highly unlikely to be able to engage, much less lead, effectively abroad.

Finally, U.S. foreign policy must also incorporate more effectively the normative dimension of policy that historically has been a hallmark of U.S. behavior. The idea of a value-based policy is central to the public's view of America's role in the world. Moreover, it is not just American military or economic power but America's vision of how the world ought to work that has given, and will continue to give, broader credence to U.S. international leadership. While Washington has made a case for the normative dimension in foreign policy on issues where values and material interests coincide (as in ousting Iraq from Kuwait), it has been less consistent where the two matters conflict or their linkage is absent. Delayed U.S. responses to genocide in Bosnia and Rwanda pose the as yet unaddressed question: What are America's responsibilities in places where terrible things are happening but the immediate impact on America is limited?

■ ■ ■

In this report, we review the major trends that are fundamentally reshaping the international system and then turn to the domestic setting, challenging the notion that a hesitant public fundamentally constrains foreign policy options. We weigh the implications of the international and domestic settings for the application of U.S. military and economic power and for U.S. international leadership. Finally, we look to the future and propose that the United States pay primary attention in the decade ahead to crafting new international partnerships and revamping the architecture of international cooperation in order to secure the opportunities and meet the challenges of the unfolding global democratic order.

The International Setting

Four dynamic trends are fundamentally reshaping today's world: the advance and diffusion of technology, demographic change, increased global wealth, and the spread of "modernity." Failure to take full account of these trends, their interconnections, and their implications for American power underlies many of the limitations of current approaches to foreign policy.

Technological Change

Technological change offers opportunities for improvements in the quality of life of people everywhere. At the same time, the political, social, and economic changes that it brings pose unprecedented challenges for the United States and other countries. Indeed, RAND analyst Carl Builder has called technology the great disturber of social order. Electronic information systems are the current "great disturbers," increasing the power of private actors vis à vis government, and of individuals and networks vis à vis hierarchies of all sorts, both public and private.¹

The Internet is only the newest manifestation of the ever-thickening web of international connectivity. As a communications tool, it has spawned a revolution in how people interact, allowing individuals in many different places to coalesce in "virtual communities" that are cheap to establish and maintain. Members of these communities may be bankers, businessmen, environmental activists, or terrorists. They may be open to new ideas or closed to all but the like-minded. Like the phone system that supports it, the Internet is available for all purposes—good, bad, and banal. (For a look at worldwide access to the Internet and other electronic communications links, see Figure 1.)

Beyond the Internet, electronically driven financial networks support currency and securities exchange and trading in government bonds that move hundreds of billions of dollars across national borders every day in markets that never sleep. This has increased access to capital by businesses throughout the world, underpinning a worldwide revolution in the organization of production. At the same time, the volume of trading that technology facilitates has far outstripped the reserve holdings of government central banks, significantly reducing the ability of governments to influence the value of their currencies.² Narcotics traffickers and other criminal cartels also use the world's expanding communications networks to transfer illicit cash. Estimates of illicit electronic funds transfers of all types range up to \$300 million daily out of a total volume of roughly \$2 trillion. Enhanced computerized recordkeeping and monitoring of such transactions

may offer a way to trace patterns of illegal behavior in the much larger "noise" of legal transactions outbound from U.S. banks. However, without the cooperation of other nations with strong bank secrecy laws, hot money coming back into the United States is much harder to isolate.³

Law enforcement and intelligence officials worry that the growing availability of powerful data encryption technologies will eliminate their ability to monitor electronic communications of criminals and potential foreign adversaries. A 1996 report from the National Research Council acknowledged the competing, legitimate stakes on all sides of the encryption debate but concluded that widespread access to powerful encryption technology would reduce economic espionage, protect critical information systems from unauthorized penetration, and enhance the international competitiveness of U.S. firms and their ability to interact with foreign partners and customers. On balance, encryption technology would do much less harm than good.⁴

Advances in technology have accelerated the diffusion of knowledge in support of public health, communicable disease control, and family planning, especially among the formerly socialist economies of Europe and in the developing world, and have provided an on-line supplement to limited real-world staff and funds of governments and NGOs alike. These countries are undergoing an "epidemiological transition," a shift in predominant sources of death and disability from communicable to noncommunicable diseases, that is, from the likes of tuberculosis or malaria to the likes of heart disease, hypertension, depression, and tobacco-related illness—the disease profile of the developed world.⁵ Simultaneously, technology has increased the international transfer of some health risks. The spread of AIDS and other infectious diseases can be directly tied to increased access to modern transportation. Mass air travel also increases the chance of a catastrophic outbreak of a "hot" virus, such as Ebola.

Technology is opening up new avenues for environmental preservation—from more efficient energy generation to new biologically based approaches to water pollution control and toxic waste abatement—and new prospects for accelerating sustainable development in poor countries. Improvements in agricultural methods known as the "green revolution"—higher yield grains, more productive fertilizers, more efficient use of land—have directly raised nutrition levels and promise further improvements in standards of living. Integrated pest management techniques and genetically engineered crops are creating a new generation of foodstuffs that requires far less chemical support.

Technological change is also fostering a “revolution in military affairs,” which U.S. forces hope to exploit to establish “dominant battlespace knowledge” over their adversaries in any future conflict.⁶ Instant intelligence, brilliant weapons, and “plugged-in” foot soldiers will all be components of a “system of systems” designed to outmaneuver opponents in both the real and the virtual world.

But because many of the new military technologies are adapted from the commercial world, they will be available to other groups as well. The Somali or Bosnian warlords of the future may not own eavesdropping satellites, but they will likely have access to encrypted communications, compact satellite navigation receivers, thermal surveillance, and other technologies that permit people and weapons to be organized, moved, and protected.

At the other end of the scale of destructiveness, nuclear weapons have so far spread only to a relative handful of

countries. However, most of the weapon technologies involved are relatively well known. This makes the security of fissionable materials in all the current nuclear and near-nuclear states of paramount importance. Yet states with nuclear weapons may not be the primary future threat: Japan’s Aum Shinrikyo cult managed to make not only the sarin nerve agent that it released in the Tokyo subway, but the more deadly VX.⁷ Such groups, operating in support of networked, non-territorial communities of the dissatisfied or the righteous, would not be deterrable by state power in the ordinary sense.

Technological change, in short, is having, and will continue to have, an enormous, policy-relevant impact on the world, transforming issues and facilitating the emergence of new actors. It is building a world of rapidly growing private interactions that is increasingly difficult to govern without concerted efforts by governments to collaborate. An electronically linked society is vulnerable to the

Figure 1. International Connectivity



A World That's Linking Up

The number of Internet “host” computers, worldwide, has grown from about 2,000 in mid-1985 to about 13 million in mid-1996. The number has roughly doubled each year since 1990. Analysts who follow the Internet closely project continued rapid growth for the next decade or more. The United States, Europe, and Japan are the most densely served Internet locations, followed by the Pacific Rim newly industrializing economies. The African continent is least-well served. Yet all but a handful of countries worldwide have at least basic E-mail connectivity. The disconnected include failed and failing states like Liberia, Somalia, Zaire, and Afghanistan; a few other troubled central and west African states like Mauritania and the Congo; the Middle East’s one-man autocracies (Libya and Iraq); and two Asian outliers (Burma and North Korea). The rest of the world is plugging in.

Source: <http://www.nw.com/zone/dist-bynum.html>. Downloaded December 12, 1996.

severing of those links, making security and prosperity not just a function of military might and market share, but of cryptographic skills, passwords, and firewalls. It takes more ingenuity than resources to create or to tip a balance of power in the information realm. Knowledge is power, and information technology is diffusing knowledge further and faster than ever before. Communications that once were controlled from above can now flow out from below. Foreign affairs that once were the domain of a few, reinforced by the technologies of the day, are now, potentially, the domain of the many.

Demographic Trends

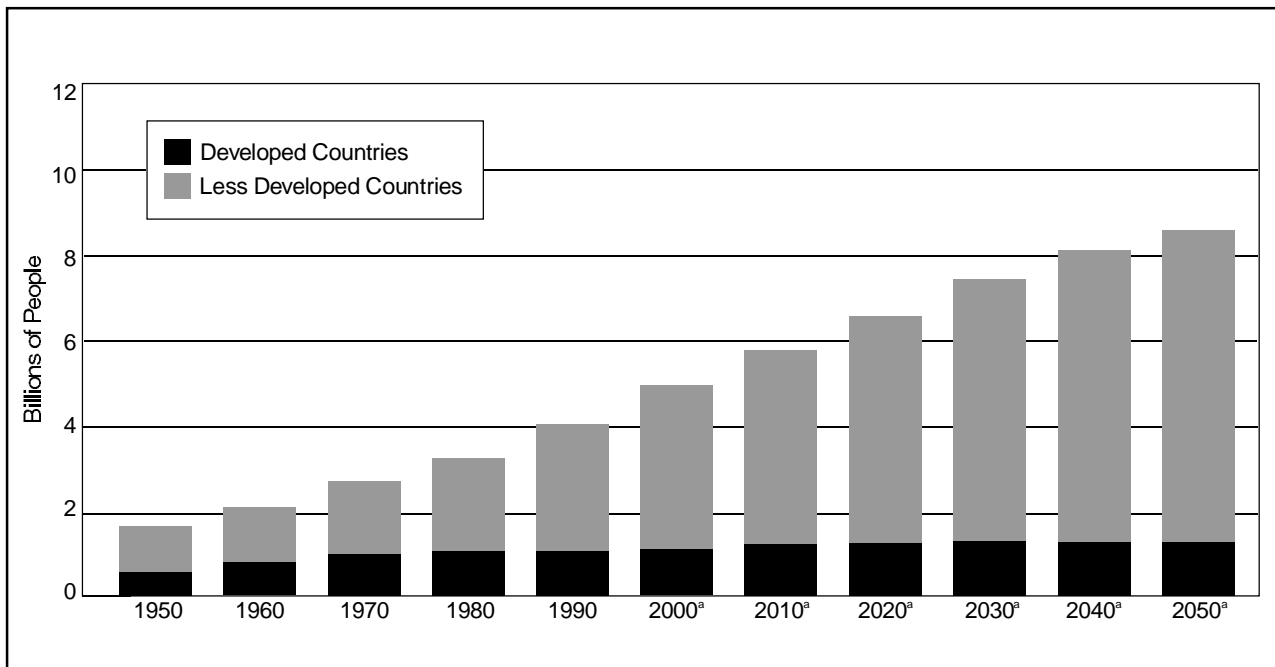
Three significant demographic trends are also inextricably shaping the future: 1) burgeoning populations in developing regions; 2) increased flows of people across borders; and 3) aging populations in the industrialized world. Historically kept in check by malnutrition and disease, global population has exploded in response to advances in agriculture, public sanitation, and medicine. Global population, which has more than tripled in this century, continues to increase at more than 86 million people a year and will reach 6 billion in late 1998 or 1999.⁸ (See Figure 2.)

Developing countries, which currently hold 4.5 billion of the world's 5.8 billion people, will continue to have the highest population growth rates, averaging almost 1.9 percent annually. Africa is growing fastest, at 2.7 percent

overall and as high as 3.0 percent in some countries. By 2025, the continent's current population of 728 million people is expected to double. (By comparison, the population of the more developed regions—North America, Japan, Europe, and Australia-New Zealand—is only about 1.2 billion people, is currently growing at less than one-half percent per year, on average, and is actually expected to shrink sometime after 2025.⁹) Over one-third of the population in developing countries is under age fifteen and will enter its principal childbearing years early in the next century. Although women in many developing countries now bear far fewer children than a generation ago—in Bangladesh, for example, average family size is less than half what it was in 1975—fertility is still far above the replacement rate.¹⁰

If the most recent projections are right, then sometime in the latter half of the twenty-first century the human population is likely to stabilize at 10–11 billion individuals. These estimates, however, are substantially lower than the 12–15 billion previously anticipated.¹¹ Major efforts to introduce family planning and improve the reproductive health of women, accelerated economic growth, and social development are, in combination, speeding the transition to lower rates of population expansion. Still, population growth in the developing countries severely challenges transitions to market economies and more plural societies and strains the resource base in many of these countries.¹²

Figure 2. World Population, 1950–2050



^a Medium-variant projections.

Source: United Nations, World Population Prospects (New York: United Nations, 1994)

Addressing population growth is important for both political/economic and environmental reasons. All of these new people will be looking for food, clothing, shelter, and jobs increasingly in cities with already overburdened infrastructures. Unless economies grow at least as fast as their populations, poverty may worsen, urban overcrowding may aid the spread of diseases, and crime and political agitation for something better—bolstered by religious or nationalist sentiment—may threaten the stability of governments.

If nothing better can be found at home, people may be tempted to leave home seeking a better life in the wealthier countries. Millions of people already have made that decision, some for political and some for largely economic reasons. The United States in particular faces significant inflows of people from a number of sources, especially Mexico, China, and the Caribbean. Mass migration is a growing global phenomenon with implications, both positive and negative, for employment, human security, and the future of social benefits.

In addition to these voluntary economic migrants, there are 16 million refugees worldwide who have been forced to flee their home countries, often suddenly. Recent history has shown that such rushes of people—from Haiti or Cuba into the United States or from Rwanda into Tanzania and Zaire—can be destabilizing and politically charged.

Meanwhile, in developed countries, replacement rate fertility has long since been achieved, with serious implications for the sustainability of retirement funds, health care, and other social programs. As the age of the developed world's population increases and the size of the work force does not, social contracts are having to be rewritten. Budgetary pressures are forcing governments to trim benefits once thought inviolable. In the context of a growing world economy, the combination of continuing population growth in the developing world and aging populations in the developed world may have a synergistic element as immigrant labor buys a partial reprieve by swelling the work force. But, under any scenario, the labor force needs of the developed economies meet but a fraction of the need for jobs in developing economies, now or in the future.

