# PART I.
# GLOBALIZATION: STRATEGIC IMPLICATIONS FOR THE UNITED STATES

Chapter 2

# Globalization and National Security: A Strategic Agenda

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Something called *globalization* has become a surging, relentless, and irreversible force in our era. But what is it? What is new and different about it? Does it make the world safer or more dangerous? What can the United States do about the new challenges that it poses? What goals, strategies, tools, and ways of making decisions does the United States need in this new environment?

Supporters claim that globalization will eventually force all governments to pursue peaceful, democratic, rules-based, and market-oriented policies, resulting in a richer, healthier, safer, more educated, and more stable world population. Critics believe, by contrast, that globalization feeds corporate profits at the expense of workers, undermines democracy, accelerates environmental destruction, lowers health and labor standards, imposes cultural homogeneity, feeds crime, and escalates armed conflict.

From a U.S. policy perspective, globalization can be a catalyst (if not a cause) of both outcomes, depending on the specific policies and attributes of the "receiving" country. Because of its speed and reach, today's globalization can be stabilizing or destabilizing, disruptive or enriching, a tool of peacemakers or racketeers. On balance, globalization benefits the United States and other democratic and quasi-democratic countries. Sweeping arguments about whether globalization is "good" or "bad" for the rest of the world, however, shed little light on real-life situations because it can be either.[1] No government can stop it, but an important goal of U.S. foreign and defense policy should be to help channel it in benign directions. This task is urgent because at present, *economic and technological globalization is outstripping—or highlighting the total absence of—global and regional institutional means for coping with the impact of globalization on ordinary people and on the environment in which they live.*

This mixed assessment has important consequences for U.S. foreign policy and security policy. If globalization is making the world uniformly richer and safer, the United States can gradually wind down its defense spending and reorient its foreign policy away from security threats. If the world is splitting apart and becoming more violent, the United States will have to become more security-oriented and more focused on its limited vital interests, with or without allies. If the world is reacting unevenly to

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globalization, then the United States will need to remain globally engaged on more or less the same scale as it is now, but with somewhat different priorities and missions.

Globalization, far from being a media buzzword, is real, mostly new, and quite different from its pre-World War I ancestor. Coming to grips with this force calls for substantially transforming the way that U.S. leaders think about the world and adjusting their policy instruments accordingly. U.S. policymakers should forge a strategy based on cross-disciplinary analysis informed by all aspects of globalization, including not only commercial, financial, technological, military, political, environmental, and social aspects, but also cultural, religious, psychological, educational, and historical perspectives. *Holistic thinking has become a national security imperative.*

The overarching goal of such a globalization-infused strategy should be to shape the emerging world order in a way that protects U.S. interests and promotes American and allied values. The implementing goals are

- The promotion of global norms through peaceful adaptation to change and integration, accompanied by the development of viable global systems, institutions, and rules
- The protection of regional, national, local, group, and personal autonomy based on diversity and free choice, reflected in strong, accountable, and flexible domestic institutions sustained by the rule of law
- The enhancement and expansion of institutions and instruments of cooperative security to contain, reduce, or prevent conflicts and other threats to a peaceful world order

In carrying out their strategy in support of these goals, policymakers should make necessary compromises with allies and friends and construct new coalitions with nongovernmental organizations (NGOs) and private business. The strategy also requires more diversified foreign policy tools, including adequately funded nonmilitary instruments of foreign policy. If U.S. policymakers lack such diverse tools, U.S. military forces will be under pressure to cope with problems for which military power is not well suited or is even counterproductive.

Finally, U.S. policymakers urgently need a streamlined, flexible, and coordinated domestic decisionmaking process that makes full use of information technology and is capable of responding quickly to crises. This process, initiated by the White House and embedded in the goals and missions of the various departments and agencies, should

- Embody close, daily coordination of economic and security policies
- Build support for active global engagement in Congress and the public
- Seek common ground with those voicing legitimate concerns about globalization

# Understanding Globalization

## Globalization *Defined*

Globalization is a long-term process, not a static condition. It is the nonstop aftershock of the current explosion of knowledge. It has unleashed a rapid, ongoing, uneven, and sometimes disruptive process of expansion of cross-border networks and flows not only of goods, services, money, and technology, but also of ideas, information, culture, people, and power. It should not be seen in exclusively linear terms, but rather as a complex dynamic in which global, regional, national, local, and individual forces are all in play, often at the same time. It brings into being an elite culture shaped and colored by information, entertainment, and money—the world of cybercafes and caffé latté, Madonna and MTV, Web pages and dot-coms, hedge funds and derivatives.

Globalization comes in many forms, of which economic globalization is only one. Time lags between these different forms make the mix lumpy, uneven, and occasionally flammable. In a globalizing world, many contradictory things are true at the same time and will be for the foreseeable future. States are losing power; states are not losing power. Groups such as the Kurds and the Chechens dream of nationhood; East Timor has just won it; and Europeans are moving beyond it. Depending on the site, the rule of law is rising or breaking down. Local culture is threatened or flowering. Religion is fading away or undergoing a revival. And so on.

Despite these near-term contradictions, the definition of globalization as a long-term process implies a transition to "globality"—a more interconnected world system in which interdependent networks and flows surmount traditional boundaries (or make them irrelevant).[2] Globality can also refer to global governance, the idea that the world community should assume "greater collective responsibility in a wide range of areas, including security."[3] This notion highlights the "governance gap," the disparity between the existence of global rules governing commercial transactions and the absence or vagueness of such rules in other domains. Finally, globality suggests the basic unity of the human spirit, expressed through global awareness, a consciousness of common humanity, concern for the Earth, and a common set of basic norms.

If globalization is a transition to globality, then the defining characteristic of globalization is movement toward integration. In a popular book, Thomas Friedman defines globalization in part as a dynamic, ongoing process involving "the inexorable integration of markets, nation-states, and technologies to a degree never witnessed before."[4] Economist and globalization analyst Dani Rodrik uses a similar definition.[5] The National Security Strategy issued by the White House in December 1999 defines globalization as "the process of accelerating economic, technological, cultural, and political integration."[6] The Defense Science Board's report on globalization and security defines it as "the integration of the political, economic, and cultural activities of geographically and/or nationally separated peoples."[7]

Integration refers to the process of incorporating different elements into a whole. One meaning of integration implies intensified contact, but not necessarily common values. High levels of immigration, for example, may bring people from different cultures together, but they may clash. Recent violence against immigrants in southern

