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Global Governance Reform: An American View of US Leadership

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Since assuming office in January 2009, President Barack Obama has trumpeted a "new era of engagement" for the United States. The central components of his strategy include a world order characterized by peaceful accommodation between established and rising powers; the collective management of transnational problems; and the overhaul of international institutions to reflect these shifting power dynamics and the new global agenda. Obama's vision presumes an enduring US role in promoting global and regional security, but he places less emphasis than his predecessor on the pursuit of American primacy. Instead, Obama envisions—indeed, insists—that other global powers assume new responsibilities.

Notwithstanding its multilateral instincts, the Obama administration is limited in its practical ability to promote and embrace sweeping reforms to global governance. Rather than casting its lot entirely with universal organizations like the United Nations, the United States will adopt a more pragmatic approach to international cooperation, relying on a combination of formal institutions and more flexible partnerships to achieve US national interests.

The balance sheet for Obama's first year in office underscores both the opportunities for, and the constraints on, global governance reform in the current geopolitical environment. The United States helped replace the Group of Eight (G-8) with the Group of Twenty (G-20) as the apex steering group for the world economy. At the same time, Washington has left an opening for a continued role for the G-8, particularly in political and security matters. The Obama administration has also supported modest reforms to the International Financial Institutions (IFIs), including an expanded mandate for the International Monetary Fund and structural shifts in The World Bank. The details of such adjustments, however, remain to be negotiated. At the same time, the United States has remained notably reticent when it comes to any expansion of the United Nations Security Council to accommodate rising nations. Finally, the Obama administration has offered new US leadership on both nuclear proliferation and climate change, but without significant governance breakthroughs in the multilateral regimes governing either arena.

Ultimately, prospects for effective global governance reform (and the sustainability of US multilateral engagement) will depend heavily on bilateral relations between the United States and the world's most prominent emerging power: China. The Obama administration has shown interest in making room for China in the main institutions of global governance. But this will depend on China's own willingness to embrace existing global rules, provide an appropriate share of global public goods, and reassure the United States and its East Asian neighbors that its own rise will not come at their expense. If handled delicately, a Sino-American concord on the emerging world order can be a force for global stability.

Obama's Emerging Strategic Vision

While the Obama administration has yet to release its national security strategy—much less enunciate a foreign policy "doctrine"—the broad outlines of its approach to global engagement are now apparent. They include the following themes.

A Return to Multilateralism. Since assuming the presidency, Obama has taken a series of symbolic steps to return the United States to multilateral engagement. He has rededicated the United States to the international rule of law by shutting secret CIA prisons and pledging to close the detention facility in Guantanamo Bay, Cuba. He has engineered US election to the UN Human Rights Council; moved the United States from a "bystander to a leader" on climate change; cemented the G-20 as an ongoing, summit-level forum; proposed improvements to the nuclear nonproliferation regime; and signaled his intent to seek ratification of the Comprehensive Test Ban Treaty (CTBT), the UN Convention on the Law of the Sea (UNCLOS), and other long-languishing treaties.

At the same time, Obama has emphasized the need for other countries to share global burdens. As he said to the United Nations in September 2009: "This cannot be solely America's endeavor. Those who used to chastise America for acting alone in the world cannot now stand by and wait for America to solve the world's problems alone.... Now is the time for all of us to take our share of responsibility for a global response to global challenges."[1] Rather than take refuge in reflexive anti-Americanism, nations around the world must engage in good faith give-and-take.

A Recognition of Security Interdependence. The administration's new era of engagement is premised on the notion that we live in a world of security interdependence. For much of history, the main geopolitical game has been a competition among states for relative power. According to the president, that era is drawing to a close. "In an era when our destiny is shared, power is no longer a zero-sum game," he told the General Assembly.[2] Competition among great powers will increasingly be replaced by the collective management of global threats—from climate change to nuclear proliferation—that endanger the security, prosperity, and well-being of all nations.

To be sure, this narrative exaggerates the changes in the world and oversimplifies the United States' actual strategy. For the foreseeable future, the management of great-power relations and the promotion of regional stability will remain critical American concerns. This is particularly true in East Asia, where relations between the United States and China will continue to combine elements of both cooperation and rivalry. Nevertheless, the administration believes the incentives for global cooperation have never been clearer and the structural impediments to such collaboration weaker. All major centers of world power, whether emerging or established, have a strong stake in the largely peaceful current international order, reducing the salience of the security dilemma and breaking the historical pattern of a conflict-prone international system.

Reliance on International Institutions. The Obama administration has made a strategic calculation that working within international institutions is preferable to marginalizing them. Notwithstanding their weaknesses, institutions provide useful focal points that nations can use to modulate their differences and pursue mutual benefits; settings in which to "socialize" rising powers to existing international norms and rules; standing technical capacities to confront complex problems; opportunities for burden-sharing among nations; and potential vehicles for legitimating American leadership while discouraging challenges to the operative world order. During his presidential campaign, Obama lionized the architects of the post-World War II order, who had successfully embedded American leadership in multilateral organizations. That generation had understood "that instead of constraining our power, these institutions magnified it."[3] Candidate

Obama pledged "to rebuild the alliances, partnerships, and institutions necessary to confront common threats and enhance common security," by updating them to reflect new actors and agendas.[4]

Integrating Rising Powers. Since the collapse of the bipolar confrontation with the Soviet Union, American national security analysts have debated whether the international system is "unipolar," with strong dimensions of US hegemony, or increasingly "multipolar." The Obama administration perceives a long-term diffusion of global influence toward multiple power centers and recognizes the growing constraints on an overextended United States' ability to shoulder global burdens on its own. But the administration has generally eschewed the concept of multipolarity for what Secretary of State Hillary Clinton calls a "multipartner" world—in which the United States works collectively with other governments, reformed institutions, and private-sector, nongovernmental, and civil-society actors to address global challenges.[5]

A key pillar of this agenda is the integration of rising powers into existing structures of global governance. Ascendant powers like China, India, and Brazil are clamoring for influence in global institutions, which need to give them an increase in both voice and responsibility. The rationale for integrating rising powers is geopolitical and pragmatic. Historically, managing great-power transitions has been among the most vexing challenges in world politics, fraught with the threat of instability and violence. Practically speaking, few of today's global threats can be addressed without the involvement of the major emerging economies. Accordingly, the United States and other established powers have a long-term interest in ensuring that rising powers become pillars of a rule-based international order.

The US State Department is guided by this agenda. Deputy Secretary of State James B. Steinberg has observed, "Adapting to the rise of China, as well as other emerging powers like India and Brazil, while protecting our national interests, is one of the key strategic challenges of our time." The goal is to help such nations "take their rightful place at the table without generating fear or mistrust." But, he continued, "China too needs to demonstrate the same commitment to doing its part—reassuring the United States, its neighbors in Asia, and the rest of the world that we have nothing to fear from a more influential China, that Beijing shares our vision of a new geopolitics of win-win solutions rather than zero-sum rivalries."[6]

Sovereignty as Responsibility. Like preceding presidents, Obama has stressed that all countries must join in upholding and enforcing international norms (or expectations of state behavior) in realms ranging from nuclear nonproliferation to human rights. What is distinctive in the Obama approach has been its explicit articulation of the concept of "sovereignty as responsibility"—the principle that membership in the community of nations confers not only sovereign rights but also obligations, both to a state's own citizens and to the wider international community.[7] In other words, all countries must follow the rules and shoulder the burdens of providing global collective goods, from controlling the spread of weapons of mass destruction to stemming the emission of greenhouse gases, rather than "free-riding" on goods supplied by others.