These demographic trends are all largely outside the scope of policy manipulation in the short term, either by the United States or by other nations, but they do have implications for U.S. policy and also provide a target for long-term-oriented actions. Rapid population growth and migratory pressures make increased economic growth and job creation in developing countries a significant and direct interest for U.S. foreign policy. In addition, the United States shares a stake in both minimizing the short-term political and economic difficulties caused by rapid population growth and lowering the level at which global population eventually stabilizes.

Increased Global Wealth

The spread of economic growth and global wealth to regions that had previously known only poverty may be the biggest change in international relations this century. Deputy Treasury Secretary Lawrence Summers, former chief economist at the World Bank, has asserted that the growth of emerging markets may eventually overshadow the fall of communism as the defining historical event of our time.¹³ A key focus for an evolving U.S. foreign policy is to seize the opportunities created by increased global wealth. However, this process, and indeed the spread of markets, is very uneven and threatens to leave major parts of the world behind, creating its own set of policy problems and challenges.

There is a general global consensus that open markets for goods, services, and capital are the best means for achieving broad-based improvements in human welfare. At the same time, the ability of governments to control economic outcomes, either acting alone in their domestic economies or in concert in the international economy, has diminished. The market and the expectations of market players can only be ignored at extreme risk.¹⁴

From an economic and financial perspective, the world is becoming increasingly borderless. Large corporations must take a global view of where to produce and market their goods and services, where to source their supply, finance, and talent, and where to conduct research and development. The main mechanisms of change in the international economy have been the dramatic expansion in, and liberalization of, international trade and capital markets, and the increasing integration of the developing countries into both. Two decades ago, roughly 10 percent of the world economy was in trade; today the proportion is 20 percent and growing rapidly. More than two-thirds of the increase in global trade is from the expansion of imports and exports of developing countries.

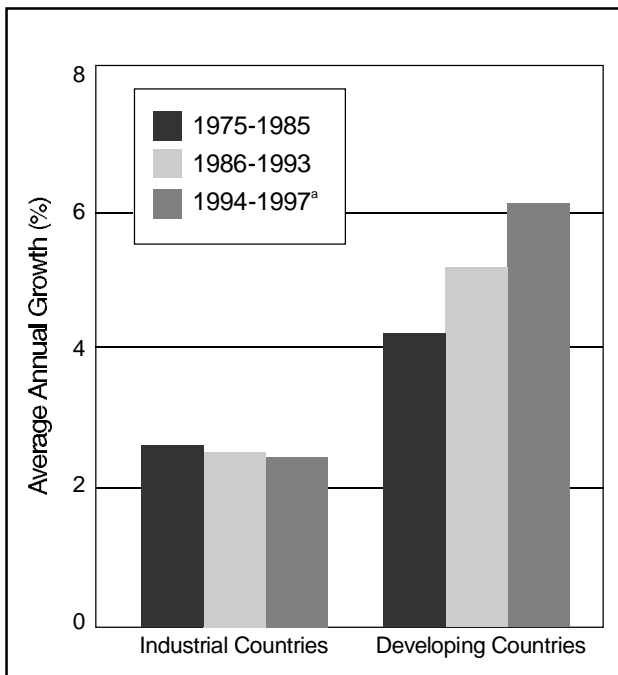
While the increasing role of developing countries in world trade has been a process that has gradually built up over the past 20 years, their integration in world capital markets is a more recent, volatile, and explosive trend. In the 1970s, high prices in international commodity markets and the need to recycle petrodollar earnings led to soaring private capital flows to the developing countries, reaching almost \$100 billion in 1981, according to International Monetary Fund (IMF) figures. But, in 1982 when Mexico was unable to meet its debt obligations, the Third World debt crisis ensued, and private capital flows plummeted. By the late 1980s, private flows were only around \$30 billion.

In the last five years, however, private capital flows to developing countries have soared again. Improvements in government policies, the rise of stock exchanges and other instruments of financial integration, low interest rates in the industrialized countries, and the high growth

prospects in the developing world have interacted to unleash a remarkable revolution in international finance. According to the IMF, private capital flows to developing countries, both direct investment and through capital markets, totaled nearly \$200 billion in 1995. As a result, public resources for development, which in the late 1980s had provided three-quarters of the external financing in developing countries, now make up less than one-quarter of such flows.

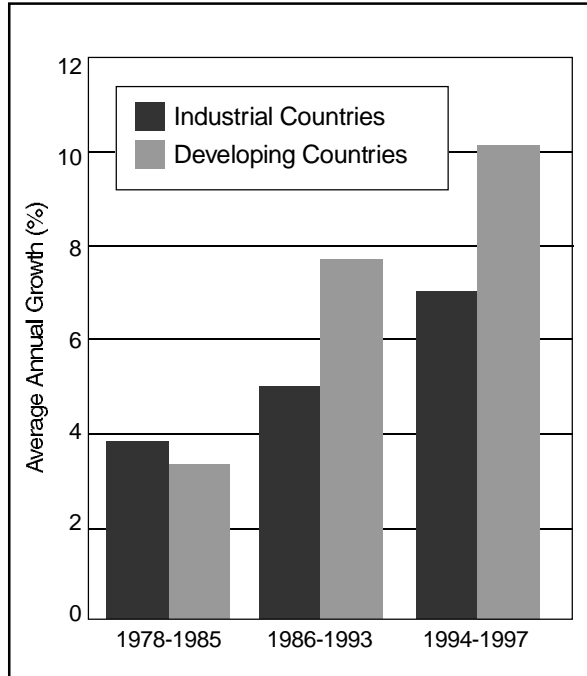
The impact of these changes have been most profound in the “new emerging market countries” of Asia and Latin America. These emerging markets have risen to new thresholds of investment, production, and trade, and are now major players on the international economic scene. Economic growth rates in developing countries are not only higher than in the United States and its industrial allies, but that gap appears to be increasing. Figure 3 shows that growth rates in the developed world have averaged around two percent for the last generation and appear to be slightly decreasing or leveling off. Average growth rates in developing countries as a whole, on the other hand, have been steadily rising for the past two decades and now average over six percent. In practical terms, this means that Asia and Latin America will become increasingly important to the future of the global economy, and China and perhaps India could join the ranks of the world economic powerhouses early in the next century.

Figure 3. Global GDP Growth



^aEstimated
Source: International Monetary Fund, World Economic Outlook (Washington, DC: IMF, October 1996).

Figure 4. Global Trade Volume Growth



Source: International Monetary Fund, World Economic Outlook (Washington, DC: IMF, October 1996).

Global trade is also expanding rapidly, and here as well, the rate of growth in the developing countries is significantly higher than in the industrial countries, as is shown in Figure 4. This means that future trading opportunities will increasingly be found in the developing world. Brazil, China, India, Indonesia, and Mexico represent massive new markets for goods and services and an important source of less-expensive imports for the industrialized countries. Most U.S. attention to date has been directed at the Asian emerging markets. Yet Latin America—where there has been the most comprehensive adoption of the American model of market economics combined with democracy—presents at least as much opportunity, assuming adequate attention is paid to the still fragile status of the region’s transitions to democracy and more open markets.

The spread of market-based economic growth has a number of important consequences. First, it is helping to integrate many countries into the global economy, which gives them a stake in the preservation of a peaceful, prosperous system. In general, economic growth is not a zero-sum game—the wealthier the world becomes, the better it is for all nations of the world community. The expansion of global wealth to a much wider range of countries means that many more partners are potentially available to engage in effective problem solving.

At the same time, the success of the emerging market nations does create conflict with the more developed nations, both over short-term trade issues and over questions of influence in international economic decision making and responsibility for safeguarding the natural environment. Moreover, the benefits of economic growth and capital flows have been very unevenly distributed. Some 80-85 percent of private capital flows go to only a handful of Latin American and Asian countries. Overall growth figures for developing countries have been distorted by the very high economic growth rates experienced recently by the world's two largest countries. If China and India are taken out of the equation, the rate falls dramatically.¹⁵

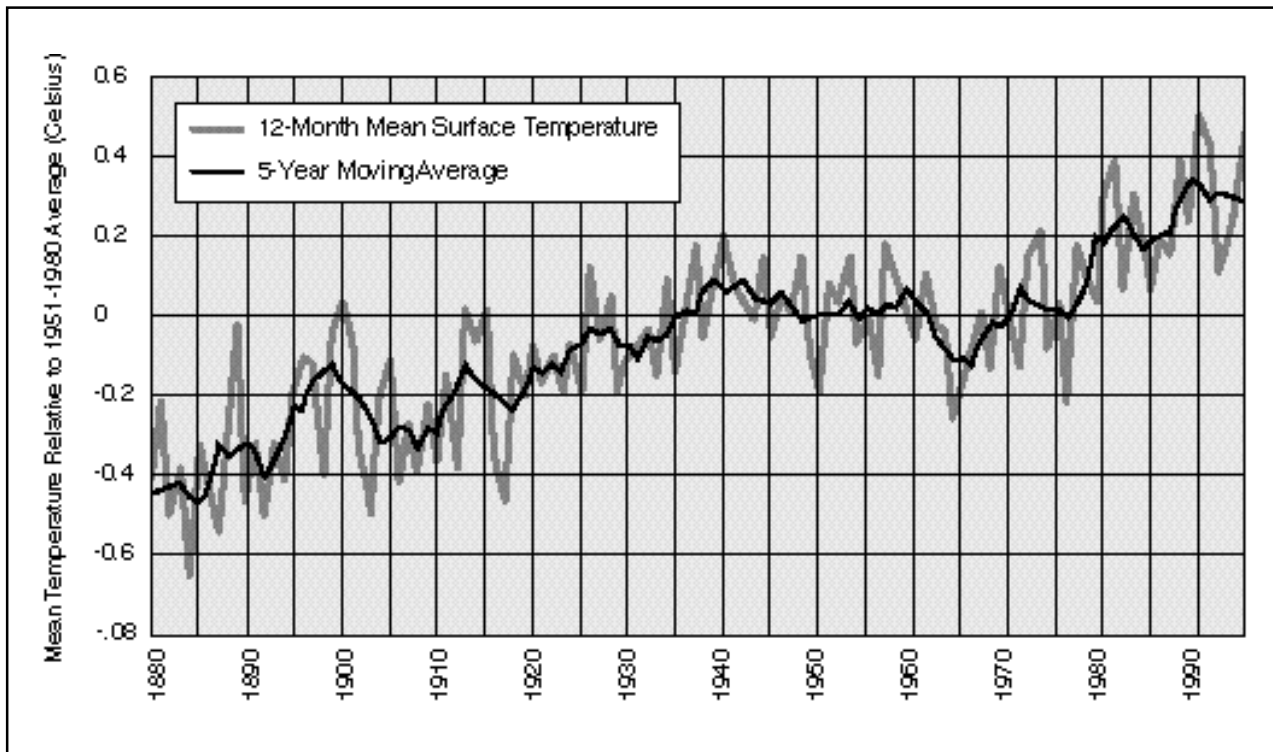
In other words, there is a danger that large parts of the world are being left behind; that globalization is reaching only half of the world. Until very recently, for example, most African countries were bypassed by private capital markets altogether. The continent's population as a whole is less wealthy now than three decades ago, when most of its states became independent. In most of the former Soviet Union, the rhetoric of trade and investment runs well ahead of the reality. Nor has most of the Middle East participated in the spurt of wealth.

The pace of growth has been highly uneven *within* countries as well. In China, for instance, there are large and

growing economic differences among the various provinces. Among many of China's neighbors, rapid growth has coincided with dramatic decreases in poverty and relatively few political tensions as government investment in public health and education has spread opportunity around. In Latin America, however, decreases in poverty have been less dramatic and demands for more equitable distribution of resources continue to fuel significant political tensions. Some have gone so far as to suggest that, in some countries, these tensions are undermining the basic policy consensus around market liberalization and integration into the international economy.¹⁶

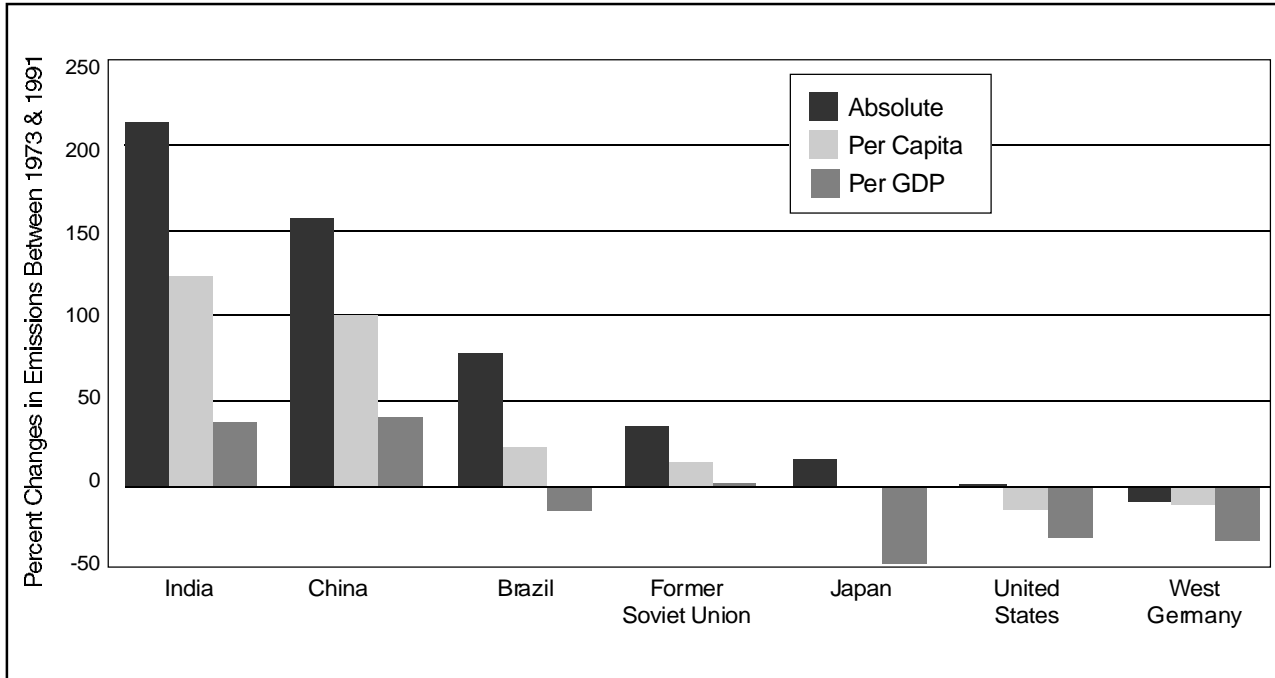
Rapid economic growth also affects the natural environment. Unless strategies for energy conservation are implemented in parallel, economic development means accelerating resource use, refuse generation, and energy use. As growth continues, demand for water, timber, oil, and metals will multiply. Population pressures and economic growth together make potable water an increasingly scarce and valuable commodity. Control over watersheds, dams, aqueducts, and rivers has already been a source of disputes between Israel and its neighbors, between Iran and Iraq, Turkey and Syria, and India and Bangladesh. Such friction can be expected to increase. Growing wealth that accompanies development can be used to mitigate the resulting local air and water