Spain is an example. Another meaning of integration implies close ties and a sense of distinct identities among members of ethnic and religious groups. Globalization has helped to link aggrieved members of a diaspora or persecuted minority, such as Jews, Kurds, and Armenians. A higher form of integration stands for tolerance, inclusion, and a common identity based on norms rather than on skin color or language. Globalization has facilitated bonding among groups that define themselves in terms of values (for example, environmentalists and human rights activists). Integration in this higher sense is the basis of a pluralistic community—the opposite of segregation, exclusion, apartheid, or "ethnic cleansing." The way that globalization fosters integration in any of the three forms—that is, intensified contact, separate identities, or a pluralistic community respecting common norms—embodies a change in the way that people organize themselves, relate to each other, and exercise power.[8]

With respect to relations among nations, integration implies movement toward a global market, a legal and regulatory framework, a sense of political community, and common standards of governance and justice. At the moment, the European Union is the only major post-World War II example of comprehensive and durable supranational integration, and many factors besides globalization contributed to this outcome (centuries of war between France and Germany, to name an obvious one). *Globalization appears to be fostering norms-based, pluralistic, institutional integration only among democracies and quasi-democratic states that have put in place a stable security framework, the rudiments of a market-oriented economy, a rules-based system of justice, and a certain minimal level of tolerance and civic trust—and only then imperfectly and after decades (if not centuries) of struggle.*

## *Differences in Globalization Today*

Skeptics argue that globalization is not new. It certainly has historical roots. By the end of the 19th century, the global economy was marked by a high degree of interdependence. Technology had advanced dramatically. There was even a global culture of sorts. Borders were relatively more open than they are today, especially within colonial empires. In fact, it was not until the 1970s that trade as a percentage of global output reached the levels achieved before World War I.

Several economists have pointed to indicators such as these to argue that globalization today is not really new. These comparisons, however, are limited and misleading in at least two respects. First, since the late 1970s, the integration of capital and commodity markets has surpassed all previous indicators, and the process is continuing to this day.[9] A number of historical factors have contributed to this trend. After World War II, statesmen decided to fashion an institutional framework to promote global trade and growth and to create and manage the international monetary system. The post-World War II boom in East Asian economies and improvements in transportation technology (notably container ships and jet engines) also contributed greatly to global economic integration.

Second, what is most distinctive about globalization in the current era is the revolution in information technology, accompanied by the spread of personal computers and the instant availability of information. The characteristics of this explosion of communication—speed, compression, pervasiveness, global reach, and potential to

touch the daily lives of every human being on this planet—are unprecedented. Skeptics may argue that the invention of the steam engine, the railway, the telegraph, the automobile, and the telephone were revolutionary as well, and indeed they were. But the story of globalization in the last quarter of the 20th century illustrates that differences in degree have added up to a significant, relentless, and irreversible difference in kind. Globalization should not be enshrined as the only cause of change. In some cases, it may be marginal, but it should not be dismissed as an intellectual fad.

### *Subglobal Globalization: Regions, Nations, Localities, and Individuals*

Globalization is not limited to the global level as such. On the contrary, it sparks new ways of doing things at all levels and ignites opposing impulses and identities. James Rosenau sees three pervasive tensions characteristic of this era: fragmentation-integration, localization-globalization, and decentralization-centralization.[10,11]

**Regions.** One of the spillover effects of globalization is a trend toward regional integration. This trend often takes commercial forms, but it has strategic significance.

In some parts of the world (for example, Europe, Latin America, Asia), where there is no war and security arrangements are stable, regional economic agreements designed to promote free trade and investment are becoming the dominant geopolitical expression of relations between states. These agreements have given some regions of the world a certain "face" or geopolitical personality, reflecting emerging integration in the "higher," norms-based sense. Examples include European integration; *Mercado Común del Sur* (MERCOSUR)—the Common Market of the South, which for Brazil and other members serves as a geopolitical counterweight to U.S. domination of the area; the Association of Southeast Asian Nations (ASEAN), which was designed in part to halt the spread of communism; and the Asia-Pacific Economic Cooperation (APEC) forum, which has extended diplomatic outreach to Russia and China.

Conversely, the absence of meaningful regional economic cooperation is a signal that governments in that region are not adopting policies that will allow them to take advantage of globalization. It is no coincidence that sub-Saharan Africa and South Asia, where regional cooperation is minimal or nonexistent, record the lowest per capita income levels in the world. The conflict-prone Middle East has similarly low levels of regional economic integration.

Outside the transatlantic community, regional security arrangements are evolving more slowly and are likely to be informal and flexible. Rigid adherence to the principle of noninterference in internal affairs, often to the exclusion of mutual benefit, dies hard in a region where memories of colonial occupation are still vivid. Nevertheless, working-level dialogues and confidence-building measures are gradually taking shape in key areas of the world. In Asia, for instance, the ASEAN Regional Forum (ARF) draws in major non-ASEAN members to discuss regional security issues. Several ASEAN governments have established an antipiracy center in Kuala Lumpur, with which the U.S. Pacific Command cooperates.

**Nations.** Globalization is creating a new context for, and transforming the formal and informal exercise of, national power. The combination of technology, international institutions, local governments, and nonstate actors is diluting nation-states'

monopoly on governance and creating new forms of power.[12] Although nation-states remain sovereign, their leaders are choosing to shift some of their power "up" to international institutions because of the need for new rules to govern global transactions and to respond to new global threats. Power is also shifting "down" to local groups and individuals as local citizens derive information from the Web, mobilize and organize each other through electronic mail (email), and become both subjects and users of the media. At all levels of authority, power is shifting "sideways," and new power is being created, as nongovernment players ranging from corporations to environmentalists shape the priorities and outcomes of national decisionmaking.[13]

These changes do not add up to a withering away of the state as such. In countries where there are functioning governments, the control of territory and the monopoly of organized force are still the dominant expressions of power. As one scholar puts it, state power is becoming unbundled into functional parts—executives, legislatures, independent agencies, and courts. These parts are networking with counterparts abroad rather than withering or disappearing.[14]

National power now stems less and less from endowed assets (for example, land and natural resources) and more and more from chosen or created assets (for example, mastery of information technology, market-friendly economic policies, a climate that supports innovation and risk, and a skilled workforce). Cities with commercial links to urban centers in other countries are an emerging part of the new global scene.[15] These are characteristics found in the United States and other industrialized democracies and associated with high-performance military capability.[16] Societies that lack these attributes will either gravitate toward the outlook and orbit of this democratic core or remain chronically malnourished.