There is continuity here with the George W. Bush administration's well-known call for China to become a "responsible stakeholder"—that is, one that embraces existing international norms and institutions. What the Obama administration has done, in all but name, is to extend this concept to all major emerging powers. In July 2009, Secretary Clinton made it clear that engaging emerging partners is part of her vision of a "multipartner world." The administration has begun strategic dialogues with "major and emerging global powers," including China, India, Russia, Brazil, Turkey, Indonesia, and South Africa.[8] The desire is to commit rising powers to the current world order by giving them a stake in its preservation.

Wilsonianism—of a Kind. Many liberal internationalists who supported President Obama have been perplexed by the administration's relative subordination of human rights and democracy promotion as US foreign policy concerns. Although the president has asserted that "there are basic [human rights] principles that are universal," he has also insisted that democracy's evolution will be animated by internal pressures and take different national forms. "Democracy cannot be imposed on any nation from the outside," he insisted at the United Nations. "Each society must

search for its own path, and no path is perfect. Each country will pursue a path rooted in the culture of its people, and—in the past—America has too often been selective in its promotion of democracy."[9] The contrast with the Bush administration—which championed the "nonnegotiable demands of human dignity" and made democracy promotion the centerpiece of the US National Security Strategy of 2006—is striking. If the Bush administration, dominated by neoconservatism, embodied "Wilsonianism without international institutions,"[10] the Obama administration's support for multilateralism while downgrading human rights suggests a policy of Wilsonianism without the zeal to remake other nations' governance in our own domestic image.

The Future of Global Governance: Obstacles to Reform

Obama's election, coupled with the global economic crisis, has encouraged breathless expectations in some quarters that we may be in a rare "moment of creation," where the world order is suddenly in flux, and major institutional renovation is possible. Certainly, the Obama administration has advocated a renegotiated multilateral order on the basis of genuine partnership. Nevertheless, there are important practical limitations that will constrain any US effort to refashion the architecture of global governance in any systematic way. These obstacles, as well as America's unique geopolitical interests, values, and politics, will serve as a brake on US reliance on universal multilateral institutions and ensure continued US use of ad hoc and á la carte arrangements.

Global Constraints on US-Led Global Governance Reform

There are several grounds for pessimism that the United States can lead global institutional reform.[11]

Eroding US Power. First, the United States lacks anything close to the overwhelming material power and ideological influence it enjoyed in the 1940s. America's diplomatic and economic position has eroded over the past decade, and the US military has become overstretched. The United States has also squandered much of its soft power, both in the developing and developed world, which is something not even Obama's personal appeal can fully restore. Indeed, US leadership is no longer taken for granted, even in the West, and few nations are inclined to regard the United States as the world's rule-maker in chief.

A Diverse Group of "Stakeholders." Second, the process of integrating emerging countries into a world order based on shared norms is likely to be far more difficult than the notion of a "responsible stakeholder" suggests. Emerging powers often have markedly different threat perceptions, political values, and economic visions from the United States. From a US perspective, the ideal scenario would be for rising powers to accept existing norms, just as entrants to the European Union (EU) internalize the *acquis communautaire*. As President Obama mentioned at the London Summit of the G-20, shaping the world order was much easier when it was just "Roosevelt and Churchill sitting in a room with brandy."[12] There are simply far more players today, and rising powers are unlikely to accept the entire corpus of Western order without qualification or adjustment. So far, the Obama administration has sent mixed signals as to whether its goal is to socialize rising states into an unchanged Western order or, instead, to engage in the painstaking process of creating a new set of norms for a new global age. And if it seeks to socialize emerging powers, should the United States and other established powers move with dispatch, quickly accommodating rising powers and adapting existing hierarchies to their aspirations—on the assumption that giving them a "stake" will lead them to behave in a "responsible" manner? Or should they adopt a more prolonged and conditional approach, extending status and privileges only gradually, contingent on rising powers' willingness to accept new responsibilities, meet heavier commitments, and play by the rules?

An "Unclean" Slate. Third, the world is not a *tabula rasa*. There are hundreds, even thousands of existing institutions—global and regional, formal and informal, general purpose and issue-specific. The world is one of "multi-multilateralism," a crowded landscape of international institutions that goes far beyond the UN-centered world order that some still equate with multilateralism. This institutional pluralism has many advantages. New, more flexible arrangements or regional organizations can give venerable yet tired organizations some healthy competition, and provide the United States and others with new vehicles for multilateral coop-

eration. But the prevailing institutional density also complicates renewal of the multilateral system. It is hard to eliminate obsolete existing institutions, or even to reallocate power within them, given the vested interests of current member states and the bureaucracies themselves. Accordingly, to use a city planning metaphor, the dominant institutional pattern has been one of suburban sprawl rather than urban renewal.

Limits of the Current Crisis. Fourth, we are not actually in a "constitutional moment." The economic crisis has been punishing, but not grave enough to stimulate the sort of world re-making that typically follows catastrophic war. The economic slump has spurred some restructuring of the global financial regime, most importantly the elevation of the G-20 to serve as the main multilateral steering group for the global economy, the creation of a Financial Stability Board, and some adjustment of the governance structure (as well as recapitalization) of the International Monetary Fund. But outside the financial arena, there has been little movement in broader global governance reform. Absent a protracted depression or a cataclysm like nuclear attack, institutional reform will proceed incrementally, through pragmatic tweaking of existing institutions, rather than through wholesale abandonment of old arrangements. (In evolutionary terms, the pattern will be "phyletic gradualism"—not "punctuated equilibrium.")

The Trade-Off Between Size and Effectiveness. Fifth, the objectives of global governance reform are often in tension—particularly the desire to make institutions more representative, on the one hand, and more efficient, on the other. Enlarging the G-8 or the Security Council can make these bodies more globally representative, but it might also make effective decision making more elusive. Susan E. Rice, US Ambassador to the UN, alluded to these tensions in February 2009, declaring: "The United States believes that the long-term legitimacy and viability of the United Nations Security Council depends on its reflecting the world of the twenty-first century. At the same time, any expansion must not diminish its effectiveness or efficiency."[13] This is the dilemma of Security Council expansion, for instance. Rather than facilitating consensus on global flashpoints such as Darfur, Iran, and North Korea, enlargement might simply exacerbate cacophony and gridlock.

Domestic Constraints to US-Led Global Governance Reform

The Obama administration remains enthusiastic about multilateral engagement, but actual US policy may remain ambivalent because of three domestic factors. Despite being the primary architect of the modern world order, few countries have been as vigilant as the United States in guarding their sovereign prerogatives.[14] Having toiled to construct a multilateral world, the United States often perceives itself as ensnared in an increasingly dense web of international rules, commitments, and expectations, and tends to chafe at these real and imagined constraints. This dissonance arises from three sources: America's massive power; its "exceptionalist" political culture; and its unique constitutional structure.[15]

The Privileges of Power. All countries resist encroachments on their freedom of action. But rule-based cooperation—based on principles of equal treatment and self-restraint—is naturally more attractive to smaller countries, since it constrains great powers and provides the weak with diplomatic leverage they lack in bilateral negotiations. Multilateralism holds less allure for globally dominant powers. Notwithstanding its recent economic difficulties and strategic overextension, the United States still enjoys more unilateral and bilateral options than other countries. Simultaneously, America's continuing military dominance arguably gives the United States unique responsibilities, shared not even by other members of the UN Security Council, to serve as the primary custodian of world order. In discharging these obligations, some US leaders and analysts argue, the United States cannot be subjected to the same constraints that bind others, such as the jurisdiction of the International Criminal Court (ICC) or the intrusive verification protocols of nonproliferation treaties.