Figure 5a. Global Mean Surface Air Temperature, 1880–1995



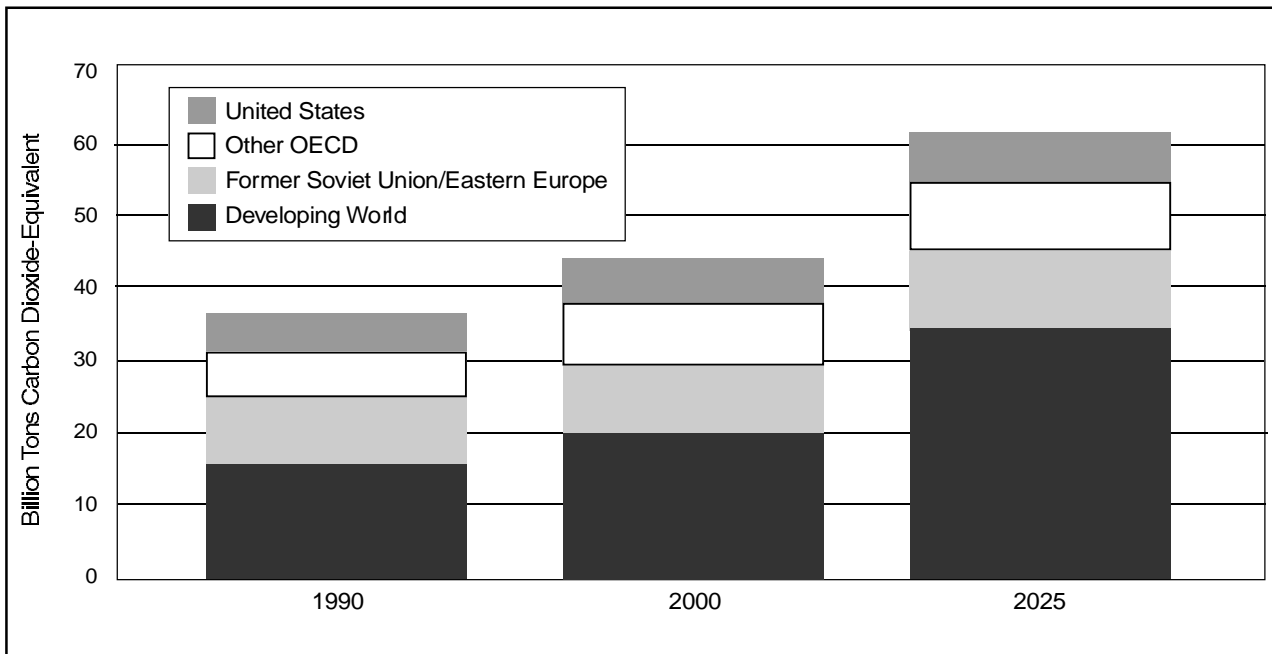
Source: J. Hansen, R. Ruedy, and M. Sato, "Global Air Surface Temperature in 1995: Return to Pre-Pinatubo Level," *Geophysical Research Letters*, Vol. 23, No. 13 (15 June 1996), pp. 1665–68.

Figure 5b. Changes in Fossil Energy Carbon Dioxide Emissions: Three Measures, 1973–1991



Source: Adapted from Environmental Protection Agency, "The Greenhouse Effect," Slide Presentation, Internet: http://www.epa.gov/globalwarming/sub1/gh_slide/01.htm.

Figure 5c. Total Projected Greenhouse Gas Emissions: IPCC IS92a Scenario



Note: Based on carbon dioxide, methane, and nitrous oxide. Source: Adapted from Environmental Protection Agency, "The Greenhouse Effect," Slide Presentation, Internet: http://www.epa.gov/globalwarming/sub1/gh_slide/01.htm.

pollution, but the environment typically worsens substantially before societies become sufficiently concerned to ameliorate the worst effects. Growing use of fossil fuels implies growing carbon emissions, continued atmospheric warming (Figure 5a), and changes in global climate and regional weather patterns.¹⁷ The rates of change in carbon emissions for China and India are already the highest in the world (Figure 5b), and developing countries will contribute an increasing proportion of future carbon emissions (Figure 5c), making North-South cooperation essential if issues related to climate change are to be effectively addressed.

Clearly, the spread of global wealth is a positive trend, and the United States should seek to ensure that it continues. It presents an enormous opportunity for enhanced economic activity and increased jobs and wealth for the United States. More generally, it enhances the capacities of countries to address problems of shared concern. This is especially significant because an increasing number of global problems require the participation of developing countries. Yet the very fact of increased global wealth and its uneven distribution create a number of challenges for U.S. policy. Not only are wealthier countries stronger economic competitors, but deeper and broader interdependence among wealthy states also increases the challenges of maintaining reasonable economic stability. Moreover, if globalization continues to leave out large portions of the world's population, it widens the gap between rich and poor and may lead to political and social turmoil. A creative and proactive economic policy must take these new realities into account in order to manage these challenges and, most importantly, to seize this historic opportunity.

If globalization continues to leave out large portions of the world's population, it . . . may lead to political and social turmoil.

The Spread of Modernity

The communications revolution and market-based economic growth have been accompanied by a diffusion of Western political and social values. But the nature and impact of this trend are the most controversial of the four main trends shaping the international environment. Professor Benjamin Barber of Rutgers University has interpreted these trends as creating, *within nations*, a conflict between "McWorld" and "Jihad," that is, between cultural convergence and local reactions to it that are being expressed, in an ever more defiant manner, in religious and other idioms. Professor Peter Berger of Boston University has emphasized the widespread revival of the major religious traditions, what he calls "desecularization." For Berger, this tide of religious revivalism is potentially the most important value trend reshaping the world today.¹⁸

In a somewhat similar vein, Harvard Professor Samuel Huntington draws a sharp distinction between economic globalization and value globalization; he sees the world becoming less culturally integrated as a range of cultures convert technology and markets into particularistic forms. Like Berger, Huntington sees an increased role for religion in international affairs. Unlike Barber, who sees a local struggle between universalism and particularism, Huntington foresees a coming "clash of civilizations" along the traditional boundary lines of the world's great religions.¹⁹

Writing in *Foreign Affairs*, Professor Masakazu Yamazaki of East Asia University has evaluated the spread of modern civilization somewhat differently. He draws a clear distinction between civilization and culture. The domain of culture "extends at most from the family, village, or circle of social acquaintances to the tribe or nation." Civilization, in contrast, "encompasses different tribes and nations and creates a world." Modern world civilization, he suggests, consists of "an orderly, widely agreed-on framework encompassing a well-regulated market, human rights, and democratic principles." East Asian societies, for example, have been adopting these precepts "at the topmost stratum of their world," while still retaining "their national civilizations and nation-states in the middle stratum, and . . . their traditional cultures in their day-to-day lives."²⁰

The diffusion of technology and the spread of both the principles of market-based production and exchange and the standards of political accountability and individual dignity are transforming many societies. Latin America has been making that transition, painfully at times, for a generation. Eastern Europe, East Asia, and Southeast Asia are doing so as well. Central Asia, Africa, and the Middle East, to date, have been much less affected.

In some of these areas, partial modernization has run up against the unwillingness of leaders to open the political process, the inability of governments to provide a stable or inviting climate for investment, or the emergence of nationalist or religious reactions to poverty or to extreme maldistribution of national wealth. Modernity is sufficiently entrenched, however, that even the actions of radical groups in remote areas, like Afghanistan's Taliban, generate condemnation from the United Nations, where developing countries control most of the votes. But to the extent that modernity fails to deliver the goods for the growing populations of these countries, the world risks further explosions of national, ethnic, and religious reaction. Economic growth alone, without supporting political change that empowers populations and affords them some measure of control over their lives, is not enough.

A Web of Linkages

Each of the four global trends just described influences the others. None is first cause of the others and none is the ultimate effect. Attempting to trace their linkages is a bit like trying to find the top of the staircase in M. C. Escher's famous castle. But illustrative examples are easy and instructive.

Technology has triggered demographic transitions around the world by lowering human mortality through improved sanitation and medical practice, by increasing wealth, and by providing the means to lower fertility. Technology facilitates the productivity increases, the faster and more efficient long-range trade, and the networked information exchange that have propelled the global wealth explosion. Transport and communications technologies also underpin the diffusion of economic, political, and social values via face-to-face contact, radio, television, movies, audio and video tapes, photocopying, facsimile, and electronic mail. Finally, in a competitive marketplace, technological change stimulates itself.

Demographic changes have spurred research into the biology of human reproduction and the biology of aging. Migration has brought skilled and unskilled, legal and illegal workers to new job markets, and their cultural values have emigrated with them. As noted earlier, rapid population growth creates serious social, economic, and environmental problems, from too-rapid urbanization to resource depletion, while an aging and stable population creates serious problems for the sustainability of health and pension programs.

Growing wealth creates surpluses for technology research and development, including research into the problems that wealth itself engenders, from pollution to obesity. Growing wealth also has underwritten demographic transitions in a growing number of countries. Wealth leads to improved health, improved child survival,

more assiduous family planning, lower fertility, and thus more wealth. It funds tourism and educational exchange programs that promote exposure to different cultures' ways of life, and it stimulates the rise of a middle class with a vested interest in the rule of law to protect its contracts and its assets. In many places, the middle class is already seeking a greater political voice, aided by the secular missionaries of Western NGOs, whose work is abetted by the communications and information technologies that are increasing global connectivity day by day.

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Technology and markets are making multinational corporations, NGOs, and even individuals increasingly powerful relative to governments. Among both the industrial countries and emerging economies, interactions among people and private organizations are proliferating rapidly and quite independently of governments.

Finally, the diffusion of modern values promotes change of all sorts, first by spreading the notion that change

itself—economic, social, political, technological—is possible and desirable. Concepts of democracy and human rights gleaned from western broadcasts, study abroad, or samizdat (underground press) broadsides have spurred political changes in dozens of countries around the world. The diffusion of modern values has fostered demographic change by promoting the rights of women and encouraging both their education and new ventures into business, thereby increasing their wealth and independence. The integration of women into the mainstream economy, in both developed and the developing world, is also largely made possible by technological advances that allow women to control their reproductive lives.

In sum, each of these trends affects each of the others. Policy aimed at one of them must take the others into account. Each contributes in its own fashion to opportunities for peace, prosperity, and freedom, while, at the same time, contributing to the porosity of national borders and making effective national policy more difficult to craft and to sustain.

The Domestic Setting

While the international context creates the challenges and opportunities, it is the domestic setting that both constrains and impels American engagement abroad. In characterizing that setting, three points seem irrefutable: 1) with the end of the Cold War, the public's concerns have shifted from national survival to personal quality of life; 2) as a result, most foreign policy issues have low day-to-day salience for most Americans; 3) yet, in myriad ways, there are today increasingly and seemingly irreversible connections between domestic and foreign affairs. The predominant view is that this domestic situation severely constrains U.S. options and initiatives abroad. But a different, and more optimistic, reading is possible. We examine both.

The Public's Perceptions

Not since the 1968 Tet Offensive in Vietnam have international issues topped domestic ones as the public's primary worry. Since the United States withdrew ground troops from Vietnam more than 20 years ago, only the Iranian hostage crisis (1979-1980), the fight over deployment of nuclear-armed missiles in Europe (1983-1984), and the Persian Gulf War (1990-1991) piqued public concern. Since the end of the Gulf War, public priorities have been overwhelmingly domestic, reflecting the public's basic sense of military security.²¹ As former Senator Nancy Kassebaum stated in a late 1996 speech, "The loss of a sense of urgency—or even interest—in American foreign policy may be our most difficult challenge to overcome."²²

The public's increased sense of military security has coincided with a diminished sense of economic security, even as the underlying health of the American economy has, if anything, strengthened. President Clinton rode this change in public perceptions to victory in the 1992 presidential election. It is hardly surprising that a record number of new members of Congress in recent years from both parties have seen their priorities in the domestic sphere and have been cool toward international engagement. Foreign aid, which has never been popular, is even less so in the face of economic anxieties and budget deficits. The 1995 U.S. "bailout" package for Mexico ran into intense domestic opposition. Slamming the United Nations gained new vigor after the organization's serious difficulties in Somalia and Bosnia.

A number of observers have suggested that the American public favors such political detachment from the rest of the world. University of Southern California Professor Ronald Steel, writing in *The Atlantic Monthly*, cited survey results to the effect that only 10 percent of Americans believe that the United States should be the single global leader. Steel argues that the public rightly recognizes that the United States has less at stake in the post-Cold War world and that "domestic renewal" is the key to national strength. On the other hand, most foreign affairs specialists are more sympathetic to historian Arthur Schlesinger who, writing in *Foreign Affairs*, decried the public's unwillingness to commit "money and lives" in the global arena.²³

But is the assumption of an essentially hostile public attitude toward international affairs accurate?