**Nonstate Actors, Localities, and Individuals.** At the same time, regional and international organizations and national governments must now deal with many more nonstate actors than they have ever had to deal with before. The global economy has boosted corporate resources to record levels. Many politically active corporations wield large amounts of money; the market value of Microsoft and General Electric, for example, leaves most national gross domestic products (GDPs) in the dust. In the nonprofit world, NGOs that hitherto confined themselves to domestic politics now travel routinely to places like Geneva. Nearly a thousand nongovernmental organizations were represented at the 1999 ministerial meeting of the World Trade Organization (WTO) in Seattle, up from half a dozen or so attending trade talks in the 1940s and 1950s. Because of the nature of globalization, international cooperation now impinges on internal sovereignty and necessarily involves nonstate actors.[17]

Rebel movements and other opponents of national governments also make use of the Internet and other forms of modern communication. A good example is the Serbian opposition's radio station, which went on line in 1997–1998 even after Slobodan Milosevic had shut down its studio. Similarly, email messages from Kosovo offered the first clear evidence of Serbian intentions to crush Kosovar-Albanian leadership. The demonstrations that toppled the Milosevic regime in October 2000 were broadcast all over the world, attracting global attention and widespread support.

In many parts of the world, particularly in cities and coastal communities, the sudden availability of telecommunications products and services has enabled local

communities and groups to mobilize across borders, with or without the cooperation of local governments. In some instances, this process creates or strengthens local identities, brings grievances to the fore, and gives rise to organized communal, ethnic, or religious protest movements. Email links such groups with each other and with foreign supporters, while instant media coverage raises worldwide awareness of the plight of those who are being victimized. Human rights activists in Java, for example, say that they first learned about atrocities committed by the army elsewhere in Indonesia from emails sent from the New York-based Human Rights Watch.

Finally, globalization operates at the level of individuals. Individual dissidents like Aung San Su Kyi of Burma now have a global audience. More broadly, globalization appears to intensify the process by which individuals in society become differentiated from one another and from their elders. Globalization also enables individuals to connect in new ways. Thanks in part to the global media, individuals—especially the young—are borrowing selectively from other cultures, especially American popular culture. They are also developing their own lifestyles and expressing their own convictions to an unprecedented degree. Global firms are learning to adapt their products and services not only to accommodate long-standing cultural sensitivities but also to cater to increasingly individualistic young people as they develop new cultural identities and tastes.[18] Whether these increasingly differentiated individuals watch CNN, place long-distance calls on their cellular telephones, or log onto the Web in cybercafes, they are both creating and tapping into a global community.

In sum, globalization is an uneven, relentless, and frequently disruptive process toward a more interconnected world system. It has historical roots, but it is substantially new and different. Surging through all levels of society, it stimulates alternatives and opposites. It brings many more actors into play, bringing about integration, but not always a sense of community. It is fostering regional integration and "unbundling" national power. It appears to benefit open, market-oriented democratic and quasi-democratic states more than authoritarian ones.

## Foundations, Enablers, and Drivers of Globalization

### *Foundations*

The United States laid the foundations of today's globalization in the years immediately following World War II. It did so by mobilizing and leading a democratic, market-oriented community of nations and, with its allies, establishing the institutions to support that community. The strategy encompassed security, democracy, and economics. The security component was anchored in the North Atlantic Treaty Organization (NATO) and a series of regional treaty commitments. The democratic component sought to strengthen non-communist regimes, preferably democratic ones. The economic component included recovery programs in Germany and Japan, and a cooperative, rules-based trading system (that is, the General Agreement on Tariffs and Trade, or GATT). The International Monetary Fund (IMF) and the World Bank were established at about the same time.

This three-armed strategy of building a community through economic, political, and security cooperation continued throughout the Cold War. In one form or another, it remains U.S. policy to this day. It rests on a conviction that economic growth and political freedom cannot flourish without a credible military shield. It also reflects a view that drawing other nations into the circle of market-oriented democracies is the best way to sustain world peace. (The case for China's entry into the WTO, for example, includes arguments of this kind.) Seen from that perspective, globalization is both the fruit of post-World War II U.S. and allied policies and a catalyst for further integration in the norms-based sense of the term.

### *Enablers*

A fundamental enabler of globalization in most regions of the world is the absence of a major war or major internal strife. A stable, secure environment is often taken for granted, but it is the underpinning of growth. Since sound business decisions require a reasonable degree of stability, investments tend to be postponed when nations are at war or on the brink of war. Normal commercial protections are often suspended. Conversely, the peaceful environment sustained by alliances between the United States, Europe, and Japan has permitted reductions in defense spending, thereby easing the tax burden and freeing resources for commercial investment.

Another enabler is the post-Cold War triumph of market-friendly policies in developing countries and the strengthening of those policies in industrialized ones. Socialism is passé. Deregulation, privatization, the lowering of barriers to trade and investment, and the protection of intellectual property are in. Implementation and enforcement frequently fall short, and a few governments still have not received the message. Still, globalization would not be as widespread as it is today without a fundamental change in the global economic policy environment.

In all countries, policy enablers include sound fiscal and monetary policies, a free flow of information, some degree of accountability on the part of both governments and major economic actors, a functioning tax system, protection of private property, opportunities for the rising middle class to find jobs and to enter and exit markets, predictable rules based on some minimum standards of law and justice, and support for education and training. The extent to which governments adopt and implement this mix of policies is one of the key variables determining whether globalization as a whole is stabilizing or destabilizing.

The huge American market, with its seemingly insatiable consumers, is an enabler all by itself. For most of the last decade, American growth has far outstripped that of its major trading partners. Many global industries target first and foremost the American market. In addition, the United States contributes mightily to globalization because it is a source of innovation and creativity. Its institutions of higher learning attract tens of thousands of students from all over the world. Most of the products and networks that buzz and hum in the service of globalization originate in American brains.

### *Drivers*

The major driver of globalization is the knowledge revolution. In the first instance, this knowledge was largely developed by and for business. The knowledge revolution takes the form of a business-driven and business-invented triad consisting of advanced telecommunications, technology transfer, and capital flows.

Globalization would not be occurring in its present form were it not for the business application of the knowledge revolution—computers, email, satellites, jet engines, and other innovations. These high-technology products and services do not flow around the world all by themselves. The world would not be "wired" to the extent that it is if telecommunications companies had not sold and installed the appropriate equipment. The popular culture of the United States would not enjoy a global audience were it not for the American entertainment industry and the hardware and software that goes with it. None of these things would be happening if financial institutions had not made arrangements to transfer funds across borders.

A related driver of globalization is market competition. The current phase of globalization first appeared in commercial and economic form. Beginning in the late 1970s, breakthroughs in transportation and communications technology, a general lowering of trade barriers, and a worldwide shift toward market-oriented policies transformed the structure of global business. Regional trade and investment agreements took on new life: roughly two-thirds of world trade now takes place within free trade areas or among countries committed to free trade and investment by a certain date. Even energy, a strategic commodity long subjected to special relationships and long-term contracts, is now traded or sold in an increasingly global and deregulated market.