As the unipolar moment gives way to a more multipolar (or at least "unimultipolar") era, the scope and justification for US unilateral action will presumably fade. World order will hinge on the actions and choices of a wider array of great powers—including China, India, and Brazil, Russia, Japan, and the European Union—both in their immediate regions and globally. This transition will be a protracted one, however. As long as it remains the only truly global power, the United States will continue to insist on significant freedom of action

in its foreign and national security policy—even as it hopes others will submit to multilateral constraints.

Taking Exception. Political culture may also place constraints on US leadership in renovating global governance. Since the founding of the republic, American conservatives and liberals alike have been united in the conviction that the United States has a special place and destiny among nations, by virtue of the uniqueness of the country's founding political values, democratic institutions, and constitutional traditions. As Senator Henry Cabot Lodge (R-MA) explained in 1919, "I want to keep America as she has been—not isolated, not prevent her from joining among other nations for these great purposes—but I wish her to be master of her fate."[16] This unquestioned commitment to "American exceptionalism" has been a touchstone of US foreign policy for more than two centuries, shaping the content and style of US global engagement. At times, progressive idealists like Woodrow Wilson have invoked the doctrine in an effort to remake the world along liberal lines. More commonly, conservative nationalists from Warren Harding to Jesse Helms have used it to justify holding the United States apart from rules that bind others, so as to protect the sanctity of the US Constitution and the sovereignty of the American people—which might otherwise be sacrificed on the altar of a misguided global consensus, haphazard trends in "international law," and the actions of unaccountable international bureaucrats.

As a practical matter, of course, the United States accepts "a little less sovereignty"[17] every day, often choosing to pool some sovereign functions with other nations or to voluntarily accept restrictions on its policy autonomy in order to cope with deepening economic and security interdependence. The rise of catastrophic threats, in particular, makes such measured and voluntary delegations of sovereignty critical.

And yet it remains political suicide for any US aspirant to elective office to speak of moving "beyond sovereignty"—or indeed to speak the language of "global governance"—given the undercurrent of suspicion that international institutions are running roughshod over the US Constitution. A case in point was Senator John Kerry, who was pilloried during his losing bid for the presidency for allegedly submitting US national security decisions to a "global test." The election of Barack Obama and the disarray of the Republican Party temporarily muffled most sovereignty-minded nationalists. But the future of American exceptionalism is an open question. A true test of its vitality will come if President Obama chooses to submit the Rome Statute of the ICC for the Senate's advice and consent, thereby accepting (in effect) the principle that an international body has the authority to sit in judgment of the credibility of US legal proceedings.

The Separation of Powers. Finally, prospects for US leadership in global governance reform will remain constrained by the US Constitution itself, which makes Congress the formal coequal with the executive branch in the conduct of US foreign policy. This independent legislative role—absent in parliamentary systems of governance—poses high hurdles for any administration seeking US accession to an international treaty or proposing US membership in an international institution. From the Senate's failure to pass the Treaty of Versailles to its rejection of the Comprehensive Test Ban Treaty eighty years later, Congress has frequently exercised its veto prerogatives, demurring on obligations favored by the White House. While the competition between the executive and legislative branches often provides a creative tension, it can also complicate the US commitment to multilateralism and assumption of international obligations.

Given Democratic control of both houses of Congress, President Obama has some flexibility in pursuing his multilateral priorities. At the same time, the Senate's advice and consent for treaties, like CTBT and UNCLOS, will nonetheless require a two-thirds majority, and therefore at least a modicum of Republican support. As the experience of Kyoto shows, the same applies to any major treaty commitment on global warming. In the trade realm, moreover, the president is likely to face significant protectionist pressures from influential constituencies in his electoral base, limiting US commitments to multilateral commercial liberalization. Moreover, the loss of the filibuster-proof Democratic Senate majority in the Massachusetts special election may presage a bigger power shift in the 2010 mid-term elections that could raise the hurdles for US multilateral engagement sharply.

The Challenge: Balancing Multilateral Institutions and Ad Hoc Arrangements

The Obama administration has made a general commitment to strengthen and work within multilateral institutions. But enduring American ambivalence and obstacles to global governance reform guarantee that the United States will continue to resort to ad hoc multilateral arrangements in pursuing its foreign policy interests. Some may lament this reality. But one must remember that for all states, multilateral institutions are means to foreign policy ends. Governments find them useful to the extent that they are perceived to advance national interests and concrete national objectives, including both short-term ends and longer-term "milieu" goals—like the perpetuation of a stable, predictable system of international security and economic exchange.[18]

The George W. Bush administration, of course, took a decidedly skeptical attitude toward international institutions, regarding many multilateral instruments as powerless to confront new threats, particularly the dangers of terrorism, rogue states, and the proliferation of weapons of mass destruction that became so salient after 9/11. Bush administration officials perceived many standing bodies, including the UN, as hopelessly dysfunctional, unaccountable, and obsolete—prone to lowest common denominator policymaking, working at cross-purposes with American interests and ideals, and overly constraining of US freedom of action. Most fundamentally, they argued that multilateralism is most successful when it reflects a true convergence of interests and values.

At times this skepticism was expressed in forthright "unilateralism," including acting alone or opting out of international treaties or regimes endorsed by the vast majority of other nations. The typical stance of the previous administration, though, was to use a more discriminating approach that judged proposed treaties and organizations case-by-case. And rather than rely on formal alliances and institutions—as if one size fit all contingencies—the US adopted what former State Department Policy Planning Chief Richard Haass termed an "à la carte approach," oriented toward the kind of opportunistic "coalitions of the willing" that would coalesce around narrower tasks and challenges, thereby preserving US policy autonomy. Secretary of Defense Donald Rumsfeld described the US approach to the global war on terror: "There is no coalition. There are multiple coalitions.... It's the mission that determines the coalition."[19]

By the end of its second term, the Bush administration posed the ad hoc approach as a broadly useful alternative to UN-based multilateralism. This approach would begin by issuing invitations to a core group of like-minded countries and drafting principles that narrowly define its mandate. Washington would then ask others to join, on its terms. The United States applied this method on numerous occasions, from the Global Initiative to Combat Nuclear Terrorism to the Avian Influenza Action Group, the Core Group to respond to the Indian Ocean tsunami, and the Proliferation Security Initiative (PSI).

The Bush critique of formal multilateral institutions had some merit. At the same time, though, the administration grossly underestimated the costs of marginalizing international institutions, particularly the United Nations: loss of legitimacy for US global leadership, reduced opportunities for burden-sharing, and erosion of world order.