There is increasing evidence that the American public well understands the need for engagement in world affairs. The signal failures of the presidential candidacies of Pat Buchanan and Ross Perot illustrate this point. Buchanan, running on an explicitly isolationist platform, had trouble breaking 20 percent in the 1996 Republican primaries, whose participants include those voters most skeptical of the United Nations, foreign aid, and free trade.²⁴ Similarly, running in a three-way race in which both of his opponents supported the North American Free Trade Agreement (NAFTA) and substantial U.S. engagement abroad, Perot failed to garner even a tenth of the vote nationwide.

There is increasing evidence that the American public well understands the need for engagement in world affairs.

Polling data support the view that support for isolationism is limited. The percentage of Americans who think it best for the United States to play "an active part in world affairs" has remained at or above 60 percent for decades (although the percentage favoring engagement has been drifting downward, slowly, for some time). A recent University of Maryland poll suggests that a strong majority supports the United Nations, even in areas of the country assumed to be most heavily isolationist, like the mountain states. The Maryland group polled four congressional districts whose representatives have taken high profile positions favoring U.S. disengagement and found that the public favored international engagement at levels no different than the country at large.²⁵

Moreover, the separation between domestic and foreign issues is not as strong as some have suggested. Public

Table 1. Opinion Gaps Between the Public and Leaders on Major Issues

| <i>Issues</i> | <i>Public (percent)</i> | <i>Leaders (percent)</i> | <i>Gap^a</i> |
|---|-----------------------------|------------------------------|------------------------|
| Domestic Concerns | | | |
| Expand Social Security | 51 | 8 | +43 |
| Expand health care programs | 75 | 47 | +28 |
| Immigrants and refugees a critical threat | 74 | 31 | +43 |
| Controlling illegal immigration a very important goal | 73 | 28 | +45 |
| Economic competition from Japan a critical threat | 64 | 21 | +43 |
| Protecting jobs of American workers a very important goal | 84 | 51 | +33 |
| Stopping the inflow of illegal drugs a very important goal | 86 | 57 | +29 |
| International Involvement and Concern | | | |
| Best to take an active part in world affairs | 69 | 98 | -29 |
| Egypt a vital U.S. interest | 56 | 78 | -22 |
| Ukraine a vital U.S. interest | 46 | 67 | -21 |
| Haiti a vital U.S. interest | 63 | 34 | +29 |
| Foreign Aid | | | |
| Favor giving economic aid to other nations | 50 | 88 | -38 |
| Cut back economic aid programs | 62 | 32 | +30 |
| Increase economic aid to Palestinians | 9 | 49 | -40 |
| Increase economic aid to Eastern Europe | 26 | 56 | -30 |
| Favor selling military equipment to other nations | 16 | 47 | -31 |
| Use of Force: Favor Use of U.S. Troops If . . . | | | |
| North Korea invaded South Korea | 45 | 84 | -39 |
| Russia invaded Western Europe | 61 | 92 | -31 |
| Iraq invaded Saudi Arabia | 58 | 86 | -28 |
| Arab forces invaded Israel | 50 | 74 | -24 |
| Russia invaded Poland | 39 | 61 | -22 |
| Cubans attempted to overthrow the Castro dictatorship | 50 | 19 | +31 |
| Diplomatic Activity | | | |
| Strengthening the United Nations a very important goal | 53 | 33 | +20 |
| Favor restoring normal diplomatic relations with Vietnam | 65 | 89 | -24 |
| Trade | | | |
| Sympathize with eliminating tariffs | 40 | 79 | -39 |
| NAFTA mostly good for United States | 62 | 87 | -25 |
| <p>^a Gap equals "public" percent minus "leaders" percent, for those holding an opinion.</p> <p>Source: John E. Reilly, ed., <i>American Public Opinion and U.S. Foreign Policy 1995</i> (Chicago, IL: Chicago Council on Foreign Relations, 1995).</p> | | | |

opinion polls portray the greatest public concern with international issues that are most closely related to hearth and home: protecting American jobs, ensuring public health, stemming the influx of drugs, controlling immigration, and managing foreign economic competition. Nevertheless, stopping the spread of nuclear weapons also ranks high in the public's concerns, and a majority favors protecting the global environment. Although other international goals, like promoting democracy or development abroad, are priorities for only small fractions of the public, they receive broader support when cast in humanitarian or moral terms.²⁶ (For more details, see Table 1.)

American leaders' influence is bounded by public rejection of the United States as the dominant world leader, as noted earlier. Moreover, the public is skeptical of the country's ability to solve complex problems abroad, and uneasy about "meddling" in other cultures. Part of this attitude results from military setbacks abroad and part from the widespread perception that foreign aid has not been a productive investment. The latter perception results from media coverage that has stressed foreign aid failures and largely ignored successes, such as dramatic improvements in infant and child health, and the effective control of major diseases like smallpox. The green revolution and family planning efforts, in combination, have reversed, at least for the time being, the imbalance between food production and population growth in much of the developing world.

Public skepticism toward U.S. global leadership also grows in part from generalized mistrust of government. In a recent survey, only 20 percent of respondents believed that the government in Washington can be trusted to do "what is right" most of the time, continuing a secular decline in trust that began in the 1960s.²⁷ At least some of this growing cynicism about, and mistrust of, government in general can be traced to the rapidly rising influence of special interest money on political decisions in the United States. Raising the funds needed to win and retain public office occupies ever-larger amounts of elected officials' time and attention. The public knows that money talks and believes that it talks much louder than their votes—and they have a point. The substantial foreign donations that surfaced toward the end of the 1996 campaign suggest that such distortion is not just home-grown, as the global market has begun to "globalize" U.S. elections. Nor is the role of money, and foreign money, confined to elections. Foreign and domestic corporations and foreign governments routinely retain public relations firms, consultants, former officials, and other experts to present their case in Washington and to influence a myriad of legislative and regulatory initiatives—from obscure tax provisions to arms sales to agricultural price supports to aid disbursements. As long as the current system of campaign finance remains unchanged and influence is peddled behind closed doors, the public interest will

be increasingly ill-served by government, at home and abroad, and public cynicism about government will only grow.

But this rejection/mistrust of government occurs at a generalized level. The public continues to support the specific activities government undertakes that directly affect them, as evidenced by the new Republican congressional majority's difficulty in actually paring back government programs. It is because foreign engagement does not seem to directly affect many Americans that foreign policy is particularly vulnerable to this generalized rejection/mistrust.

Public cynicism might be reduced if voters had a better idea of what the United States is actually doing abroad. For example, three misinformed but prevalent beliefs include: 1) the United States spends over 15 percent of its budget on international affairs (in reality, non-defense international spending is less than one percent of the federal budget); 2) the United States is the most generous provider of foreign aid (the United States actually provides only one-eighth of all foreign aid and contributes a lower percentage of national wealth than any other industrial country); and 3) the United States provides the bulk of both the forces and the resources for international peacekeeping efforts (while the United States has always provided logistical support to U.N. peacekeeping and roughly 30 percent of the financial support for U.N. operations, it has contributed only a few percent of the troops involved in U.N. operations in the 1990s). The cost of additional, voluntary U.S. support to peacekeeping worldwide has amounted to not more than 2 percent of overall U.S. defense spending.²⁸

This combination of the lesser importance ascribed to foreign affairs, skepticism toward government, and misperception of what the United States is actually doing abroad has been reinforced by pressures to lower the federal deficit and the yearning for a "peace dividend." The result has been decreased willingness on the part of the Congress to pay the bill for international affairs. With the end of the Cold War it is appropriate that U.S. overall national security spending—military plus diplomacy and other international programs—be reduced. But, at just under four percent of national wealth, the United States is now spending less than at any time since before World War II, and less than one-third of what it once did. International programs other than the military account for just about six percent of national security spending and have been cut as sharply as the military in percentage terms. Yet the tasks of American diplomacy, from political representation to consular support, if anything, have grown with the end of the Cold War. Moreover, U.S. obligations to international institutions have remained steady or increased, as the United States and others asked the United Nations to increase its peacekeeping work and the international financial institutions to oversee many

countries' transitions to more open market economies. Because resources made available have fallen short of obligations, the United States has become the leading laggard in fulfilling its treaty-based obligations to the United Nations and its commitments to the international financial institutions, causing U.S. allies and friends abroad to wonder if they can still count on the United States as a reliable institutional partner.²⁹

These trends in funding levels cast a long shadow over the ability of the United States to engage effectively in the world, forcing trade-offs between desirable priorities, like cuts in support for peace in Central America in order to shore up the Israeli-Palestinian accords. Similarly, funding for refugee needs in Rwanda could only come from resources to support development and prevent deterioration in the rest of Africa. In a climate of fiscal stringency, what goes into emergency relief comes out of funding for longer-term preventive measures and thus increases the likelihood of more expensive interventions in years ahead. American policy is, in effect, borrowing peace from the future to deal with crises in the present.

New Foreign Policy Constituencies

Since the end of the Cold War, some analysts have argued that the very concept of the foreign policy establishment is passé and foreign policy is "democratizing," with new centers of power to be found in private corporations, NGOs, and state and local governments. Others have argued that foreign policy is fragmenting along regional lines, or along the lines of various ethnic constituencies.³⁰

These views, each of which contains more than a grain of truth, nonetheless appear overstated. While the foreign policy establishment has clearly lost some of its autonomy and is no longer drawn from a narrow base of the "eastern establishment," the main foreign policy institutions of the federal government are still the primary focal point of U.S. foreign policy. While there are some distinct regional interests in particular foreign policy issues, as in the southwestern states, where Mexico and immigration issues dwarf all other concerns, there is little evidence of a broader "regionalization" of foreign policy. While many states and cities have become involved in international commercial promotion efforts for both trade and investment, and while they may focus their efforts in more and different places abroad, the overall context for such activities is still shaped by what the federal government does or does not do. And although the end of the Cold War has increased the potential for ethnic-based foreign policy initiatives (as expressed perhaps most dramatically by the role of the Cuban-American community in influencing

policy toward Cuba), such initiatives have long been part of the politics of foreign policy, consistent with America's multiethnic heritage.

While media attention has focused on isolationist voices in the body politic, two important constituencies that favor international engagement have dramatically broadened and expanded in recent years. The first, driven by economic interests and linkages, includes those members of the business and agricultural communities for whom successful engagement in the international economy is becoming ever more important. This constituency

includes not only large corporations, financiers and investors, the travel industry, and firms in computers and telecommunications, but also mid-western grain producers and those who store, process, and transport their products, as well as manufacturers in America's old industrial heartland.

The second expanded constituency has emerged from the blurring of domestic and foreign policy, and public and private domains. It consists

of nongovernmental groups, including those which are primarily focused domestically but whose issues are heavily affected by what takes place beyond U.S. borders. Environmental and religious-based groups are often the most visible internationally, but the range extends to groups concerned with health issues, population growth, poverty alleviation, migration, and other particular concerns. NGOs engage internationally in many ways, working cooperatively with similar groups in foreign lands, shouldering ever-increasing responsibility for distributing both official emergency relief and development assistance, and advocating policy to national and international institutions alike.³¹

The end of the Cold War has affected the foreign policy process in more important ways than changing the constituency mix. The Cold War induced and sustained a culture of deference within U.S. foreign policy at several levels. When the country was at risk, the public deferred to its political leaders. Within the political establishment, the legislative branch tended to defer to the executive branch, while within the legislature, younger and less-experienced members deferred to the leadership and to their more experienced colleagues. In recent years, this hierarchy of deference has been swept away, but many of the old expectations still remain, especially within the foreign policy establishment. A prime example of this was seen in the Mexican peso crisis when President Clinton quickly gained the support of the bipartisan leadership of both Houses of Congress, only to find that such support had little effect on overall congressional skepticism toward his proposed "bailout" package. While the President was

At least some of this growing cynicism about, and mistrust of, government in general can be traced to the rapidly rising influence of special interest money.

able to develop a package that did not need congressional approval, the episode illustrates the changing nature of the post-Cold War foreign policy process.

The Need for Leadership at Home

The overall public environment for international engagement can best be described as permissive; that is, even if the public is not engaged, it is both open to mobilization by the political leadership and willing to accept, initially, the actions of the leadership. To be sure, engaging public support is crucial on any issue involving deployment of U.S. military forces, especially when there is a risk of hostilities. On other issues, policymakers probably have more scope for action than they now realize. Thus, what is often thought of as the “public opinion problem” in international affairs is much more a problem of leadership. It reflects a failure to engage the public concerning American purposes and interests in the world after the Cold War. It reflects a failure to articulate to the public how their own priorities can be addressed by policy. Finally, it overestimates the potential public backlash against initiatives, undertaken in good faith, that do not obviously and immediately succeed—although an informed public is less likely to turn on its leaders if such initiatives run into trouble.

The intense, partisan politicization of foreign policy that was set in motion by the end of the Cold War has

reinforced the recent tendency of presidents to avoid controversy and conflict in foreign affairs until forced to act by events. Both President Bush and President Clinton have shown courage in particular instances in the face of domestic opposition. Bush took on the challenge of Saddam Hussein in Kuwait and Clinton moved ahead with NAFTA and intervention in Haiti. But the president has not yet talked to the American public about the changing nature of U.S. leadership needed for the world of the next

century. In the aftermath of the Gulf War, President Bush had a window of opportunity but did not use it. As his popularity fell, the window closed. President Clinton’s 1992 campaign themes, and his initial insecurity in foreign affairs, precluded his doing so in his first term.