The globalization of business has led to the dispersal of the phases of production of components, goods, and services around the world for local, national, regional, and global markets. This pattern of production fosters economies of scale and permits adaptation to local consumer taste. It also gives rise to world-class standards of performance, quality, and efficiency. In the 1990s, economic globalization spread well beyond major companies and banks. Thanks to personal computers, globalization has been pulled downward, as it were, into small enterprises and literally into the lap(top)s of individuals. Operating from home with a few thousand dollars worth of equipment, anyone can become a global merchant.

Global companies are not in business to feed the hungry, but to defeat their rivals. During the late 1970s and 1980s, markets in highly industrialized countries were becoming saturated. Developing countries, with their high growth rates and youthful population, seemed attractive. Meanwhile, Japanese companies led the way in improving quality and automating manufacturing, capturing major markets in the United States as well as in the developing world. Both the lure of new markets and the threat of Japanese competition spurred European and American firms to boost quality and innovation, streamline operations, build global acquisition networks, establish competitive footholds abroad, enter into strategic partnerships, and offer new services. These dynamics contributed visibly to the successful conclusion of the Uruguay Round of multilateral trade negotiations (1986–1993), which led to the establishment of the World Trade Organization.

The globalization of finance has become a hallmark of the present era. Larger banks had operated abroad for decades, but only under restraints imposed by the host government. During the 1980s, these restraints began to unravel. Providers of financial services followed their corporate clients abroad and soon acquired new customers. They invented new market instruments and offered customers better returns than they had ever had before. The liberalization of financial services has proceeded in parallel with—or even ahead of—trade and investment.[19]

## Benefits and Risks of Globalization

Understanding the major faces of globalization—economic, political, cultural, religious, social, demographic, environmental, and military (and the benefits and risks associated with them)—is important because the interaction between them can be either benign or destructive. Any one or two of them can trigger security problems in which the United States may be called upon to intervene or otherwise lend assistance. Conversely, globalization presents new opportunities for expanding the democratic community of nations and promoting peace and prosperity.

### *Economic Globalization*

**Globalization, Wealth, and Poverty.** Most economists are enthusiastic about economic globalization because they place a high value on efficiency. Globalization encourages market behavior, and markets demand efficiency. The more global the scale of the market, the more efficient the allocation of resources can become. Resources can be shifted from less productive to more productive use. Lower tariffs help to hold inflation down and spur competitiveness. Foreign investment brings technology, innovation, and management skills. New jobs are created to serve global markets. Job losses occur in less efficient sectors, but these are more than offset by overall gains in national employment opportunities.

According to at least three major studies, nations with open, market-oriented economies have grown at least twice as fast as those with closed economies, and in the 1970s and 1980s, the disparity was even higher.[20] Never before in history have so many people in so many countries experienced a rise in real income. In the last 10 years, the period roughly associated with the most expansive phase of globalization, the number of people living in absolute poverty has declined, albeit modestly (24 percent in 1998, down from 29 percent in 1990).[21] World health indicators such as longevity and infant mortality have steadily improved almost everywhere.

That is the good news. Other known measures are grim (for example, continuing population growth in regions unable to sustain existing communities). What is hotly debated is to what extent, if any, globalization is to blame for the ripples of suffering washing over the world's poor. Everyone agrees that globalization is efficient; the burning issue is justice.

To globalization's critics, there is a direct, causal relationship between globalization-fed corporate profits and global poverty. According to one group, the World Bank and the International Monetary Fund "have maintained most nations of the global south

in poverty."[22] According to another, the "current globalization model" is not free trade, but "corporate managed trade."[23,24] Such critics believe that globalization is eroding democracy, stamping out indigenous cultures, and ravaging the environment.[25]

Specific examples cited by opponents of World Bank and IMF policies vary widely. Many involve environmental destruction caused by large-scale projects such as dams or the displacement of small farmers by agribusiness concerns. Austerity programs established by the International Monetary Fund have eliminated subsidies on commodities consumed by the poor, resulting in overnight price hikes. The United Nations (UN) Development Program's *Human Development Report, 1999* does not go as far as protesters in Seattle, but it complains that globalization is threatening "human security" and "squeezing out care, the invisible heart of human development."[26]

There is often another side to antiglobalization horror stories. But there is no doubt that the speed, volatility, and sudden withdrawal of financial flows sent a number of countries spinning into recession in 1997–1998. This was the first real "crisis" of globalization. The collapse of the Thai *baht* pulsed through most of Asia and then to much of South America, ravaging the economies of Brazil and its neighbors. The collapse of confidence associated with the Asian crisis ultimately spread to Russia, crippled what was left of the Russian economy, and brought forth a younger, technocratic leader to clean up the mess. From Thailand to Russia: not a chain one might have predicted.

In Indonesia, which was hit hardest by the crisis, growth declined by 14 percent in 1 year, and the number of people living in absolute poverty temporarily doubled, from 10 percent to almost 20 percent. The Suharto government fell, and secessionist movements gathered steam—not only in East Timor but also in Sumatra and in Irian Jaya. Attacks on religious groups intensified as well. For the first time in more than 30 years, Indonesians have a democratically elected government. But they also face economic disarray, political confusion, and local violence. The new government's leaders agree that the International Monetary Fund made mistakes, but they argue forcefully that the main cause of this turmoil is not globalization, but rather the Suharto government's failure to adopt the political and economic institutions and behavior needed to accommodate the pressures of globalization.

Some lessons of economic globalization are clear. If a government pursues market-oriented policies that benefit the ruling elite or the middle class at the expense of the poor, if inadequate disclosure and weak supervisory organs trigger a run on the banks, and if social safety nets are weak or absent, openness to globalization can severely destabilize the political system and hurt the most vulnerable members of the population. Since people in other countries tend to assume that the United States pulls the strings of the World Bank and IMF, financial crises of the Indonesian variety ignite anti-Americanism as well as evoking a legitimate humanitarian outcry.[27]

**Globalization and Gaps.** The widening income gap both within countries and between countries and regions that are adapting relatively well to globalization and those that are left behind is a matter of great concern to national security strategists, especially if governments in the latter group brandish weapons of mass destruction. The fear is that these governments will become more hostile to the West and possibly more aggressive.