Given that the United States will continue to "forum shop" for frameworks that best suit its needs, it is important to stress that an à la carte approach need not imply a fundamental rejection of formal, UN-centered multilateralism. The Obama administration will need to calculate the trade-offs—and potential for complementarities—between these two forms of collective action and make considered choices, in contrast to its predecessor's more firmly fixed orientation.[20]

Generally speaking, the case for coalitions is most compelling when the contingency is discrete, no standing international framework exists, institutions are paralyzed by divisions, egalitarian norms threaten to undercut vital US interests, or bureaucratic inertia prevents prompt decisions. In contrast, standing institutions can offer advantages when there is no time or will to create a new coalition, the task requires specialized expertise available only in permanent organizations, the challenge is likely to outlive any coalition, the challenge implies heavy burden-sharing over a protracted period, or the requirements of international or domestic legitimacy require formal, treaty-based frameworks to give political cover to wavering states.[21]

Obama's challenge is to pursue a policy of "à la carte multilateralism" in a manner that draws on both the legitimacy and capacity of standing organizations *and* the agility and flexibility of ad hoc coalitions. The trick will be to make coalitions *complement and reinforce* rather than undermine the institutions and alliances the United States will really need over the long haul. The United States should use "minilateral" cooperation not simply to sidestep permanent frameworks, but also to drive the agenda within them and prod them to take action. Indeed, history suggests that effective multilateral cooperation often rests on a prior "minilateral" agreement among a small subset of key states, which subsequently persuade others to join. This process sometimes takes place within large, formal membership bodies like the World Trade Organization (WTO) or the UN, when a caucus of influential parties "serve[s] as a 'broker', creating a focal point for negotiating equilibrium." But minilateral cooperation can also occur outside of universal, treaty-based organizations, by creating a parallel negotiating process. Such a "two track model of extending a regime" allows a subset of countries to move forward with ambitious commitments, hoping that others will gradually opt in to the more selective club.[22]

The well-established G-8 and the newer G-20 (described below) are today's most important minilateral fora, giving major states a diplomatic alternative to the inertia of universal membership organizations. But the minilateral model is also useful on a more ad hoc, case-specific basis. For example, the United States has sponsored the PSI and the Major Economies Forum to address the particular global challenges of nuclear proliferation and climate change, respectively. By embedding such forays into minilateral negotiation within a broader multilateral framework, the United States can simultaneously exploit the efficiency of small group dynamics and enjoy the legitimacy inherent in being endorsed by universal membership bodies.[23]

The Balance Sheet: Assessing Progress in Global Governance Reform

What have Obama's actions to date told us about US leadership in global governance reform and the challenges of engaging China and other rising powers in multilateral cooperation? Although effective global governance will be spread across multiple frameworks, three pillars of intergovernmental cooperation will be particularly important.

The first is a strong and legitimate multilateral body that can take binding decisions on matters of peace and security. This remains the province of the Security Council—ideally with an updated membership and more transparent and responsive working methods. The second is a set of standing functional institutions—including the International Monetary Fund, The World Bank, and World Trade Organization—that provide a forum to set the ground rules for the global economy along with the necessary resources and technical expertise. Alongside such formal bodies, global governance also requires nimble, agenda-setting bodies where leaders can meet informally to focus high-level attention, coordinate policy responses, and build momentum for action through a range of channels.[24] Until recently, the Group of Eight (G-8) had a near monopoly on this role.

Engaging and Reforming the United Nations

President Obama has calculated that the United Nations is a deeply flawed but indispensable instrument of US global engagement. His challenge is to put US-UN relations on a more productive footing that avoids oscillating between "overselling and underestimating the United Nations."[25] Obama recognizes that the United Nations, for all its warts, has an unmatched combination of international legitimacy and standing capacity, on which the United States will continue to depend. Thus, rather than "criticizing from the sidelines," in the words of US Ambassador to the United Nations Susan E. Rice, his administration has chosen to "roll up its sleeves," in the hope of building political will. It seeks to do so "by setting a tone of decency and mutual respect rather than condescension and contempt…by abiding by rules we expect others to follow…and [by showing itself] willing to listen, respect differences, and consider new ideas."[26] A major theme of this US strategy is moving the United Nations beyond the longstanding North-South divisions that have pitted advanced and developing countries against each other.[27]

The big question is whether Obama's faith in the United Nations is warranted and whether the United States will get returns from its investments.[28] The domestic sustainability of this "new

era of engagement" will depend heavily on whether Congress and the US public perceive that other global players reciprocate with cooperation on issues that arise in the UN Security Council, Human Rights Council, General Assembly, and other major forums. If such benefits fail to accrue, domestic political support for the United Nations could sour. Indeed, in his UN General Assembly speech in September 2009, President Obama cautioned that America's multilateral ardor must not go unrequited. His (implicit) warning was that spurning America's overtures at the UN would only strengthen forces of unilateralism, both on Capitol Hill and among the US public.

In President Obama's first year in office, the balance sheet for the United States' UN investment was mixed. His administration emphasized the Security Council as an important instrument in addressing the main threats to international peace and security, but with uneven results. It persuaded both China and Russia to support fairly tough sanctions on North Korea and, following Obama's historic appearance at the Security Council in September 2009, obtained a resolution that addressed some holes in the Nuclear Nonproliferation Treaty (NPT) regime. Progress on other critical threats to global peace and security has been more elusive. Iran continues to violate its obligations under the NPT regime, but Russia and China have resisted significant tightening of sanctions. Likewise, the council has struggled to bring peace and justice to Darfur, notwithstanding the administration's more pragmatic approach to the regime in Khartoum.

Another test of Obama's strategy of engagement is the UN Human Rights Council, which the United States joined in 2009 after a contentious policy debate. The performance of that body has so far been disappointing. It has yet to develop rigorous membership criteria to keep repressive governments from joining, clung to archaic patterns of bloc voting, and let a broad range of human rights abusers evade scrutiny and pressure. Such perceived indifference to violations of fundamental liberties risks discrediting the United Nations in the eyes of the US public.

Security Council Reform: Now? Or Never?

Notwithstanding its rhetorical commitment to global governance reform, the Obama administration has been conspicuously silent on Security Council reform. There is broad consensus within the administration that the council no longer reflects contemporary power realities and that a legitimacy crisis could build if its membership is not reformed. However, there is ample skepticism about whether council enlargement would be in US national interests and, even if so, whether it is even plausible to engineer.

Many worry that expansion of the council, far from improving its ability to address threats to peace and security, would instead increase gridlock, dilute US power, and embolden regional ringleaders with antithetical visions of world order. An ideal enlargement, from Washington's perspective, would be limited to the four main aspirants to permanent membership: Germany, Japan, Brazil, and India (presumably without vetoes). This would guarantee the United States two votes (Germany and Japan) in most circumstances and two more (Brazil and India) in many others. Such a limited enlargement would also be consistent with the original purpose of the council as a privileged body of great powers with capability to protect and sustain global peace and security. Unfortunately, such a scheme would have little support in the General Assembly, which must approve any enlargement by a two-thirds vote. In practice, any council expansion is likely to involve the addition of at least 6 and likely 8-9 nonpermanent seats. Such an expanded body would make it harder for the United States to build the coalitions needed to approve council resolutions—or to block them without use of the veto.

Administration officials also wonder whether any scheme for Security Council enlargement is politically feasible. The ongoing negotiations suggest one plausible scenario for council enlargement: a small increase in elected two-year seats, combined with a new "interim" category of renewable, longer-term elected seats. However, even accepting this formula would require major concessions by aspirants to permanent membership.