The beginning of his second administration offers President Clinton a second opportunity to use the authority and powers of persuasion of the presidency to engage the American people concerning this country’s role and

stakes in the emerging world around us. Making this case to the American people may not generate a groundswell of enthusiasm for international engagement, but it would signal to the public that the president recognizes the linkages—both the political constraints and the new constituencies—that bind domestic and foreign policy, a recognition that is essential to effective future policy in either sphere. President Clinton’s discussion of foreign policy in his 1997 State of the Union speech was a step in the right direction, but a step that needs repeating.

What is often thought of as the “public opinion problem”...reflects a failure to engage the public concerning American purposes and interests in the world after the Cold War.

Implications for American Policy

The complex and evolving international and domestic settings for policy affect both the utility and the effectiveness of American military and economic power, as well as America's powers of persuasion or leadership.

Military Power and Policy

In the late twentieth century, military power remains a national asset, but military forces can deal effectively with just a few of the threats that loom on the horizon. As the collapse of the Soviet Union demonstrated, the Cold War's most prized strategic assets—nuclear weapons, a huge army, territorial expanse—could not save a political and economic system that could neither meet its people's needs nor adapt to a rapidly changing international environment. Power and security are increasingly defined as much in economic, technological, and normative terms as in terms of warfighting capacity. Security is to be found not only in the ability to muster and project military power, but in the productivity, competitiveness, and innovativeness of a country and its people.

Nonetheless, of all the world's military forces, the American military still has a unique role to play. It is important both as a symbol and as an instrument of U.S. foreign policy. Highly capable standing forces are by now as much a part of America's international identity as its political values or its commercial products. They allow the United States to participate in other regions' security debates and to be a partner in their defense arrangements.

Despite the substantial reductions of the last few years, the American military remains the most capable in the world. The United States is the only country able to project substantial quantities of military power at great distances; it would dominate any struggle for control of the seas or skies, and it could in all likelihood prevail in conventional land warfare anywhere its forces could be transported and supplied. U.S. nuclear capabilities are matched only in a quantitative sense by Russia's and are much larger than those of any other country. American defense spending is currently equal to that of the next five states combined and is more than three times that of the number two spender, Russia, whose military budget and military readiness both continue to decline. Yet spending on defense takes a lower fraction of U.S. output (about 3 percent) now than at any time since the late 1940s. Whether that is too much or not enough depends on what the military is asked to do, what international trends portend in terms of threats, and which of those threats can best be dealt with by military force.

Clearly, the country expects its forces to be able to repel attacks against U.S. territory and against U.S. interests abroad. In peacetime, U.S. military forces are based overseas for purposes of both deterrence and reassurance: deterrence with respect to regional powers like North Korea, Iraq, and Iran; reassurance with respect to everyone else. By signaling tangible U.S. interest in regional security, the American overseas presence may also help to stabilize relations between U.S. friends (Greece and Turkey, for example, or Japan and South Korea) as well as reduce regional concerns about the rise of potentially hostile, militarily dominant powers. Peacekeeping can be viewed as a form of presence: forward-deployed military forces, not at war, working to build and maintain pacific relations, except that in the case of peacekeeping, the task more and more frequently involves managing the relations of groups within states than it does relations between states. Finally, U.S. forces can be used cooperatively with other states to teach military professionalism and, through training programs, to inculcate values such as civilian control of the military and respect for human rights that are conducive to the development of democratic governance.

The regional contingencies against which U.S. forces are now sized and trained involve threats to U.S. interests in East Asia and free access to Persian Gulf oil. They do not, however, involve direct threats to U.S. territory, and they are, at the moment, the last of the more or less traditional scenarios for the large-scale use of American military might. Beyond Korea and the Gulf, realistic scenarios for the large-scale use of military forces are hard to imagine. The conventional military threats posed by the handful of other states out of step with the political mainstream have been, and will continue to be, contained relatively easily. Potentially, U.S. security could be threatened by the emergence of a larger, hostile, great power, but no such threat is on the immediate horizon. By virtue of their economic and technological capacities, Japan and the European Union have the greatest material potential to rival the United States, but both are democratic and friendly. That leaves Russia and China—neither of which, for different reasons, would appear to pose a threat for the foreseeable future.

Communism has left Russia in shambles, with both its military and industrial capacity at low ebb. Indeed, a weak rather than a powerful Russia seems the greater danger to the United States and other market democracies in the medium term. Particular worries arise from a stalled nuclear arms control process, degraded security for nuclear weapons and fissile materials—for which Russia

is the world's largest repository—and a decaying military command and control system. The threat posed to the outside world by remaining Russian military capabilities lies not in any expansionist agenda but in the risk of internal breakdown—Chechnya on a far bigger canvas.

China, on the other hand, is a rising power whose incorporation into international institutions and regimes is rightly a high priority for the United States and its allies. The Chinese leadership's commitment to stability and economic growth has led it to adopt a strategy of integration into the world economy, and its neighbors have applauded and facilitated that integration. China's at times belligerent approach toward various disputes with its neighbors, however, has caused considerable concern. Partly for that reason, a continuing U.S. military presence and active political engagement are considered essential to regional security and stability by U.S. and regional leaders alike. Not properly construed as containment, the U.S. presence reassures China's neighbors and may even provide some comfort to China, as it reduces the likelihood of a military buildup by Japan in response to growing Chinese power. Still, China's ability to project conventional military power beyond its borders will remain marginal by global standards for some years to come.

In lieu of conventional military challenges, the interplay of technology, population, markets, and culture is generating threats of a sort that by and large cannot readily be dealt with by conventional military means, and opportunities that cannot be seized and held by force. Information warfare and terrorism, for example, may pose the most daunting security challenges in coming years, and neither routinely presents a target for conventional military forces. Technology gives terrorist or crime networks new opportunities to crack corporate and government databases and financial systems and potentially bring important segments of U.S. society to a costly, screeching halt. Although foreign terrorists must operate from the territories of one or more states, and while states identified as sponsors of specific terrorist acts, such as Libya, have been subject to military reprisal, the link between action and sponsor is not always clear and the military option is not always viable. Crime and terrorism are more often the domain of intelligence and law enforcement agencies or, perhaps, special forces.

Nuclear threats are not nearly as prominent as during the Cold War, but most of the weapons built during that period still exist. Arms control policy aims at reducing their numbers and halting their spread, but their continuing abundance in the arsenals of the current nuclear powers signals that states find utility in these weapons, at least as sources of status or as deterrents of like weapons or much stronger neighbors. At the same time, American nuclear forces, though embodying awesome destructive potential, bear crippling political and moral burdens that make their use unlikely in all but direst of circumstances,

such as retaliation for massive nuclear attack. Moreover, sooner or later, nuclear weapons may follow chemical and biological weapons into the hands of non-state actors unmoved by deterrent threats and bent on ransom or revenge.

With the exception of the two contingencies for which U.S. forces are primarily prepared, it is hard to predict the circumstances under which U.S. forces would be used. Yet such uncertainty may still give pause to leaders contemplating aggressive actions: The United States might not react but a strong reaction would be very bad news. Desert Storm was one such reaction, and it demonstrated dramatically that the country has the capacity to persevere and win major wars. Moreover, U.S. action in that case encouraged "bandwagoning," or the rallying of other countries to the U.S.-led coalition, an effect seen also in subsequent humanitarian interventions and peace enforcement operations.

On the other hand, the American public is generally reluctant to place U.S. forces in harm's way, and political leaders have been reluctant, in turn, to do so unless the effort promised a clean win, or at least a quick exit. Political perseverance in the face of setbacks and casualties has been the exception rather than the rule. Political leaders' instinct to look for the exit and to use it if casualties mount derives both from the bitter lessons of Vietnam and from a lack of larger strategic purpose to post-Cold War military engagements.

Although it is difficult to prove that reluctance to engage and persevere in the face of setbacks has had a negative impact, Washington has been finding it difficult to reap much political benefit from military threats, even when such threats have been backed by modest demonstrations of force. Despite repeated cruise missile strikes against Iraqi air defenses and other military targets, for example, the United States has been unable to coerce Saddam Hussein into adhering in good faith to the agreements he signed at the end of the Gulf War. And for two years, threats and demonstrative uses of air power by U.S. and other NATO forces against the Bosnian Serbs produced only modest, temporary compliance with weapon exclusion zones and other devices invented to mitigate the impact of the Bosnian war on besieged civilian populations. Only substantial losses on the ground and a serious pounding by NATO aircraft brought the Serbs to the negotiating table. For whatever reason, threats alone seem insufficient to convince regional miscreants of the seriousness of U.S. intent. The United States still needs to overcome old perceptions that the country lacks tenacity in handling foreign crises. It can be costly to persevere, but when purposes and objectives are clear, bearing that cost is preferable to reinforcing these perceptions.

In sum, American military power has a continuing and unique role to play in world politics, and the United States must be prepared to play that role, but the new era

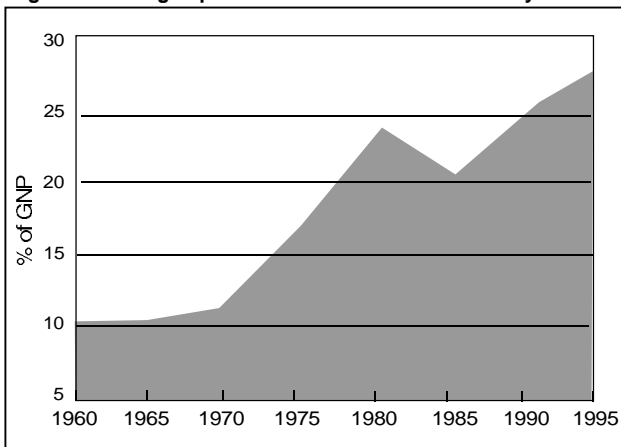
presents something of a dilemma for the American military. The armed services focus their training, procurement, and doctrinal development on the major regional conflict scenarios. Yet, the probability of a major regional conflict erupting in any given year is relatively low, due in part to the deterrent value of forward-deployed U.S. forces. On the other hand, calls for competent, highly mobile, but relatively modest expeditionary forces may be frequent, as any number of places continue to experience turmoil. Thus what the services actually do with their forces may be quite different from what those forces are designed and primarily trained to do. Although highly capable, high-tech forces can perform well in "minor" contingencies—as U.S. forces have demonstrated in Bosnia—such operations are costly to operate and the forces lose some of their combat edge in the process. Yet deterrence alone is unlikely to sustain the force structure indefinitely, and lesser contingencies still provide real field experience. Moreover, they demonstrate the military's relevance in a world where potential threats to American security seem to arise increasingly from nontraditional sources for which traditional military power is not the optimal response. The need to balance readiness and relevance will preoccupy America's armed services for the foreseeable future.

Economic Power and Policy

The nature of economic power and the role of the American economy are also changing dramatically, driven by a number of structural shifts in the global economy.

First, while the United States remains the world's largest and most efficient economy, American dominance has given way to a world of three relatively equal players: the United States, the European Union (EU), and Japan. The United States now produces about one-quarter of the world's goods and services, while the EU produces one-third and Japan a further 15 percent.

Figure 6. Rising Importance of Trade to U.S. Economy



Source: World Almanac, various years.

Second, economic power is increasingly being translated in the international arena into political influence. Germany, Japan, and a number of rising Asian states have enhanced their relative power almost exclusively through economic might. Trade and market access are rising to the top of the foreign policy agendas in Washington and other capital cities. Business and finance are joining diplomacy and security as the primary arenas for the foreign policy battles of today.

Third, global economic issues are playing an increasingly central role in U.S. foreign policy. Globalization—growing international economic interdependence and deepening integration of markets for goods, services, and capital—has linked U.S. prosperity inextricably with international trade and investment networks. Figure 6 shows how the importance of trade to the U.S. economy has climbed steadily since 1960 and now accounts for over one-quarter of U.S. GNP. Since the international market has grown even faster than American exports, the potential for continued export-led economic expansion remains considerable. Although Europe and East Asia will continue to be the wealthiest foreign regions, the United States' most important trading partners, and the focus of U.S. economic policy, developing countries are the fastest growing market for U.S. exports. To promote and sustain economic security and prosperity at home, the United States needs to further the economic development of these emerging markets.

Promoting the economic, social, and political development of regions not yet fully integrated into the global economy is desirable not only to open new markets for U.S. trade and investment but as a strategy to head off strife and manage a range of concerns. Greater prosperity and better governance will increase the capacities of developing countries to resolve conflicts and to cope with their own internal or regional problems. Until they are able to generate such capacity, the industrialized market democracies will bear a greater share of the burden of conflict management and resolution in these regions.

These new economic realities are unavoidable. The United States is increasingly intertwined in—and benefits significantly from—an international economy over which it is less able to assert any substantial unilateral policy control. Indeed, the nature of globalization itself has made even the most concerted type of governmental action less likely to succeed at directing global economic affairs. The experience of both the European Monetary Union and international efforts to manage currency relations suggests that such efforts can succeed only if they work with, not against, trends in the markets. U.S. policy also faces a difficult challenge in trying to avoid making economic inequalities worse (both within and between nations) even as it seeks to ensure the continued deepening and broadening of the global economy.

Given the heightened importance of international economic affairs for domestic well-being, it becomes increasingly crucial for the United States to adapt to these realities and take a lead in setting the agenda for creating an international economic system that can benefit Americans and the world well into the next century. After World War II, the United States took the lead in creating a set of multilateral institutions—the International Monetary Fund, the World Bank, and the General Agreement on Tariffs and Trade (GATT)—to promote cooperation and stability in the world economy. More recently, the United States has actively promoted cooperative endeavors at the regional level, the most important being NAFTA and the Asia-Pacific Economic Cooperation forum (APEC). The successful conclusion of the Uruguay Round of the GATT, the creation of the World Trade Organization, and the addition of new items such as financial services to the trade negotiation agenda are all signs of the continued vitality of multilateral economic cooperation and Washington's role in it. Continued engagement and leadership in these organizations are essential but do not yet go far enough.