A country's GDP divided by its population, or per capita GDP, is a widely used yardstick of national wealth. Critics of the World Bank have argued against excessive reliance on per capita GDP statistics. They prefer broader sets of measures variously known as "human development," "human security," and the like, which include standards of health, education, and quality of life. Nevertheless, per capita GDP conforms fairly closely with these other indicators of development—at a national or aggregate level.[28]

Other ways of measuring gaps besides calculating the aggregate per capita GDP might include examining the income gap between inhabitants of wealthy coastal regions and those living in more remote interior regions (as in China), between the dominant ethnic group and the entrepreneurial minority (Chinese in Southeast Asia and Indians in Africa), between high school and college graduates, and between those who are computer-literate and those who are not (the digital divide). These gaps may have more impact on a country's political stability than changes in aggregate per capita GDP.

The speed of relative changes in income can also rock stability. As a general rule, globalization offers rising elites and the urban middle class a bigger share of the pie. If this share increases too rapidly, and if the rest of the pie is not made available to others because of monopolies or corruption, the government can lose its legitimacy, as it did in Indonesia. If the speed of change is glacial because the government has deliberately isolated its subjects from globalization and restricted the free flow of information, disgruntled students and merchants may complain or rebel, as they apparently have in Iran.

International and regional comparisons are particularly relevant to U.S. foreign policy and security strategy. To revert to the standard measurement, the gap between the per capita GDP of one nation or region and that of other nations and regions has been growing. In sub-Saharan Africa, for example, per capita GDP in the 1990s is about the same as it was in the 1960s, while in every other region it has grown. African population growth has swelled the numbers of impoverished people by another 30 million. Africa's share of international trade has declined, while its indebtedness is the highest in the world.[29]

International capital flows tell a similar story. There is already a huge investment gap between the developed world and a small handful of developing countries on the one hand, and everybody else on the other. Three-quarters of all foreign direct investment in the developing world goes to fewer than a dozen countries. Of total private capital flows to developing countries from 1990 to 1996, the Middle East received only 2 percent, which is lower than all other regions. Since most countries need foreign capital to develop (including the United States in the 19th century), the investment gap will intensify a widening income gap within the developing world.

Do these income and investment gaps undermine political stability? Ordinary people do not normally spend time perusing national, regional, and international income statistics, but they are keenly aware of their own wealth or poverty. One of their questions is likely to be "Compared to what?" It matters enormously whether the poor are getting poorer in absolute terms or only relatively less rich in comparison with their own elites.[30] Pushing large numbers of people into poverty in absolute

terms not only robs them of food, clothing, and shelter, but also undermines the perceived legitimacy of the government.

Income gaps reflect social and geographical divisions both within societies and among countries and regions. Depending on the country, low-skilled workers, workers in protected industries, small farmers, and landless laborers may well be at risk of losing their ability to provide for themselves and their families. Globalization exposes these fissures and imbalances and may exacerbate them.

The latest gap to receive attention in the context of globalization is the so-called digital divide, the growing divergence between those with access to, and capable of using, computers and the Internet, and those who are left behind. Access to information is a path to empowerment. The challenge is to adopt the right mix of public policies and public-private projects, possibly spearheaded by the G–8 group of world leaders, to create a global digital opportunity instead of a threat.[31]

**Bribery and Corruption.** In countries where there are weak legal and institutional structures, globalization has intensified the problem of bribery and corruption. Analyzing more than 30 economic, political, and social indicators from 34 countries, A.T. Kearney found that rapidly globalizing countries have experienced dramatic growth in corruption.[32] Corruption on a small scale has long served to grease the wheels of society, to provide access for marginalized groups, to guarantee the outcome of elections, and to enable the low-level official to feed his family. But in many countries, the corruption equilibrium has spun out of control, causing the downfall of governments and companies alike.[33]

Corruption siphons off resources, warps efficiency, saps the vitality of economic activity, and distorts public perceptions of how a market economy functions. In the area of public works, it jeopardizes public safety and can severely damage the environment. In these circumstances, "it becomes all too easy for economically beleaguered public to confuse democratization with the corruption and criminalization of the economy—creating fertile soil for an authoritarian backlash and engendering potentially hostile international behavior by these states in turn."[34]

**Economic Globalization and Political Culture.** No one has ever been able to predict whether and when rising poverty, inequality, and corruption will erupt in violence or why some states "fail" while others prosper.[35] Social and political patterns that fostered successful recovery in the early post-World War II years may not succeed so well in the more dynamic era of globalization. Conversely, certain societies turn out to have strengths well suited to the global age. For example, the lack of rigid hierarchy, respect for the value of shared information, and openness to new technology in Finnish society have allowed the Finns to embrace advanced information technology, and a Finnish company (Nokia) now dominates the worldwide mobile telephone market.[36] Moreover, cultures are not static; they are tapestries of "predispositions."[37] Gifted leaders can foster change within a cultural tradition, as Jawaharlal Nehru, Lee Kuan Yew, Kwame Nkrumah, and Mao Tse-tung did in their very different ways.

**Perceptions Matter.** In a stable society, people at all levels must think that they have a reasonable chance of living in peace and improving their lives or the lives of their children. They must also believe that in some way their voices will be heard, ei-

ther at the ballot box or elsewhere. They must have some minimal sense that their institutions will work for them, even if the institutions are influenced by wealthy elites.

There is considerable evidence that political cultures that adapt most successfully to economic globalization feature accountable and responsive institutions based on some minimal level of civic trust, embedded in flexible and adaptive cultures. Attitudes toward work, education, entrepreneurship, and the future are important. Policy choices can help to promote the right mix.[38]

Broadly speaking, the political cultures of North America, Western and Central Europe (not including the Balkans), most of Asia (including Australia, New Zealand, and eastern and southern China, but not Myanmar and North Korea), and a few South American countries (for example, Chile and Brazil) are either adapting relatively well to globalization or have a good chance of doing so if political problems can be resolved. (India is still a question mark because some regions are adapting far better than others.) Significantly, the countries adapting successfully are either "free" or "partly free," that is, democracies or "soft" authoritarian states with substantial democratic features.[39] In many of these countries, the shock of the Asian financial crisis temporarily worsened already serious poverty, but most of them have resumed growth.

By contrast, with some exceptions, the nations located in a huge swath of contiguous territory ranging from the former Soviet Union in the north and Pakistan in the east through the Balkans, the Middle East, and sub-Saharan Africa in the south are presently ill suited for globalization. It appears that much of the Andean region is also adapting poorly to globalization. These regions exhibit some combination of weak or closed political institutions; inflexible or divisive social cultures marked by vengeance and distrust; predominantly tribal, family, or clan loyalties and/or a high degree of cronyism; and excessive regulation accompanied by a high degree of corruption.

### *Political Globalization*

The globalization of politics has contributed to a new political awareness. Television has not merely brought other people's politics into the living room; it has also exposed abuses, revealed the face of war, and diffused certain political values, such as human rights and democracy, to more people than ever before. Prominent political leaders such as Nelson Mandela are known all around the world.