It is clear to all UN member states that council reform will not occur without US leadership. But it is by no means clear that US leadership would be sufficient, and the Obama administration is understandably reluctant to expend US diplomatic energies and prestige to such a high-risk proposition. It is also hard for US officials to conceive

of a negotiating position that does not alienate either the major aspirants or the next tier of influential countries (many of which are US allies). Nor is it clear that China and Russia, skeptical of diluting their own council prerogatives, would endorse any dramatic shifts in membership.

Confronting such a forbidding diplomatic landscape, the Obama administration may well be tempted to continue voicing anodyne support for a "representative" and "effective" United Nations, while allowing negotiations to continue on their presumably inconclusive path. This would allow US officials to focus their energies on making the *current* Security Council as effective as possible in addressing real world problems. If the Obama administration adopts this stance, however, it will likely face diplomatic fallout from those who accuse it of abdicating responsibility and adopting a passive posture on a fundamental question of world order.

The G-20, G-8, and "G-x"

The global economic crisis that began to unfold in the summer and autumn of 2008 underscored the weaknesses of existing global governance arrangements for the world economy, particularly in safeguarding the stability of the world financial system against systemic risk. Having stared into the abyss, US policymakers—first in the Bush and now in the Obama administration—have supported major innovations in multilateral economic coordination. Beyond ongoing efforts to stimulate national economies, important breakthroughs in global governance include the establishment of the G-20 as the apex forum for multilateral economic coordination, expansion of the Financial Stability Board to support systemically important financial institutions, and a commitment to reinvigorate and update the governance structures of the international financial institutions (IFIs) to accommodate the emergence of new centers of global economic power, particularly in Asia.

President Obama's announcement at the Pittsburgh Summit of September 2009 that the Group of Twenty (G-20) would permanently replace the G-8 as the leading forum for multilateral economic coordination is arguably the most profound innovation in global governance since the creation of the World Trade Organization in 1995. This shift to the G-20 recognizes an inescapable fact: any global economic steering committee that includes Canada (population 33 million, GDP $1.4 trillion) and Italy (58 million, $2.07 trillion) but excludes China (1.33 billion, $3.25 trillion) and India (1.15 billion, $1.15 trillion) is out of date. The G-20 adapts to this reality by incorporating Asia-Pacific economic powers China, India, South Korea, Indonesia, and Australia (as well as existing G-8 members Japan and the United States).

Without a doubt, the G-20 is a better reflection of global economic realities. Its members account for more than 85 percent of global GDP, 80 percent of international trade, and 67 percent of the planet's population. Perhaps most importantly, China, holder of the world's largest currency reserves and already the world's third-largest economy and second leading exporter, is now in the tent. Obama administration officials clearly hope that China will assume a more responsible role in the world economy—doing its part to address global currency imbalances and opening its markets to foreign trade. In the absence of Security Council reform, the G-20 provides what some see as a second-best option for global governance that is more representative.

That said, it would be premature to write off the G-8 entirely, or to imagine that the G-20 will inevitably become the premier global steering group for a wider range of sensitive political (in addition to economic) issues. The Obama administration intends to retain the G-8 for specific purposes, and it remains open to using other "G-x" frameworks, such as the Major Economies Forum, for a variety of global challenges.

Indeed, from Washington's perspective, the G-20 is hardly perfect. There is an inevitable trade-off between representation and effectiveness, and the G-20 might be too much of a lurch toward expansiveness with the inclusion of relatively minor players like Argentina and Turkey. Indeed, the already unwieldy G-20 has swelled beyond 20, with the addition of Spain, the Netherlands, and other gate-crashers. (As the president wryly observed in L'Aquila, "[W]hat I've noticed is that everybody wants the smallest possible group...that includes them.") If effectiveness were the goal, a better case could have been made for expanding the G-8 modestly—along the lines of the G-8 "plus 5" (China, India, Brazil, South Africa, and Mexico) that has been meeting since the 2007

G-8 summit in Heiligendamm, Germany. Obama must prevent the G-20 from falling hostage to lowest common denominator agreements among a membership with different interests, values, and visions of world order.

Given these limitations, President Obama and his advisors have wisely decided not to put all of the US eggs in one basket. The G-20's purview will be confined, at least initially, to economic matters (broadly defined to include climate, energy, and health), and the G-8 is slated to continue to meet annually to address a suite of more sensitive political and security issues. Notwithstanding the complicating presence of authoritarian Russia, which remains in this smaller group, the G-8 offers a forum dominated by the United States and like-minded Western partners with a demonstrated commitment to defending international norms and contributing to the provision of global public goods. Before replacing the G-8 entirely with an untested G-20 for all issues, the Obama administration must ask itself whether emerging economies are truly willing to accept the responsibilities of club membership, on issues from trade liberalization to climate change to nonproliferation. At a minimum, one should expect the Obama administration to hedge its bets and retain the G-8 as a parallel process while summit reform remains in flux.

Another great advantage of the G-8 is that it can be expanded, on a flexible and ad hoc basis, to incorporate a handful of other countries with special interests in a particular issue area and the assets they can bring to bear. Such "variable geometry" has intuitive appeal as a pragmatic approach to global governance. Rather than overloading any one forum with an unrealistic agenda, there can be a flexible set of "G-x" groupings, with different countries at the table depending on the challenge. The United States has already embraced such an approach in creating the Major Economies Forum to deal with climate change and might well experiment with such multilateralism à la carte in other fields. The major practical question is whether the United States and potential partners have the political will and bureaucratic capacity to support separate groupings for different issue areas. To avoid transaction costs, the most realistic near-term option might be to add selectively to the existing G-8 (or G-8+5), with variable configurations meeting around specific issues. (The G-8 has already moved in this direction, through the Heiligendamm-L'Aquila Process, involving issue-specific policy dialogue with Brazil, China, India, Mexico, and South Africa.)

Regardless of which format emerges, the Obama administration should be wary of indulging in unrealistic expectations. It is implausible that any annual summit can morph into a true decision-making (much less decision-implementing) body that could substitute for the authority, legitimacy, or capacity of formal institutions like the United Nations, World Trade Organization, International Monetary Fund (IMF), or The World Bank. Going forward, a priority for the Obama administration and its counterparts abroad will be to design systematic procedures for linking the initiatives launched and commitments made in these consultative forums with the ongoing work streams and reform agendas within the world's formal organizations.

Reforming Global Finance

The magnitude of the global economic crisis has revealed shortcomings in the ability of IFIs—and particularly the IMF—to help ensure global financial stability. In the aftermath of the crisis, there is general agreement that the fund needs a broader mandate, more robust resources, and a new governance structure reflecting recent shifts in global economic power. The Obama administration has thus been supportive of adding to the IMF's coffers, adjusting the voting shares of members, and (within limits) expanding the fund's mission.

Since its founding at the close of World War II, the IMF's primary mandate has been to assist countries experiencing balance of payments difficulties, as well as provide macroeconomic policy guidance and technical assistance. In recent years, however, the fund played an increasingly marginal role in the world economy—thanks to its relatively modest resources and its often controversial conditionality policy, which deterred many developing countries from drawing on its services.

The financial crisis has given the IMF a new lease on life, however, stimulating demand for its services among countries that might previously have shunned it and prompting widespread

(though not universal) sentiment that the fund's mandate should expand to include surveillance of risks in the global financial system. There is also a broadly held view that the fund should be given significantly greater resources and that the fund's governance and quota system should be adapted to accommodate underrepresented emerging economies. But while the Obama administration supports all of these changes in principle, the precise details remain to be worked out.