Harvard economist Robert Lawrence sees the current state of international economic relations as a transitional one that is witnessing a shift from “shallow integration”—typified by the removal of barriers to exchange at national borders and limited coordination of national policies—to “deeper integration,” which involves the extension of international rules beyond trade to address how states treat foreign investment and intellectual property rights, to reconcile differing national standards, and increasingly to deal with labor and environment issues.³² Debates over many of these issues—including intellectual property, trade in services, and national treatment of foreign firms—during the negotiations over NAFTA are a good example of this transition in operation.

On the domestic front, there is a clear risk of retrenchment and loss of influence in the international economic institutions, primarily due to U.S. budget constraints. The Clinton administration has sought, for example, to strengthen the capacity of the IMF to respond to major financial upheavals such as the Mexican peso crisis, which entails a major expansion of the IMF's ability to mobilize financial resources. But administration officials cannot readily promote such expansion if the Congress will not finance the U.S. share of the effort. The administration has also sought to move the multilateral development banks toward more active promotion of “market development,” but again the Congress has not provided funds to underwrite these commitments.

Powers of Persuasion

In the global context just described, the United States retains both the capacity and the responsibility to lead.

While U.S. economic dominance is not what it was several decades ago, U.S. economic clout is still considerable. While military force may be less relevant to many contemporary situations than it was during the Cold War, that power remains substantial and important. But military and economic power are not the only sources of American strength. There are, in addition, the hard-to-measure benefits that derive from being a country that stands for more than material ends and a powerful country that plays by the rules.

As the only remaining superpower, the United States is called upon to answer each international alarm, necessitating frequent choices. Not all events require outside, let alone U.S., intervention. But when intervention is needed and the United States has chosen to remain on the sidelines, the big tasks do not get done and the world is a more dangerous place. Before the United States finally acted decisively to stop the killing in Bosnia, the killing continued. Had the United States not intervened in Mexico, economic and social crisis may well have engulfed its southern neighbor, spilling across its border. U.S. leadership—both directly and indirectly through multilateral institutions—has been decisive in promoting reform in the former Soviet Union, regional peace in the Middle East, the permanent extension of the Nuclear Non-Proliferation Treaty, and signature of the Comprehensive Nuclear Test Ban Treaty. The bottom line is that U.S. armed forces can be useful when the United States chooses to use them; U.S.-based market power, technology, and financial resources remain essential for any major global venture; and U.S. leadership helps to forge international consensus.

The streak of idealism that permeates America's outlook keeps the United States from sinking into the cynicism to which policy guided solely by prudence can lead, and it contributes to the country's crusading spirit. But that spirit, and thus the exercise of American power, is tempered by the democratic checks and balances—the institutional prudence—built into the U.S. political system and the skepticism of “entangling alliances” built into the national psyche. Although Americans may be willing to get involved, they generally do not seek to stay involved. The United States has long since outgrown territorial ambition. In addition, painful lessons learned over recent decades, in Southeast Asia and elsewhere, make the American public reluctant to see the country bound onto the world stage alone. They prefer being part of ensemble companies. This combination of power, the propensity to act, and self-imposed constraints on action is unique in today's world; it makes the United States an ideal regional balancer, troubleshooter, mediator, and partner in enterprises intended to advance humanity's condition.

Maintaining American Leadership

After a brief period of post-Cold War optimism about U.S. engagement in the world, the past few years have seen a retrenchment of vision—a combination of pessimism on both the left and the right and a widespread public complacency about the post-Cold War world and America's place within it. The deaths of U.S. soldiers in Somalia, continuing frustrations in Bosnia, and the zigs and zags of the transition in Russia and other states of the former Soviet Union have led some to conclude that the main trends in the world are negative and that there is little that the United States can do to reverse them. Others have seen as almost inevitable the continuing expansion of the world market economy and have imputed to that expansion an almost magical ability to address the wide range of problems that the world faces, from poverty to weapons proliferation to population.

We share neither the pessimism nor the complacency. Indeed, we believe the pessimists misread even the examples used to illustrate their argument. The Somalia intervention was not an utter failure—hundreds of thousands of lives were saved and famine was held at bay, although the ultimate implications of the initial intervention were not thought through. While forceful international action was late in Bosnia, it did eventually quell conflict in extraordinarily difficult circumstances and in the interim kept besieged peoples alive. While the transition in the former Soviet Union has not been smooth, the overall trend has been positive in most of the successor states, both in terms of the shift toward a market economy and in terms of planting democratic roots.

As for the complacent, we believe that while the trends of technology, demographic change, and expanding wealth can have a profoundly positive impact, such a result is not inevitable. Indeed, the dangers are that globalization will fail to reach large sectors of the globe; that the pace and impact of globalization will nonetheless outstrip the instruments needed for its effective governance; and that a preoccupation with its immediate gains will preclude needed attention to longer term challenges such as abuses of human rights, industrial carbon emissions, and transnational terrorism.

In broad terms, the United States has two options: The first is unilateral action. There will be times when U.S. interests and values dictate acting alone. American experiences since World War II and its status as the only military superpower give some that inclination. But in a period of enormous change, neither unilateral impulse nor the

continued embrace of Cold War instrumentalities takes advantage of the present moment. The end of U.S. global economic predominance and the competing claims of domestic issues make acting alone, in most cases, an unrealistic option. If U.S. economic interests preclude isolationism, U.S. economic limits preclude unilateralism.

The second option is to join with others, as necessary, in the pursuit of common interests. Many if not most of America's important objectives cannot be achieved without the cooperation of friends and allies. To maximize the benefits from such joint endeavors, the United States needs to attend more seriously to revamping the architecture of international cooperation and to crafting new international partnerships. The United States began to build such an architecture after World War II. Because the other industrial countries were spent militarily and economically, it was largely created and led by the United States. Today, the United States has both the motive and the opportunity to build new cooperative endeavors in real partnership with others.

The creation of a global economic market and the diffusion of some basic norms of governance are engendering a broad community of interests among a growing group of countries. At the core of this community are the states of western and central Europe and the emerging market states of Asia and Latin America that are seeking to integrate more closely into the community of market democracies. The security and stability of these countries and their regions are crucial to U.S. security and continued economic vitality.

But this community is not a static entity, a closed club of the rich. Indeed, the United States has a major interest in continuing to expand its membership. Doing so means engaging in a substantial way beyond the "core," both to promote development and growth, and to deal with a range of issues that could threaten the health and stability of the United States and other leading powers, if left unaddressed. To deal effectively with phenomena ranging from crime and terrorism, to climate change, overpopulation, and disease, the countries that have benefited most from globalization need to commit themselves to partnerships with countries that have benefited less, or not at all, to solve problems that will affect them all. Such global problem-solving needs to be much more intimately integrated into the mainstream of U.S. foreign policy, while a more credible set of partnership tools and instruments needs to be forged.

Building More Ambitious Partnerships

The United States should take the initiative in building more ambitious partnerships as the core strategy for promoting its interests and values in the international arena. In this section, we sketch the basic concept, then highlight a number of areas where the contours of such partnerships are already taking shape or could be particularly useful.

Ambitious partnerships, as an approach, respond to the realities of the post-Cold War world and the globalized international economy, as well as to new opportunities offered by economic growth and technological change. They involve an expansive vision of what the United States working with others can accomplish and respond to the public's concerns that the United States share with others the responsibilities of international engagement.

How would this emphasis on partnerships differ from the approach to multilateral engagement that the United States has followed over the past 50 years? The key differences involve expanding the vision of international partnerships to take advantage of new opportunities to address the key concerns of the post-Cold War world; broadening the basis of participation, responsibility, and leadership so as to fully take into account the growing number of competent partners for the United States in such endeavors; creating, as a necessary complement, new powersharing and governance arrangements to reflect this "broadening of the shoulders" of international cooperation; and, finally, devoting the time, political capital, and the resources needed to build these partnerships for the long term.

This new approach will require vision and rigorous efforts of coalition building in exchange for which the United States should be able to expect a fair sharing of the burdens of sustaining global peace and economic opportunity. But also it means that America must play by the rules that it signs onto, bearing in mind the need for long-term coalition building; share power in the organizations to which it belongs; and abide by favorable and adverse results alike—so long as these are legitimately derived—in the kind of win some, lose some, give-and-take that characterizes normal interchange in a democratic environment. In so doing, the United States will send a powerful signal to other states that, in international affairs, the rule of law matters.

Partnerships and cooperative arrangements can take many forms and can be undertaken at many different levels, from formal institutions to informal "ad-hoc" arrangements. Thus, as noted earlier, a partnership strategy would involve much more than U.S. dealings with the United

Nations. There are other worldwide institutions and agreements, and there are regional organizations like NATO, the Organization of American States (OAS), and APEC, on which new partnerships can be built. But by saying that the United Nations is not the *only* vehicle for international partnership, we do not mean that it cannot be *a* vehicle. While some parts of the U.N. system are sorely in need of significant reform, other parts, like its far-flung refugee operations and a number of specialized agencies, function capably and primarily on donated funds.

Ambitious partnerships ... respond to the public's concerns that the United States share with others the responsibilities of international engagement.

Reorienting U.S. foreign policy to emphasize partnerships will be difficult: Americans have become used to a particular kind of global leadership, even though they are less and less willing to accept the burdens that come along with it. The rest of the world worries when U.S. political, economic, and military leadership is too intrusive, yet many want the United States to help solve their problems and complain when it declines to do so. So the transition to a world

of partnerships will be a challenge both for the United States and for the rest of the international community.

Security Partnerships

In a paper prepared for this project, David Gompert of the RAND Corporation argues that shifting more security responsibilities to the principal states of Western Europe and East Asia is both logical and desirable, as they "now possess economic means comparable to those of the United States." The three areas, moreover, share many interests and goals: "a healthy core economy, the unhindered flow of economic inputs and outputs, the success of the emerging regions, access to energy, safety from weapons of mass destruction, stability in the greater Middle East and former Soviet Union."³³

If these shared interests are not recognized by America's allies, Gompert argues, it is largely because they are "conditioned to count on the United States to look after them." Although the United States can and should expect its allies to assume a fairer share of responsibility for the security and expansion of the core of market-based democratic countries, "Washington's rhetoric about American leadership, which soars ever higher as the American people grow more dubious about the costs and unfairness, serves to confuse, lull, and demotivate U.S. partners."³⁴

America's European allies will accept a more equal role only if convinced that the United States will not indefinitely accept heavy international security commitments, including in Europe itself, unless U.S. friends start to shoulder much more of the load. At the same time, however, the United States must appreciate that Europe will

not accept the sacrifices of partnership unless they are treated as equals on such matters as the Middle East peace process, relations with Russia, and managing NATO.

Europe's regional security conundrum revolves around the transition of former communist states, including Russia, to free market democracies. The transitional period is fraught with dangers, ranging from civil wars that could put weapons of mass destruction into unstable hands, to a re-division of Europe along East-West lines. Europe's secondary security problem, at present, derives from its dependence on the Persian Gulf for 25 percent of its oil. The objective of America's security partnership in and for Europe, then, should be to ensure successful transitions in Eastern Europe and protect Europe's vital interests in the Gulf. A reformed NATO could serve as a stepping stone toward both goals.

In Europe, a reformed NATO could help to build a larger European security community, defined as a grouping of states whose members neither fear nor prepare for war amongst themselves.³⁵ Today, the countries of North America, the Nordic states, and the other countries of Western Europe all reside in security communities. In fulfilling this role, a reformed NATO can serve as an institutional bridge to the larger Organization for Security and Cooperation in Europe (OSCE), which makes up in breadth of membership what it lacks in infrastructure. The OSCE is a source of norms for interstate relations in Europe and its recent role in validating opposition election victories in Serbia demonstrated that an organization need not have military might at its disposal to have a political impact. But the OSCE's greatest advantage presently is that it counts the Russian Federation among its members. Thus, OSCE offers a ready-made vehicle for building a single, pan-European security system that potentially includes every state in the region, as well as the United States and Canada. In the interim, NATO offers a capable operational structure that can further the cooperation of members and nonmembers alike in support of peace in the region, as it has in Bosnia since late 1995.

The most obvious extra-regional focus for a reformed NATO would be the Persian Gulf. Europe derives a far larger proportion its oil imports than does the United States from the Gulf, which gives Europe higher economic stakes in the region than Washington. Yet, the United States spends roughly \$30–\$40 billion annually on Gulf security (some 15 percent of its defense budget), while other NATO countries spend only about 5 percent of a much smaller total.³⁶ A fairer share of the load would be closer to fifty-fifty, commensurate with NATO Europe's relative economic clout, contributed either in offset payments to the United States or in kind, in the form of European forces deployed routinely to the Gulf. An alternative division of labor would be for the United States to continue being NATO's main out-of-area operator, while the organization's European members made a more concerted effort to support and

consolidate the political and economic transitions of the states of Central Europe and the former Soviet Union.

In either case, the United States needs to continue to seek the cooperation of Russia in keeping tight control over its nuclear forces and materials to prevent either unauthorized use or their falling into the wrong hands. The United States must also work cooperatively with Russia to reduce the two states' nuclear arsenals through ever more ambitious treaty arrangements that Russian legislators clearly understand to be in the Russian Federation's national interests. Both efforts require more ambitious approaches than the routine policies pursued in the past few years.

In East Asia, security relations are looser, formal ties are mostly bilateral ones with the United States, and informal regional security partnerships are evolving only slowly out of broader political-economic relationships. In the case of the Association of Southeast Asian Nations (ASEAN) and its ASEAN Regional Forum, there is an ongoing security dialogue designed so as not to antagonize Beijing. The process more closely resembles the development of confidence- and security-building measures than it does the early stages of a regional security organization. Although East Asia has its share of transitional states, the region's main security issues are largely the by-products of growing wealth, unresolved jurisdictional claims, and unrepentant elites—in Japan regarding the Pacific War, and in China regarding a quarter-century or more of internal terror. The United States can best contribute to peace in the region with continued involvement in its security dialogues and with continued, quiet, and quieting military presence.