Over time, economic globalization undermines authoritarian governments because markets need information to work. The need for open information undercuts secretive regimes by creating pressure to expose the assets and liabilities of banks and corporations, including those controlled by dictators and their cronies. It also strengthens the ability of the press to conduct honest economic reporting and expose corruption. By providing more economic opportunity, globalization opens the door to new elites and fosters the growth of a middle class with a stake in stable and legitimate governments. Western investors often bring more egalitarian patterns of communication, as well as higher labor standards.

The need to attract global investment creates pressure to institute the rule of law or at least some predictable system of justice, enforced by a modern legal system and a trained, independent judiciary. Modern economies need laws governing market entry (competition), market exit (bankruptcy), contract enforcement, the

protection of property, and intellectual property rights, among others. These pressures have spillover effects because the educated middle class tends to agitate for corresponding political rights.

Globalization can help to promote human rights and environmental protection. Political activists use email to communicate with their foreign counterparts and expand their networks at home. International observers monitor elections and flash their judgments around the world. Networking of this kind has brought to global attention a number of serious human and environmental problems. Among them are reliance on child labor, residual slavery and bondage, mistreatment of women and girls, arbitrary detention and torture, persecution of ethnic minorities, corruption, the destruction of the rain forest, environmental pollution, and many others. Publicity brings pressure on the governments that tolerate such practices and sometimes stimulates corrective action.[40]

Globalization can also overwhelm fragile political systems. Volatile financial flows can wreak havoc on existing power structures before alternative groups and institutions have had time to develop, leaving a temporary vacuum. (This is a problem in Indonesia, where the army indirectly ran local government until the fall of Suharto.) Criminal networks can sprout up, wielding political power of their own. Sudden changes in relative wealth can lead to the scapegoating of successful minorities, such as ethnic Chinese or Jews. Extremist movements, often aided from abroad, can attract those uprooted by globalization. Separatist movements can take root and flourish. Subsistence farmers can be forced to flock to the cities, placing new demands on officials and upsetting long-standing political arrangements between different ethnic groups. Even anarchism has made a comeback.

In these circumstances, it is hard for even the best of governments to exercise power effectively. Well-meaning governments can get the blame for dislocations beyond their control. Sometimes, they rely on outside pressure from the United States or IMF staff to provide political cover for doing what they already know needs to be done. They may receive support from friendly political organizations abroad, such as social democratic parties in Europe or American labor unions. This, too, is political globalization.

### *Globalization, Culture, and Religion*

Culture is not something separate from globalization, to be pursued at leisure on a Sunday afternoon. Globalization is both shaping and being shaped by ways of thought, habits, values, religion, and other aspects of social life. It has both intensified old identities and fostered new ones. The cultural aspect of globalization is as relevant to U.S. policymaking as trade and financial flows.

**Culture.** In the social sciences, *culture* became segregated from the study of politics and economics several decades ago. But capital and technology do not sail around the world by themselves. They pass through human hands in the form of paper or through human fingers on a keyboard, and they reflect decisions made by human beings. As one scholar has written, culture includes symbols, individual experiences, biological dispositions, embodied social habits, and deliberative thought. It is a "meaning-making medium" that influences all spheres, including politics and economics.[41]

For a society to adapt well to economic globalization, cultural attitudes must permit risk and failure as well as success. Cultures must be capable of borrowing and adapting foreign influences as well as rejecting them. The talents of young people of both sexes must be put to use in the job market or in other productive activities. Opening up opportunities to women doubles the talent pool, lowers the rate of population growth, and improves public health. Trust and loyalty must extend beyond the family or kinship group, as must the sharing of spoils. For the most part, these last two conditions are absent in sub-Saharan Africa and much of the Middle East. When the king of Jordan died in 1999, for example, foreign governments sent presidents and foreign ministers to his funeral, but most Arab rulers sent their relatives.

Thanks to the globalization of the communications and entertainment industries, American popular culture is flooding the world. Most of the best known images, sounds, idols, and stars come from the United States. (An exception is Pokémon, which is from Japan, but its name is derived from the English words "pocket monster.") Even food is caught up in the trend. In 1999, McDonald's opened 1,790 restaurants, an average of 5 per day, more than 90 percent of which are outside the United States.[42]

Young people in particular flock to American films, rock music, clothing, and other icons of popular culture. Even remote villages hardly touched by globalization are likely to feature a soft drink stand selling Coca-Cola, manned by someone in an American T-shirt. Sometimes, these icons are associated with social messages (for example, rap and reggae music), but more often they are apolitical. Only in the most superficial ways do they signal "Americanization."

At the same time, the globalization of American popular culture has a liberating effect on the world's youth. Rock songs and films from the United States make young people feel empowered and "with it." While these feelings may or may not promote American values, they whet youthful appetites for more things American. "Pop" culture has fostered the spread of English, albeit in forms that sometimes seem strange to native speakers. Since English is the main language of international communication, anything that fosters an interest in learning it eventually opens doors to a wider world.

Through the entertainment industry, many forms of culture have found global audiences. Globalization has even helped to preserve some traditional cultures from extinction. For example, media attention has lent support to efforts to save indigenous people in areas of Brazil that are subject to rapid and destructive development. In many countries, however, elites fear that globalization will bring about a loss of cultural identity. They watch as their local cultures are swamped by American imports and commercialized by tourists. Their concern may be hard for U.S. citizens to understand. After all, the United States imports both foreigners and foreign cultures with abandon, without worrying about who they are. Indeed, the American identity is partly founded on such flows.

In some parts of the world, however, national identity is weak and young—only a few decades old, in some cases. Boundaries are arbitrary, left over from the days when colonial powers carved up entire continents between them. The secession of one province or another is a real threat. Elites in these countries may or may not op-

pose modernization of their culture, but they have an understandable concern. They see the worst of the United States washing over their heartland, not the best. They associate globalization with American materialism and self-centeredness, as opposed to loyalty, self-discipline, spirituality, and the well-being of the group. Their images of the United States, derived in part from movies and television, include promiscuity, violence, materialism, disrespect for authority, drug abuse, divorce, guns, and crime.

Fortunately, there is little likelihood that the richness and diversity of human cultures will dissolve. Living cultures have a way of thriving and adapting despite the barrage of Hollywood glitz and techno-gimmickry. But it behooves U.S. leaders, including U.S. military personnel, to be more sensitive to the threat that images of the free-wheeling American lifestyle poses to older societies. All too easily, the United States can become a "devil," as it did in the Ayatollah Khomeini's Iran.