In a follow-up to Pittsburgh, the fund board agreed to draft a new, broader mandate for consideration at the IMF's spring 2010 meeting in Washington. The United States and other shareholders agreed that the fund should expand from its traditional role as a lender of last resort to assume a stronger role in surveillance and prevention, including by monitoring economic policies in both the developed and developing world. The G-20 has also asked the fund to study whether it might provide "more bank-like services to well-run developing nations, perhaps allowing them to pay a fee for the right to access quick and easy loans."[29] However, member states are deeply divided over how ambitious the scope of the fund's mandate should be. Some would like to see an IMF with much larger funds, potentially becoming a depository for world reserves. The members of the G-20 have already agreed in principle to augment the fund's coffers by an additional $750 billion, but concrete commitments have lagged. Moreover, the United States (along with Germany and several other countries) resist the idea of seeing the fund emerge as a global central bank with massive assets and are wary of investing the fund with too much authority.

Equally controversial is the proposed adjustment of the fund's governance to reflect the growing weight of emerging economies. Prior to Pittsburgh, the G-20 had agreed to accelerate the IMF quota review from 2013 to 2011 and to carry out a modest reform to chairs and shares on the fund's executive board, envisioning increases in the small shares currently held by Brazil, China, India, Mexico, Singapore, South Korea, and Turkey. At Pittsburgh, the G-20 committed to reform the fund's governance structure by January 2011, including a 5 percent shift in voting power to underrepresented countries, especially China. Soon afterwards, at the IMF's semiannual meeting in Istanbul in October 2009, members agreed to redistribute voting rights to achieve an approximate 50:50 ratio between developing and developed countries.

Working out the details of this reapportionment deal, however, is proving contentious, given the inherently zero-sum nature of voting weights. The United States—currently slightly *underrepresented* in its quota share—has little to lose in this debate, but smaller European shareholders like Belgium are vulnerable and are fighting tenaciously to keep their quotas. Looming behind this difficult negotiation is a broader controversy over the fund's antiquated quota formula, which continues to overrepresent Europeans via the calculation of trade as a proportion of GDP—even among countries within the EU zone.

Going forward, the United States and other established powers must recognize the linkage between governance quota reform and prospects for greater IMF resources.[30] Capital surplus countries like China or Saudi Arabia will be naturally hesitant to invest funds in the IMF so long as they have little say over fund decisions. Although both these countries have IMF board seats, their quotas remain small, and they are being asked to contribute to the New Arrangements to Borrow (NAB), which will not give them more representation. If established economies want more resources for the fund, they must accept a governance structure that more accurately represents today's global distribution of financial and economic power.

The perceived inequity in the global financial regime also complicates efforts to address global macroeconomic imbalances. Although the United States and China have begun to ease tensions, it remains a point of friction, and particularly sensitive, in US domestic politics. The implication for global economic governance, of course, is that China will likely resist letting its currency appreciate if it has little say in the governance of global finance. The perceived unfairness of the global financial system has also prompted proposals to diversify the world's menu of reserve currencies away from the US dollar. Over the past year, each of the BRICs (Brazil, Russia, India, and China) has criticized the exorbitant privilege the United States enjoys as anchor of the global monetary system, arguing that the current arrangement allows the United States to externalize the costs of econom-

ic adjustment by running up enormous current account deficits and "forcing" other nations to hold dollars.[31]

Beyond quota reform, both the fund and The World Bank cry out for other governance reforms. For instance, there has been no change in the selection process that chooses the head of each institution, in the distribution of the board chairs, in the allocation of the budgets, or in the effective veto power of the United States. One urgently needed reform is to abandon the informal tradition by which the Europeans select the managing director of the IMF and the United States chooses The World Bank president—something the Obama administration has said it is willing to consider. Other necessary steps would include giving emerging economies a greater say in decisions on the role and priorities of the bank and IMF; establishing clear criteria for the selection of executive directors; introducing greater openness and transparency into the IFI boards' proceedings; and mechanisms for accountability of senior management to a wider range of shareholders. Finally, Washington may ultimately have to consider a new IMF voting system that strips the United States of the effective veto it has enjoyed over fund issues that require approval by an 85 percent voting share.[32]

For Washington, a major uncertainty is whether updating the International Monetary Fund and The World Bank to accommodate emerging market economies will lead those nations to embrace long-established norms—for instance on aid conditionality and good governance—or whether those countries will seek to play by their own rules.

The Nuclear Nonproliferation Regime: The NPT and PSI

The nuclear nonproliferation regime further illustrates the need for a mixed strategy to confront global problems—simultaneously grounded in universal, treaty-based institutions, while also allowing for narrower coalition initiatives. The regime itself is a latticework of formal treaties, including the Non-Proliferation Treaty (NPT), the Convention on the Physical Protection of Nuclear Material, the Strategic Arms Reduction and the Strategic Offensive Reduction treaties; selective-membership multilateral bodies such as the International Atomic Energy Agency (IAEA, the implementing body for the NPT), the Nuclear Exporters (Zangger) Committee, the Nuclear Suppliers Group (NSG) and the UN Conference on Disarmament. On top of this come various ad hoc multilateral initiatives such as the Global Initiative to Combat Nuclear Terrorism, the Global Nuclear Energy Partnership, the Global Threat Reduction Initiative, the Missile Technology Control Regime, and the Proliferation Security Initiative (PSI). Then there is a whole slew of UN Security Council resolutions, both country-specific (e.g., North Korea, Iran) and issue-focused (such as Resolution 1540) that round out the regime.

The cornerstone of the nuclear nonproliferation regime is the NPT, which is based on a bargain between nuclear and nonnuclear weapons states. The treaty promises the latter (under Article 4) "inalienable" access to civilian nuclear energy in return for forsaking access to nuclear weapons themselves. On the other side of the deal, it obliges nuclear weapons states, under Article 6, to take concrete steps toward nuclear disarmament. This bargain is now fraying, as states use Article 4 as a loophole to pursue clandestine nuclear weapons programs under the guise of "peaceful" nuclear energy, and as other nonnuclear states become disillusioned by the failure of the nuclear "haves" to fulfill their disarmament obligations. The resulting growth in the capability (or actual arsenals, in some cases) suggests a regime under severe strain reeling from body blows from North Korea and (perhaps) Iran. Major weaknesses in the current regime[33] include:

- Incomplete coverage, with three of nine current nuclear weapon states (India, Pakistan, Israel) having never joined the NPT, and another (North Korea) having withdrawn.
- Inadequate verification and enforcement mechanisms available to the IAEA.
- Incomplete progress in securing fissile material worldwide.
- Inadequate oversight and regulation of civilian nuclear programs and dual-use technologies.
- Limited progress by NPT nuclear weapon state parties toward disarmament.

Experts have proposed multiple reforms to strengthen the pillars of the nonproliferation regime. These include bolstering the budget and

authority of the IAEA; mandating denuclearization for any country that withdraws from the NPT; strengthening the NSG by insisting on criteria for trade in enrichment and reprocessing technology; ratifying and implementing the Comprehensive Test Ban Treaty; reaching a Fissile Material Cut-Off Treaty; carrying through with nuclear disarmament (including the "Global Zero" option); and creating international fuel banks to meet growing global demand for civilian nuclear energy. In anticipation of the critical NPT review conference next spring, President Obama has launched several initiatives aimed at reinforcing the fraying regime. These include promoting the vision of a world without nuclear weapons in his Prague speech of April 2009; negotiating a treaty with Moscow to lower the ceilings on US and Russian warheads; passing strong UN sanctions against North Korea (UNSCR 1874); chairing a Security Council to adopt a sweeping resolution that includes restricting the right of enrichment only to those countries in good standing with the NPT; and inviting other leaders to a major conference on nuclear security in Washington in April 2010.