In Latin America, democratic governments are the rule (except in Cuba) and international tensions relatively rare, but democracy is weakened by continuing poverty and political corruption. The corruption is fueled, in part, by a transnational drug trade whose influence permeates official circles in countries like Colombia and Mexico. Bilateral security ties have not been enough to combat the drug trade and its corrosive influence. Potentially more effective would be regionwide standards for anti-drug activities, operating in parallel with regionally coordinated support for democracy, human rights, and law enforcement. A regional security organization could also coordinate the development of a set of norms for conventional arms acquisitions. The OAS, once viewed as a rubber stamp for the United States, may have a chance to be reborn as an effective regional collective security organization with these missions; or, if the burden of history is too great, then the nations of the Western Hemisphere should gather to create a replacement that reflects contemporary needs.

In Africa, where internal strife with external patrons has been all too common for a very long time, the United States is taking the lead in promoting an African Conflict Response Force intended to build an African capacity for humanitarian operations and for projection of forces into conflict situations before they escalate out of control.

African states would undertake operations with logistical and financial support from outside the region. This concept is potentially a good model of effective partnership between the United States and other states and regions. After an initial period in which it tried unsuccessfully to sell the concept as an idea made in Washington, the United States has moved back a step to consult more closely with Britain and France (whose post-colonial ties to the region have remained close) and to encourage input from the region itself—an approach more consistent with genuine partnership and more likely to succeed.

While the United Nations is not destined to be a major focus of U.S. security policy, it is vitally important for legitimating the use of force, as a venue for crafting and implementing multilateral arms limitation accords, and as a focal point for international peacekeeping. U.N. peacekeepers faltered in the early 1990s when sent to do their jobs before wars had run their course.³⁷ But where countries need help to regain their footing after devastating wars, peacekeepers and associated police and election monitors, along with demining and refugee resettlement teams, can provide vital assistance to local parties that want to rebuild peace and prosperity. U.N. support and organization are key both to legitimate these operations and to ensure that contributors to them have common goals and modes of operation. In the past, U.S. support has been vital to the success of U.N. operations—in the Sinai, Cambodia, Mozambique, and El Salvador—and is likely to continue to be so in the future.

Economic Partnerships

In economic as well as in military-security affairs, the time has come for the United States to go beyond the forms of economic cooperation established after World War II and that have importantly but insufficiently evolved since then. The starting point for partnerships in international economics must be the realities of globalization. The broad international policy challenge is to ensure that globalization evolves in a way that broadens the benefits both within individual nations and for the global community at large by expanding the geographical scope of the process. In meeting this challenge, there remains a multifaceted role for international institutions and arrangements that stand between individual states and these giant forces. For the United States, this suggests a policy that is focused on generating broad agreement on the new rules, norms, principles, and institutions needed to meet the challenges of globalization.

At the same time, however, such partnerships are becoming more complex, both politically and substantively. For example, nongovernmental players increasingly shape the politics of international economic policy. Sometimes these players assume abstract form, like the capital markets that represent the collective judgment of thousands of private investors. Other times, they take on concrete form, such as pressure from business for market openings or to support specific deals or from labor unions or environmental groups to expand the trade agenda to incorporate their issues.

With both an expanding and a deepening of international economic integration among the advanced and the emerging market economies, there are still three sets of

problems for which current international arrangements do not suffice.

First, the G-7 and its summit process do not correspond well with the needs of global economic management. On the one hand, it may have too many members to cope well with the essential task of exchange rate management; and on the other hand, it may be too ad hoc and narrowly composed for the broader tasks of coping with the challenges of integration among the world's most dynamic economies. The United States is presently engaged in building new

regional trading arrangements to foster greater economic openness, but neither these regional trade arrangements nor the new World Trade Organization provide on-going processes for managing in an integrated way the interconnected problems of monetary, financial, and trade relations.

Second, the United States lacks the necessary arrangements for coping cooperatively with the internal instabilities and inequities that appear to be at least a transitional feature of the ongoing process of deeper integration of emerging markets—including Russia and China as well as other countries of Asia and Latin America—into the world economy. Yet, if these problems are not adequately dealt with there are risks of both a “contagion effect” from single instances of national economic mismanagement and disruption and a “backlash” in countries against movement toward greater economic openness.

Because Mexico sits next door, the president of the United States was willing to take the lead in putting together an international “rescue” package in response to the peso crisis of early 1995, despite the opposition of the Congress. However, when such a crisis next emerges in a country further from its borders, the United States will have a weaker incentive to respond, even though the risk of contagion may be even greater. Working with its expanding set of economic allies to build, in advance, an

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international response capability for the next financial crisis would seem to make sense. The IMF is the logical focus for such an effort. Indeed, the members of the Fund have already begun to grapple with this problem, but more will need to be done than to agree on a process for mobilizing financing in a crisis. That suggests that the very role of the IMF, as the world's central monetary and financial institution, needs updating so as to enable it to serve as an essential linchpin in the development of economic partnership between the old and the new advanced market economies.

Third, the United States and its expanding group of economic partners need to find a way to construct a new kind of partnership with those countries that are at serious risk of being left farther and farther behind by the processes of globalization. Though these countries do not play a large role in the global economy and are not likely to for many decades to come, they do loom large as the staging grounds for a whole variety of global problems. Moreover, their massive persistent poverty poses a moral challenge for an increasingly integrated world. What is needed is to find a way of moving toward less aid dependence in the context of more sustainable economic growth and development. Improving access to international private capital and developing the capacities to take advantage of more open trade are among the key challenges for these countries. Meeting those challenges requires a more integrated approach to international development cooperation than is currently being followed.

Partnerships on Transnational Issues

It is in the area of transnational problems, which do not fit traditional policy pigeonholes, that there is the largest scope for expanding or building new international partnerships. Dealing with these issues effectively requires more than bilateral arrangements between states. As yet, however, they have not been adequately addressed by governments used to dealing mainly with one another through traditional economic and security instruments. Similarly, it has been difficult to integrate many of these issues into the overall fabric of U.S. foreign policy.

Some of these problems have their roots in the disastrous effects of widespread poverty among the one-fifth of humanity that subsists on less than \$1 per day. While the United States periodically responds to both natural and human-caused disasters in poor countries with costly relief or rescue operations, measures intended to prevent such calamities, which are increasingly linked together, are given little emphasis. Yet stressed and failing states provide a spawning ground for international crime and drug syndicates, infectious disease, resource conflict, famine, and civil war, and substantial fractions of their desperate, unemployed populations can end up at their neighbors' doors because these countries lack the

resources to deal sufficiently with these problems on their own.

Effectively addressing such issues melds both the interests and values of the United States but will require a more visionary foreign policy than has yet been articulated. A moral imperative is just one motivation for engagement in the poorest countries and regions. If the richer countries of the world do not address the poorer countries' poverty-based contributions to worldwide environmental degradation, unsustainable population growth, terrorism, and drug production and distribution, the United States places at risk its own quality of life and the peaceful co-existence of the global community of nations.

In recent years, there have been many cooperative efforts launched to address transnational issues and concerns. New efforts to generate more ambitious partnerships need to learn the lessons of these efforts. First and foremost is the need for effective public-nongovernmental interactions. It is the transnational issues arena that is witnessing most forcefully the expanded role of "new actors" in international affairs. International public-private partnerships have been especially important and effective in both the health field and in the response to humanitarian emergencies. In health, despite serious problems within established international institutions, smallpox was eradicated and access to clean water dramatically improved for millions. In responding to complex emergencies, there is increasingly productive coordination between such international institutions as the U.N. Department of Humanitarian Affairs, bilateral agencies such as the U.S. Office of Foreign Disaster Assistance, and nongovernmental institutions such as Catholic Relief Services, World Vision, and the International Red Cross.

The international financial institutions have also begun to evolve into instruments through which international public concerns over such issues as environmental quality and labor standards get factored into private investment decisions. In this way, they can provide what amounts to international "public goods" in a global investment scene dominated by private resources.

But the scope for effective new partnerships to address transnational issues, particularly in areas outside of the mainstream of the international economy, far exceeds current efforts. Global environmental cooperation, for instance, has only begun to scratch the surface. The first order of business should be to establish a deeper set of international norms concerning the environment and the question of who should bear the cost of environmental degradation.

As the most open, diverse, and powerful society in the world, the United States is best-placed to lead the world into this new era of cooperative problem solving—a natural bellwether. The United States has historically taken the lead in a number of these issues, including population

and the environment. America's interest in and capacity to address environmental issues, in particular, are substantial. Addressing transnational issues through a cooperative set of partnerships is also in the best tradition of melding self-interest and broader global interests, of both doing good and doing well.

Meeting the Political Challenges

In moving toward a policy of expanded and more ambitious partnerships, the United States faces difficult political challenges, both international and domestic. In the international arena, these involve devising new and credible modes of leadership and interaction; in the domestic arena, they require forging a "workable politics" for international engagement.

International Challenges

In the security arena, both the United States and its NATO partners are ambivalent about the sorts of missions for the alliance that were discussed in the previous section. The United States claims to want others to take on greater responsibilities but has been slow to give up any of the prerogatives of a dominant leader. While American policymakers claim that the United States will no longer bear disproportionate costs to protect common interests, those statements are belied by continuing and substantial deployments of U.S. forces to places like the Gulf. Some U.S. partners, on the other hand, claim to want a greater role but are not pressing very hard to make it a reality.

Making changes in existing relationships will require give-and-take in many directions, some of them seemingly paradoxical. Americans must appreciate that others will not accept the sacrifices of partnership unless they are given a greater voice in goal setting and decision making. And unless its partners see tangible evidence that the United States is no longer willing to do virtually all of the heavy lifting in places such as the Persian Gulf, they are unlikely to step up to the plate themselves. On the other hand, to encourage partners' cooperation, the United States may still need to maintain forces sufficient to deal with major military contingencies, so as to both reduce the military risk and increase the political cachet of cooperation.

In Europe, some have argued that there is a tension in current U.S. policy between the desire to reward and encourage continuing reforms in the former socialist states of Europe and the desire to see a confident and democratic Russia emerge eventually to join the ranks of industrial market democracies. Specifically, they have

expressed worries that the short-term objective in Central Europe—to be met by extending membership in NATO—may undercut the longer term and larger one in Russia, especially if it rankles Russian nationalists sufficiently to slow or stop the secure storage and safe dismantlement of significant portions of Russia's arsenal of mass destruction weapons. Clearly, however, revitalizing the process of arms control with the Russian Federation and integrating Russia into the new Europe while moving ahead with the expansion of the NATO alliance present singular challenges for U.S. foreign policy.

In Asia, U.S. policy is complicated by China's decision to tentatively embrace markets and capitalism but largely reject democracy and international norms of non-proliferation and human rights. It is important both to the United States and the region that China adopt international norms on the use of force, control of weapons of mass destruction, the rule of law, and environmental protection, whether or not these issues are explicitly linked in U.S. trade policy toward China. Should China reject democracy, human rights, and other international standards, it will invite others (especially in Asia) to follow this path and thus undermine the evolving system of international norms that has been gradually building up since the end of World War II. Managing the tension between embracing China as an emerging power and trying to change China's behavior will continue to be one of the most difficult issues for U.S. foreign policy.

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On international economic management, the challenges are no less daunting. The first is the need to accommodate, in a partnership strategy, an expanded role for the other major economic players, as part of the broader effort to engender a fairer sharing of risk and responsibility among the existing economic powers. The second is to engage much more broadly and integrate into the governance structures of the international economy the newly emergent market nations, several of which now carry as much clout in international trade and capital markets as do individual members of the EU.

Underlying these challenges is a political dynamic quite different from that faced in the security arena. While U.S. leverage to expand partnerships in the security arena is constrained by a "free rider" problem, U.S. leverage in shaping the evolution of expanded partnerships in international economic management is constrained in the short term by its failure to meet existing financial commitments. For example, uncertainty about the U.S. ability either to commit resources to an expanded "General Agreement to Borrow," which is needed to enable the IMF to upgrade its capacity to respond to destabilizing global financial swings, or to clear its arrearages to the soft-loan

window of the World Bank threatens a larger crisis in the international financial institutions and in global economic cooperation more generally.

The political challenges posed by transnational issues derive, in part, from the need to deal in the short term with problems whose effects will only be felt in the long term. The dichotomy creates particularly difficult circumstances for generating effective collective action. Difficulties also derive from the uncertainty of how to address many of these issues; e.g., should efforts to reduce the narcotics trade focus on attacking sources of supply, interdicting transshipment, or reducing demand? Even where the diagnosis is generally consensual, such as over climate change, there is uncertainty concerning how to share responsibility for solving these problems.

In all three areas, moreover, the concept and the reality of national sovereignty are increasingly at odds. The traditional role of the state is being displaced to some extent by forces from “above”—for example, transnational corporations and international organizations—and from “below”—for example, NGOs that spring from the grass-roots but increasingly connect up and have influence at the international level. Existing international organizational and financing arrangements have not yet caught up with these changes. In their absence, the perceived loss of sovereignty acts as a serious brake on advances in international cooperation needed to deal with the many problems that are posed by changing trends.

The opportunities and challenges of integrating policy responses in all three areas of concern are highlighted in the increasingly complex relationship of the United States and Mexico. Mexico presents no traditional military threat but does raise particularly important and complex issues in economics, demographics, and security that necessitate special attention from U.S. foreign policy. The United States has an enormous stake in the modernization of both Mexico’s economy and its political system in ways that produce growth with equity, representative and honest governance, and political accountability. Should Mexico fail in these tasks, there will only be growing incentives for its citizens to seek opportunity in the United States. Yet progress toward these goals is but halting; if it is to be encouraged, the United States will need a multifaceted relationship with Mexico that utilizes multilateral settings such as NAFTA, the OAS, and the Organisation for Economic Cooperation and Development (OECD) as well as bilateral instruments.