Aside from these risks, the combination of American business culture and popular culture bestows on the United States a degree of "soft" power that its citizens never consciously sought. The result is that they find themselves in a leadership role to which they have devoted little thought, planning, and resources. As a Singaporean official concluded, "[The] softer aspect of American influence is in some ways even more profound than its hard power. Globalization must therefore be led by the U.S."[43]

**Religion.** The reach of religion is becoming more global than ever before. Not only is globalization compatible with most forms of religion, but it also facilitates the spread of religious ideas. In fact, the major religions are now world religions. The Dalai Lama, Pope John Paul II, and Billy Graham are world figures. Sacred texts are available on the Web. Interfaith dialogue, aided by globalization, is now well established.

To some, the popularity of religion is surprising. Beginning with the Enlightenment, modernist thinkers have equated religion with superstition and championed secular and "rational" thinking. The postmodernist perspective is similarly hostile to religion. It downplays group cohesion and modern forms of organization in favor of individual fulfillment. This form of individualism can include a spiritual dimension (for example, yoga, meditation, and the New Age movement), but it rejects traditional, organized religions as narrow and coercive. In its place, it enshrines the individual as the central focus of worship.[44]

Despite these intellectual movements, religion is flourishing. It has reappeared in the former Soviet Union, it is clearly making inroads in China, and it is a vital force in most other regions of the world. Moreover, it is pervasive in that beehive of globalization, the United States. Far from destroying religion, globalization has created conditions that allow the practice of religion to expand. Globalization ushers in a greater degree of openness to ideas from the outside world, including religious ideas about the human spirit. According to one scholar, globalization is the "compression of the world and the intensification of consciousness of the world as a whole."[45]

Those in the United States tend to have a somewhat negative image of other people's religions, particularly Islam. But religious affiliation can help people in local communities adjust to globalization. Such people share a sense of community, basic moral and ethical values, self-discipline, humility, and willingness to accept rules established for the good of all. This combination can help overcome the alienation and insecurity associated with the collapse of traditional authority and rapid eco-

nomic change. For example, in Egypt, Islamic movements have mushroomed to fill vacuums caused by the crisis in state legitimacy. These movements provide "a channel for informal political participation, a sense of identity and social justice, and the provision of basic needs and services for the underprivileged."[46] In Turkey and Kosovo, Islamic self-help groups have filled holes in the state's social safety net. Members of religious groups are also in a good position to report human rights abuses and other instances of injustice.

Much of the violence that occurs in the name of religion is a political backlash against dislocations associated with globalization. Fighting between Christians and Muslims in the Moluccas (formerly known as the Spice Islands and now part of Indonesia) stems in part from a sudden, destabilizing influx of migrants that upset the balance between the two groups. Hindu militancy is often political in nature, used to divert popular attention from problems or scandals. Politicians can invoke religious themes to foment separatism, anti-Americanism, or enthusiasm for war. They also use religion to whip up a martyr complex or justify a culture of victimhood, as in Serbia and Iran. Local elders can use religious language to perpetuate tribal customs (for example, genital cutting of girls) or to enforce tribal notions of honor (for example, keeping women and girls at home and "honor killings").

What is truly destabilizing and disintegrative is not the revival of genuine religious faith, but a total collapse of religion-based norms and ethics. This is what appears to be happening in some parts of sub-Saharan Africa (for example, Congo and Sierra Leone), as well as in many parts of the former Soviet Union. Even harsh justice meted out in the name of the Sharia (the Islamic code of justice) is better than a war of all against all.

## *Social, Demographic, and Environmental Effects of Globalization*

**Migration, Population, and the Role of Women.** According to the International Labor Organization (ILO),[47] there are approximately 120 million migrants as of the year 2000—up from 75 million in 1965. While this surge is dramatic, it is not unprecedented. Between 1846 and 1939, some 59 million people emigrated from Europe. Prior to 1850, an estimated 15 million slaves were transported from Africa to the Americas. In the peak year of immigration, 1915, the United States accepted a level of immigration equivalent to 1.2 percent of its population, while in 1996 that figure was only 0.35 percent.

As the ILO makes clear,[48] what is new is the global nature of the migration. Between 1970 and 1990, the number of countries classified as major receivers of labor immigrants rose from 39 to 67, while the number of countries designated as major international labor suppliers rose from 29 to 55. The number of countries that are both suppliers and receivers rose from 4 to 15.

It is no longer true, if it ever was, that "capital migrates, but workers don't." A record number of people on the move are refugees from war. In the churning world of global trade and investment, those who are losing their livelihood often migrate as well.[49] Some migrate illegally; a new industry—trafficking in workers—generates an estimated $6 billion a year for smugglers and forgers, some of whom are members of international criminal networks.

The cross-border migration of workers has a number of benefits. It brings in people with the energy and courage to start a new life. It serves to fill low-wage jobs that a more affluent population no longer wants, such as street cleaning, janitorial services, and care of the aged. It provides new economic opportunities for both migrants and their host communities. It is another form of efficiency—the intersection of supply and demand.

Beyond a certain point, however, large-scale migration can be jarring and dehumanizing. The sudden influx of large clusters of immigrants strains local resources and often generates social tensions. Even in the United States, which is unusually receptive to immigrants, a racist backlash shut the door to Asians in the 1920s. After the Vietnam War, Vietnamese shrimp fishermen encountered violence in Texas. In Germany and Austria, where roughly 10 percent of the workforce is foreign-born, right-wing political parties that oppose further immigration have gained strength. In Spain, violence against North Africans escalated into several days of terror and destruction.

Migration to cities is a particularly urgent problem. Global agribusiness and other changes associated with globalization are driving or enticing many people from the land into overcrowded cities, creating massive social and health problems. In some countries, female infanticide distorts male-to-female ratios, compounding dissatisfaction with rural life. At the current rate, by 2010 the world will have at least a dozen more cities with populations of 8 million people or more. The supply of water, sewage systems, health facilities, schools, public transportation, roads, and practically everything else that people need to live decent lives will be in short supply. Even draconian measures to discourage such migrations, such as denial of work and residence permits in Chinese cities, do not seem to halt the flow.

Over time, migrants can build up resentment about their shabby treatment and low status. While parents may conclude that life in the city is still better than it was in the village, their unemployed sons may dismiss the comparison and take to the streets. Long-time residents can resent the intrusion of people whose customs and lifestyle are different. In the United States, the most recent comparable experience is probably the migration of African-Americans from the rural south to northern cities, a shift whose consequences are still felt decades later.