While such steps are desirable and necessary, the international system also needs global interdiction capacity to deal with illicit trafficking in nuclear weapons and related technology—a threat underscored by the scope of the A. Q. Khan network. Here, the Obama administration would be wise to build on the Proliferation Security Initiative (PSI), launched by the Bush administration in 2003 as a multilateral partnership of eleven nations to prevent the acquisition and trafficking of WMD materials, delivery systems, and related technologies. PSI has since grown to 93 countries that commit themselves to share intelligence and information about potential maritime, air, and land shipments of proscribed materials and respond with joint interdiction operations in each others' sovereign territories. PSI's strength is its flexible network format, which permits participants to respond quickly to time-sensitive intelligence on the basis of prior arrangement and joint training—without the time-consuming encumbrances of having to authorize, organize, and fund such operations in the Security Council or North Atlantic Council. PSI commitments are political rather than legal, with members simply endorsing six broad interdiction principles. Fast and flexible, PSI offers a potential alternative to the traditional, intergovernmental model of global governance—and one that gives the United States a valuable multilateral cloak for what is essentially a set of hub-and-spoke arrangements.[34]

The vulnerability of PSI, however, lies in its incomplete coverage, lack of universality, and weak international legitimacy. PSI includes neither all nuclear weapons states, such as China, India, and Pakistan, nor several strategic coastal nations such as Egypt or Indonesia. China and India have in fact questioned the legality of its interdictions. In an effort to win greater global acceptance for the arrangement, Obama in his April 2009 Prague speech proposed transforming PSI, as well as the Global Initiative to combat Nuclear Terrorism, into "durable international institutions," presumably with legally binding commitments and formalized decision-making processes.

While superficially appealing, the desire to "institutionalize" PSI presents potential dangers. Making PSI a formal treaty commitment or subjecting its activities to multilateral authorization could hamstring its effectiveness. A more prudent approach might be to seek a binding, generic Security Council resolution endorsing PSI and giving states blanket legal authorities under Chapter VII to board ships both in territorial waters and on the high seas, as well as to interdict airplanes suspected of trafficking. (To be sure, winning Chinese assent for such a resolution would be an enormous task.)

Climate Change: The Major Economies Forum

Perhaps the clearest area of need for minilateral forums to spur progress within larger treaty-based frameworks is the challenge of global warming. Since 1992, the foundation for international responses has been the UN Framework Convention on Climate Change (UNFCCC), whose parties meet annually. Such universal formats are less than ideal for negotiating major breakthroughs on the world's most complex problems. Thus, since autumn 2007, the United States has participated in a parallel diplomatic track, involving the world's main greenhouse gas emitters—known under the Bush administration as the Major Emitters Meeting (MEM) and under the Obama administration as the Major Economies Forum on Energy and Climate (MEF). The challenge for the current administra-

tion is to ensure that the MEF enhances rather than impedes UNFCCC negotiations, providing (even in the possible absence of a successor treaty to Kyoto) a forum for coordinated progress on emissions reductions, foreign assistance, and mitigation efforts.

Although many observers regarded the MEM as a Bush administration gambit to undercut the UNFCCC and evade any bilateral commitments entailing economic sacrifices, the Obama administration wisely championed a minilateral body of its own—with assurances that it would complement rather than undermine the parallel UNFCCC process. At the first MEF gathering in April 2009, Secretary of State Hillary Rodham Clinton described its members as having a "special responsibility to pull together and work toward a successful outcome of the UN climate negotiations later in the year in Copenhagen." In her view, the MEF was comparable to the G-20 nations addressing the global economic crisis.[35]

Indeed, it is hard to see how the UNFCCC can make serious progress unless major Organisation for Economic Co-operation and Development (OECD) members and big developing countries first agree among themselves on critical issues such as emissions targets, conditional financing, and the terms of technology transfer. Such a minilateral negotiating strategy is akin to the domestic US legislative process, wherein complex legislation is often drafted first in congressional committees (or in meetings between congressional leaders and White House officials) rather than on the House or Senate floor. Such a vehicle becomes all the more important given the enormous obstacles to a comprehensive and binding new treaty on global warming. As the chaotic UNFCCC conference in Copenhagen in December 2009 underlined, the notion that one can collectively negotiate a meaningful multilateral climate agreement among 192 countries borders on fantasy. As demonstrated at Copenhagen, forward movement will continue to depend on US agreements with a small number of key players. Given the resistance of developing countries, particularly China and India, to agree to binding emissions caps—as well as legislative constraints on mandating ambitious greenhouse gas reductions in the United States—progress on climate change mitigation is likely to rely on an ongoing "pledge and review" process of political commitments, with the MEF serving as catalyst. Under this scenario, the major emitting countries would agree to coordinated national commitments to mitigate climate change. Such steps would be "measurable, reportable and verifiable" but enforced by domestic rather than international law.

China's Role in the "New Era of Engagement"

Where do China and East Asia fit into the US vision of world order? Like President Bush and President Clinton, President Obama seeks a China that plays by global rules abroad and embraces political (and not simply economic) liberalization at home. Regionally, Washington's strategic objective is an East Asia that is open, whole, and free, filled with vibrant democracies and integrated into the global economic system. To prevent the region from being dominated by any single power, the United States will continue to serve as a regional stabilizer, strengthening bilateral security ties with its partners in the region and maintaining forward-deployed US forces.

The two core goals of the United States collide, however, with the two core goals of the Chinese Communist Party (CCP). The United States wants a stable balance of power in East Asia and a gradual transition from one-party rule to political pluralism in China, whereas the latter seeks continued CCP rule and envisions China's emergence as the preponderant player in East Asia. Some Chinese commentators underline this potential conflict by describing the United States as pursuing a "two-handed strategy," comprised of "engagement" to promote regime change in China and "containment" intended to stem its regional rise.[36]

The Sino-American relationship is and will remain a complicated one, containing powerful incentives for cooperation as well as enduring elements of strategic conflict. The Obama administration, sensitive to the lessons of history, appreciates the risks of a geopolitical clash, but by no means considers it inevitable. American officials view China as neither a status quo nor a revolutionary power, but rather a modestly revisionist one. It is animated by a sense of destiny and entitlement, and determined to adjust global governance to reflect its emerging power and policy preferences. Given how it has benefited from globalization, though, China has no plans to overturn the Western-dominated order that has served its purposes so well.