There is, finally, strong international resentment over what are seen as heavy-handed, unilateral actions by the United States in regard to U.N. reform, the broadening of economic sanctions against Cuba and Iran, and unilateral reductions in the share of funding that the United States is willing to pay to a number of international organizations. Although some may view such policies as demonstrations of American power, they reflect an old style of

doing business that risks reducing American influence over the longer term. If the United States is to be an effective international player in the future, especially with regard to influencing old friends whose collective economic resources rival its own, that style must change.

We have argued that the United States, acting alone, cannot resolve many regional or global problems that affect its interests nor effectively seize many opportunities that rapidly changing circumstances may present. Moreover, in many instances the United States will (and should) be unwilling to act alone. Partnerships, therefore, are not a vehicle for reducing American influence but rather for maintaining and extending it and for building a world whose norms of exchange, governance, and environmental protection are compatible with its own.

Domestic Challenges

The domestic political challenges for a strategy of partnerships are also considerable. Although the public, as we noted earlier, is interested in and concerned most by international issues that they see affecting their lives, jobs, and families, they are also value oriented and support humanitarian goals. The first challenge in creating a workable politics for international engagement is for national leaders to undertake a more serious effort to meld values and interests and to incorporate normative themes into foreign policy.

The second domestic challenge is to maintain a commitment to effective national security in the absence of significant and immediate interstate threats. Historically, the United States has found this difficult to do. Yet security challenges have not disappeared. As Joseph Nye, the Dean of Harvard University’s Kennedy School of Government, has commented, “Security is like oxygen. You don’t notice it until you need it.” The country will continue to need it, and policymakers need to think seriously about the kind of tools, levels of effort, and sorts of partners that may be required to provide it given a shifting constellation of nontraditional threats.

The third domestic challenge is to generate support for immediate actions that address long-term problems. While transnational issues are an obvious connecting thread between the public and foreign policy, they have not received adequate attention in foreign policy debates and have not been able to garner resources commensurate with the challenges they pose or sufficient to leverage broader commitments of resources from others.

The American public is open to argument on these issues. If national leaders state that a foreign policy endeavor needs doing, and it bears some definable linkage either to the country’s well-being or the well-being of others in trouble, the public will give leaders the benefit of the doubt. How much benefit depends on the strength and clarity of the linkage and the success and cost of the engagement.

Some issues and objectives enjoy broad consensus as good things for government to do. The consensus takes time to build, but once built it is difficult to destroy. Domestically, a number of issues and programs enjoy this status, including Social Security, Medicare, crime fighting, and environmental protection. In international affairs, until recently, containment of communism was seen as a good thing to do and for several decades U.S. leaders had a standing order from the public to do it. The interconnected, market-dominated world that is growing up around us is unlikely to offer up a single, overarching candidate for national consensus as a good thing for government to do. But there are a range of government actions that return good value to voters in the form of services or protection that the market cannot or will not provide. Some of these services are provided already as an outgrowth of long standing policy—national defense or the commitment to freer trade and orderly resolution of trade disputes, for example. Others, like environmental protection, have heretofore been provided only in a patchwork of bilateral and multilateral arrangements.

Creative policymaking will be needed to make clear to the public its interest in allocating resources and energy to solving these problems. The expanded partnerships approach can offer a framework to convince Congress and the public to spend some environmental dollars abroad, for example, on the understanding that the alternative would be far more drastic cutbacks in fossil fuel use and more intrusive conservation measures at home.³⁸

But whatever the United States asks of others, it will need to ask something of Americans, as well. Thus, to make credible a U.S. commitment to environmental protection abroad, Americans cannot lose track of the need to take energy conservation and environmental protection seriously at home. In this instance, the United States must be both a banker and a beacon, sharing both the risks and the benefits of these roles.

To create the necessary foreign policy tools and claim the resources necessary to use them effectively requires political engagement of the highest order. In the U.S. system, that means a presidential effort to engage the public and a parallel effort to convince the Congress that the world outside must be dealt with, urgently and continuously, on multiple

levels and multiple issues. Presidential engagement is crucial because that is how the U.S. system is structured: no president, no attention. A new approach to foreign policy means restructuring government departments, redefining accountabilities, retraining and reassigning personnel. New partnerships mean more compromise, in lieu of wholly independent decisions. New challenges mean new strategic objectives, new ways of looking at problems, and new answers that need to be found and sold. Presidential leadership is critical to all of these ends.

Consistent presidential engagement is crucial because modern life is issue- and information-heavy. One or two speeches are lost against the background noise, and if they are ignored by the public, they are ignored by the Congress. This may account for some of the apparent disjunction between the public concern over international and transnational issues that pollsters regularly find, and congressional disregard for the same. That public concern, while felt, is not adequately expressed. Regular presidential attention to these issues would encourage that expression and congressional attention in turn.

The point is that U.S. policymakers need to: 1) attend to issues that the public cares about; 2) look for creative solutions to the problems they present; 3) develop effective messages to communicate their efforts; and 4) demonstrate results that the public and the Congress can see and appreciate. If these steps are taken, the United States will have a much stronger base on which to build foreign policy, and foreign relations, in the years and decades to come.

■ ■ ■

In the end, the principal issue for U.S. foreign policy is not whether the United States will be engaged in the world but the terms of that engagement: whether it will exercise an effective voice in crafting the rules, norms, and structures that will govern the evolving system, and whether U.S. policy will attend to more than the short-term bottom line. Seizing the opportunity to build such a system—supportive of U.S. interests and values in the twenty-first century—will require a new form of leadership and a new vision that recognizes the partnership imperative.

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 21. John Mueller, "Fifteen Propositions about American Foreign Policy and Public Opinion in an Era Free of Compelling Threats," prepared for presentation at the annual meeting of the International Studies Association, San Diego, California, April 16-20, 1996, Figure 1. A copy of the paper is available from the author at the Department of Political Science, University of Rochester, Rochester, NY, mimeograph.
 22. Senator Nancy Landon Kassebaum, Address to the Council on Foreign Relations, New York, March 29, 1996.
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 24. Ronald B. Rapoport and Walter J. Stone, "1996 Republican Nomination Race, A Report to Respondents," *1996 Party Leadership Survey*, Department of Government, College of William and Mary, Williamsburg, Virginia, November 1996, p.3, mimeograph. Ninety-two percent of Buchanan supporters favored "decreased U.S. involvement in other parts of the world."
 25. Steven Kull and I. M. Destler, *An Emerging Consensus: A Study of American Public Attitudes on America's Role in the World* (College Park, MD: Center for International and Security Studies, Program on International Policy Attitudes, July 10, 1996).
 26. See John E. Reilly, ed., *American Public Opinion and U.S. Foreign Policy 1995* (Chicago: The Chicago Council on Foreign Relations, 1995), p.18; and Andrew Kohut and Robert C. Toth, "Managing Conflict in the Post-Cold War World: A Public Perspective," prepared for the Aspen Institute Conference on Managing Conflict in the Post-Cold War World, August 2-5, 1995 (Washington, DC: Times Mirror Center for the People and the Press, 1995), pp.11-12.
 27. *Why Don't Americans Trust the Government?* The Washington Post/Kaiser Family Foundation/Harvard University Survey Project (Menlo Park, CA: The Henry J. Kaiser Family Foundation, 1996), especially pp. 3-7, 37.
 28. Pamela L. Reed, J. Matthew Vaccaro, and William J. Durch, *Handbook on United Nations Peace Operations*, Handbook No. 3 (Washington, D.C.: The Henry L. Stimson Center, April 1995), appendix.
 29. For discussion of the impact of foreign affairs budget cuts, see Casimir A. Yost and Mary Locke, *U.S. Foreign Affairs Resources: Budget Cuts and Consequences* (Washington, DC: Institute for the Study of Diplomacy, Georgetown University, 1996), pp. 11-15.
 30. Michael Clough, "Grass-Roots Policymaking," *Foreign Affairs*, Vol.73, No. 1 (January/February 1994); and Yossi Shain, "Multicultural Foreign Policy," *Foreign Policy* (Fall 1995).
 31. See, for example, Lester M. Salamon, and Helmut K. Anheier, *The Emerging Sector: The Nonprofit Sector in Comparative Perspective* (Baltimore, MD: The Johns Hopkins University Institute for Policy Studies, 1994).
 32. Robert Z. Lawrence, *Regionalism, Multilateralism, and Deeper Integration* (Washington, DC: The Brookings Institution, 1996).
 33. For a more extensive treatment of "core" partnerships, see David C. Gompert, *Sharing the Burdens of Global Security*, Foreign Policy Project Occasional Paper No. 1 (Washington, D.C.: The Henry L. Stimson Center and the Overseas Development Council, August 1996), p. 23 ff.
 34. Gompert, *Sharing the Burdens of Global Security*, pp.23-24.
 35. John G. Ruggie, *Winning the Peace: America and World Order in the New Era* (New York: Columbia University Press, 1996), p.81.
 36. Shibley Telhami and Michael O'Hanlon, "Europe's Oil, Our Troops," *The New York Times* (December 30, 1995), p.27.
 37. See William J. Durch, ed., *U.N. Peacekeeping, American Policy, and the Uncivil Wars of the 1990s* (New York: St. Martin's Press, 1996)
 38. See Daniel C. Esty, *Greening the GATT: Trade, Environment, and the Future* (Washington, DC: Institute for International Economics, 1994), pp.85-86.

About the Foreign Policy Project

The Foreign Policy Project set out to reassess the principles and purposes of U.S. foreign policy in the post-Cold War world. The project sought to describe the emerging international environment as seen from a variety of perspectives, to assess America's stakes in that world, to examine the trade-offs among them, and to articulate a framework for analysis, debate, and policymaking. The project, which has funding from The Ford Foundation, aimed to generate ideas and analyses that would contribute to and re-energize an informed national debate on U.S. foreign policy and America's role in the post-Cold War era. The Project is co-chaired by Barry M. Blechman, Chairman of the Stimson Center, and Catherine Gwin, Senior Vice President of the Overseas Development Council (ODC) and co-directed by William J. Durch of the Stimson Center and David F. Gordon of ODC. Project research staff include Todd Moss and Jolie Wood.

The project has five main components:

Strategy Group. Meeting at regular intervals throughout the life of the project, the Strategy Group served as the core component of the project. Composed of experts from disparate fields and backgrounds (in research, public policy, the media, and business) from different parts of the country, the group oversaw the project's research program and debated its results.

Regional Workshops were held at sites in Los Angeles, Austin, and Milwaukee to explore issues relevant to those areas and to incorporate local perspectives, interests, and expertise.

Washington Foreign Policy Roundtable. This series provided an off-the-record forum for Washington area executive branch and congressional staff, researchers from think tanks and universities, and representatives of private voluntary organizations to discuss important foreign policy-related issues. It also provided an opportunity for members of Washington's several foreign policy communities to share insights and create new networks of communication.

Research. Background papers were prepared by Strategy Group members, project staff and other experts to supplement existing literature on topics such as the use of force, technology in foreign policy, and the connection between globalization and economic security. Some of the background papers are being published as part of the FPP Occasional Paper Series.

Communications. The twin objectives of the project's communication efforts are catalytic and educational—catalytic, to stimulate debate on interests and foreign policy beyond the confines of the project itself, and educational, to increase the proportion of debates that are reasonably well-informed.

Other Publications

Sharing the Burdens of Global Security

David C. Gompert

FPP Occasional Paper No. 1, August 1996

What Future for Aid?

David Gordon, Catherine Gwin, and Steven W. Sinding

FPP Occasional Paper No. 2, November 1996

CNN Effect? The Media's Role in Foreign Policy

James O. Goldsborough

FPP Occasional Paper No. 3, January 1997

New Challenges to U.S. Foreign Policy: The U.S.-Mexico Relationship (working title)

Arturo Valenzuela

FPP Occasional Paper, forthcoming spring 1997

Defining Moment: The Threat and Use of Military Power in the Post-Cold War Era

Barry M. Blechman

FPP Occasional Paper, forthcoming spring 1997

Alternating Currents: Technology and the New Context for U.S. Foreign Policy

Brian P. Curran, William J. Durch, and Jolie M.E. Wood

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About the Henry L. Stimson Center

The Henry L. Stimson Center was founded in 1989 as a nonprofit, nonpartisan institution devoted to public policy research. The center concentrates on particularly difficult national and international security issues where policy, technology, and politics intersect. Our aim is to produce research that is relevant to policymakers, rigorous by academic standards, and understandable to the public at large. Our projects assess the sources and consequences of international conflict, as well as the tools needed to build national security and international peace.

Henry L. Stimson's distinguished career in defense and foreign policy spanned four decades in which the United States grew into its new role as a global power. As secretary of war under President Taft, Stimson concentrated on reforms to streamline the U.S. Army. At the age of forty-nine, he volunteered as an artillery officer in World War I and served on the front lines in France. As President Hoover's secretary of state in 1930, he negotiated the London Naval Treaty for the United States. In 1940, as President Roosevelt's secretary of war, Stimson managed the war effort and was involved with the development of the atomic bomb. His last preoccupation in office, and in the last years of this life, was how this devastating weapon could be controlled.

We admire Henry L. Stimson's nonpartisan spirit, his sense of purpose, and his ability to steer a steady course toward clearly defined long-range national security goals. By establishing a research center in his name, we hope to call attention to the issues he cared about, as well as to his record of public service, and to propose, as Stimson did, pragmatic steps toward ideal objectives.

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ODC is an international policy research institute based in Washington, D.C. that seeks to inform and improve the multilateral approaches and institutions—both global and regional—that will play increasingly important roles in the promotion of development and the management of related global problems.

ODC's program of multilateral analysis and dialogue is designed to explore ideas and approaches for enhancing global cooperation, to build networks of new leadership among public and private actors around the world, and to inform decision making on selected development topics of broad international concern.

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