Indeed, prospects for a broad bargain between China and the United States over the shape of the future order are favorable, at least in the short and medium terms. The United States and China's neighbors have a clear incentive to try to cement China's support for global and regional structures and secure its general commitment to self-restraint. China, likewise, has a near-term incentive to play by established rules and embrace the current global and regional order, both to discourage renewed American unilateralism (which China might find unpleasant) and to ensure a continued US regional presence (which provides the stability to facilitate China's continued rise). By sacrificing some measure of policy autonomy, China can lock in the international predictability it needs. Of course, this calculation may change as China's power expands but, for now, there is ample scope for accord. Over the past decade, the Chinese have articulated various conceptions of world order, from "peaceful rise" to "peaceful development" and "harmonious world." All are relatively consistent with Robert Zoellick's notion of China as a "responsible stakeholder."[37]

How can China rise without provoking geopolitical conflict? The key, as the Obama administration sees it, is for Beijing to adopt a posture of "strategic reassurance." This would "rest on a core, if tacit, bargain" among China, the United States, and other states in Asia. As Deputy Secretary of State James B. Steinberg explains, "Just as we and our allies must make clear that we are prepared to welcome China's 'arrival'…as a prosperous and successful power, China must reassure the rest of the world that its development and growing global role will not come at the expense of the security and well-being of others."[38]

Bilaterally, the Obama administration is trying to foster strategic reassurance through intensified dialogues, designed (in Steinberg's words) "to highlight and reinforce the areas of common interest, while addressing the sources of mistrust directly, whether they be political, military, or economic."[39] The centerpiece of this effort is the US-China Strategic and Economic Dialogue (SED) launched in Washington on July 27, 2009, which will continue via an ongoing set of conversations among cabinet officials and a second summit meeting in Beijing in 2010. The SED saw no major breakthroughs beyond a joint commitment to IFI reform, and the two sides have generally shied from controversial topics like human rights, exchange rates, or protectionism. Nevertheless, it provides a useful forum for mutual understanding and confidence building.

Strategic reassurance also has a regional dimension. To persuade neighboring countries that "China's expanding role will not come at the expense of their interests," the Obama administration is moving to deepen US engagement in East Asia after a period of diplomatic drift. Beyond bolstering military alliances and partnerships with key countries like Japan, South Korea, and Australia, the United States will also "lead in updating and strengthening the regional and international institutions that shape the context in which China's development occurs, so that change is constructive rather than destabilizing."[40] As a mark of its diplomatic reengagement, the United States recently acceded to the ASEAN Treaty of Amity and Cooperation. Finally, the United States will work to ensure that the emerging regional trading and monetary system remains open to the global economy rather than developing into a closed bloc.

The real substance of strategic reassurance, of course, will come from China itself. The United States, other Western countries, and China's Asian neighbors are looking for indications that China will emerge as a responsible stakeholder and become a net provider of—not merely a passive free rider on—global and regional public goods. To date, China has often resisted major resource commitments toward the solution of global problems such as climate change on the grounds that it remains a "poor," "developing" country. The Obama administration will be more supportive of China's aspirations to a more significant voice in major structures of global governance when these are backed by tangible Chinese contributions to world order.

Most fundamentally, the United States will be watching for signs of China's peaceful intentions and its willingness to contribute tangibly to global stability. Given the potentially destabilizing impact of China's rapid military buildup, it is critical that Beijing give greater transparency to its military doctrine, force structure, and defense budgets—steps that will reassure its neighbors, reduce regional tensions, and lower the likelihood of disastrous miscalculation. Regionally, China has already taken important steps to fos-

ter multilateral cooperation and dialogue with many of its neighbors, through actions like signing the Treaty of Amity and Cooperation and the nonaggression pact with the Association of Southeast Asian Nations (ASEAN), and by leading the six-party talks on the Korean peninsula. Washington will look to Beijing to deepen its engagements on the Korean peninsula, place relations with Japan on more productive footing, and accept an ongoing role for the United States and its security partnerships in the Western Pacific (a presence that has the added benefit of constraining Japanese military ambitions).

Globally, the Obama administration will want Beijing to assume greater responsibility for international peace and security by playing a more active and constructive role, not only on North Korea but other global hot spots like Sudan, Iran, and Burma. (These issues are likely to be particularly fraught in situations where China's traditional concepts of sovereignty and nonintervention collide with the new international norm of a "responsibility to protect.") Washington also hopes China will expand its impressive and growing engagement since 2000 in UN peace operations, an excellent outlet to show China's willingness to share responsibility for global peace outside its narrow national interests.

Less reassuring, if not yet alarming, from Washington's perspective has been China's promotion of the Shanghai Cooperation Organization (SCO). American officials interpret this grouping as serving two purposes for China. First, it assembles a group of states concerned with internal stability, territorial integrity, and cross-border threats. Second, it provides a counterweight to the unwanted US presence in Central Asia. At the same time, Washington is well aware of the SCO's internal structural constraints, which will likely prevent it from emerging as a significant security organization, much less an Asian NATO. Of more practical importance for US national security officials are potential Chinese contributions to regional stability in Afghanistan and Pakistan—and particularly Beijing's willingness to intercede with its longtime allies in Islamabad to influence Pakistani foreign policy and domestic developments in a productive direction.

In the *nuclear* arena, China has already taken tangible steps to strengthen the nonproliferation regime. It is a member in good standing of the NPT, has recently joined the Nuclear Suppliers Group, and has a good record on counterterrorism cooperation. At the same time, China could improve its export controls and overall stance toward states of proliferation concern. Given its proximity to, and special relationship with, North Korea, China has a particular responsibility to counter Pyongyang's nuclear ambitions. Beijing's close cooperation with the Obama administration on UNSC Resolution 1874 testifies to China's capacity, when determined, to defend the nonproliferation regime from determined assaults. The Obama administration is seeking a similar level of Chinese determination to confront Iran's own ambitions within the P-5+1 framework.

In the *economic* realm, the United States will look to China for tangible steps. First, Washington will continue to press Beijing to permit appreciation of its artificially undervalued currency and to take other domestic steps to correct the global currency imbalances that helped facilitate the global financial crisis. Second, the United States will look to China to take a less defensive attitude toward trade liberalization within the WTO (especially in manufacturing and service sectors) and enforce intellectual property rights more consistently. Third, US officials will press China to shift away from using bilateral trade for political and strategic objectives, which threatens to fragment the world economy. Fourth, the Obama administration will urge China to bring its development assistance policies into conformity with existing global norms and standards of transparency and conditionality, and abandon its "no strings attached" approach to foreign aid. Finally, the United States will encourage China to eschew policies of resource mercantilism designed to lock up foreign markets. Beyond disrupting international markets, Steinberg observes, such an orientation "leads China to problematic engagement with actors like Iran, Sudan, Burma, and Zimbabwe and undermines the perception of China as a country interested in contributing to regional stability and humanitarian goals."[41]

Lastly, the Obama administration understands that there will be no solution to the massive problem of global *climate change* without China, which produces 20 percent of greenhouse gas emissions today and will be responsible for half of all emissions growth through 2030 (when its annual share of global greenhouse gas emissions

will be one-third). Although Beijing continues to resist "binding obligations" and timetables for emissions reductions, it has taken significant steps in recent months—including adopting a comprehensive national climate strategy and announcing a willingness to adopt "reportable and verifiable" measures to cut energy intensity. At the same time, the United States and other advanced economies will encourage China to improve its uneven legal and governance capacity, so that it can actually implement these ambitious targets.

While the US-China relationship will continue to be a fraught one, with potential for long-term geopolitical rivalry, particularly in East Asia, ongoing Sino-American dialogue can foster broad bilateral agreement on the contours of world order in the 21st century. It will be incumbent on Beijing to make its own priorities for global governance reform clear to Washington and other major players—and to assume a growing leadership role in helping nurture and sustain an open and stable international order.

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