The movement of highly educated people to the United States and other developed countries—the so-called brain drain—is not new. What is new is that some of them are starting businesses in their country of origin even while maintaining their primary residence abroad (for example, Indian engineers living in Silicon Valley). This trend should send a pointed signal to governments whose policies do not permit this sort of entrepreneurship.

Population trends suggest that both the need for and the supply of migrant workers will continue for some time to come. Birth rates are stable or declining in most of the industrialized and industrializing world, as life choices diminish family size and better health care contributes to the "graying" of the population. As an Italian journalist puts it, "The fewer children we have, the more immigrants we need."[50] He might have added that in Africa and parts of the Middle East, the population is growing by as much as 5 to 6 percent, with the largest number of births occurring among the poor.

Many women take jobs outside the home because of economic desperation. Others do so because they want to take advantage of new opportunities swept in by globalization. Worldwide, women increased their participation in the labor force from 36 percent in 1970 to about 45 percent in 1994. This rate varies sharply by region. In Arab countries, for example, only one in four women are in the labor force, compared with 69 percent in East Asia.[51]

Other things being equal, the chance to earn money is likely to raise the status of women and improve the prospects for female literacy. In areas where women have long been allowed to earn money, such as southern Nigeria and the state of Kerala in India, the ratio of men to women is roughly normal because there is no economic reason to kill or starve female babies and girls. Over time, the empowerment of women could prove to be one of globalization's most positive contributions.

**The Environment and Health.** Globalization is clearly a catalyst for rapid growth, and untrammeled growth can take destructive forms. Many environmentalists associate globalization with the destruction of the rain forest, the disappearance of threatened plant and animal species, the depletion of marine resources, acid rain, chemical pollution, and a host of health concerns. The data tend to validate these concerns, at least in the near term.[52] For example, A.T. Kearney's survey found that rapid globalizers saw increases of 4 percent or more in their carbon dioxide emissions.[53] A major culprit in environmental deterioration is the uncontrolled use of resources backed by misguided and unbalanced development policies in developed and developing countries alike. Environmental destruction in the *un*globalized former communist empire, for example, was worse than most of what is observed today.

Over time, globalization tends to increase pressure for environmental protection, but the process is not automatic. Foreign investment often brings investors from the United States and Europe who are more sensitive to environmental values than local governments, if only because their shareholders are tracking their performance.[54] Foreign pressure to move toward free trade and investment can reduce wasteful subsidies that distort the use of resources. The drive for efficiency can introduce more rational pricing policies and the "polluter pays" principle. The spread of science and technology around the world can help to clean up the environment as well, but solutions are necessarily long-term in nature. In the meantime, the emphasis on growth must be linked with serious resource planning.

From a security perspective, the impact of globalization on the availability of natural resources is a key concern. The most urgent shortage of the first half of the 21st century will not be oil, which is still relatively abundant, but clean water. The demand for water is outstripping the supply. Control of water supplies has long been a strategic objective and is a tension-creating factor in many parts of the world.

The North China Plain is already in crisis. The water table around Beijing, for instance, has declined by 59 meters since the late 1960s. Plans to divert water from the South are controversial, environmentally destructive, and hugely expensive. Chinese intentions to build two dams across the Upper Mekong have sparked concerns about their impact on downstream agrarian communities in Indochina.[55] Other water-related concerns include the conflict between Syria and Israel over the Golan Heights,

Singapore's uneasy dependence on Malaysia, and the movement of Saharan Africans fleeing from the encroachment of the desert.

Another problem directly or indirectly associated with globalization is the spread of infectious disease. In particular, acquired immunodeficiency syndrome (AIDS) is a threat to U.S. security for several reasons. A globally mutating virus could return to threaten the United States and its allies, as well as strategically important countries such as Russia, Brazil, and India. There is already a conflict over access to life-saving drugs, and it could get worse. Finally, in some countries, there could be a breakdown of civil order as social, economic, and political systems crumble in the face of widespread disease and death from AIDS.

Besides AIDS, cholera, tuberculosis, and a variety of other diseases are rampant, and some are taking drug-resistant forms. The expansion of shipping has given a free ride to many germs and disease-bearing insects. In 1991, for example, a ship from China emptied ballast tanks containing the causative agent of cholera off the coast of Peru. Within weeks, outbreaks of cholera were reported in Peru when none had been found in the entire continent of Latin America for more than a century.[56]

Occupational illness has also been on the rise. Women, widely employed in electronics factories because of their manual dexterity, are regularly exposed to carcinogenic solvents, acids, and toxic fumes. Frequent use of microscopes has damaged their eyesight. Women who do fine sewing in the garment trade also report eye problems. Both women and men suffer from exposure to hazardous chemicals.

Public health is one area where the market alone cannot provide adequate solutions, but public funding for this and other transnational threats is skimpy compared to the need.[57]

### *Military Globalization*

Military globalization parallels the history of conquest. It traces its ancestry to Cyrus of Persia, Alexander the Great, the Roman Empire, the Muslim conquerors, the Crusades, the Mongol invasions, and the age of colonialism, among others. But none of these people and events established a military-backed world system that was truly global. Even World War I was not a global war, and its post-war aims, a peaceful Germany and the League of Nations, both failed.

World War II was the first truly global war, and it gave rise to the structural elements of a global system. This system became operational in the economic arena to a greater degree than in most others, a fact that helps to explain why the global economic institutions and rules of today are far more highly developed than most non-economic ones. The economic and social agencies of the United Nations, the World Bank, IMF, and the GATT (which later became the World Trade Organization) were pillars of a would-be global system consciously designed to knit together peace, growth, financial stability, trade, and investment. Mindful of the failed League of Nations, those who founded the United Nations skirted a true collective security system and subordinated security to the Security Council, where the five permanent members had a veto. When the Soviet Union emerged as a military threat, security arrangements took a regional form, of which NATO was the most prominent. The

bipolar political lineup that froze into the Cold War determined who armed themselves against whom around the world, and with whose technology.

What is new about the structure of military globalization is that the end of the Cold War and the rash of global threats have thrown into question the rationale for an exclusively regional security system. The most important expression of regional security, NATO, has begun to expand both membership and mission, taking on a role that complements and may occasionally replace that of the UN Security Council. Members of NATO are searching for ways to match regional security resources and arrangements with threats arising outside the defined territory to be protected (so-called out-of-area threats). This search is hampered by inevitable tensions both within and among the various governments involved and by resistance to NATO hegemony on the part of Russia and China (and to some extent, France).

What is new about the content and characteristics of military globalization resembles what is new about globalization more generally—high-speed communications, the rise of criminal networks, piracy, the mobilization of local ethnic and religious groups, and all the other aspects of globalization previously described. Technology with potential military application glides around the world through commercial channels, as well as in the computers of criminals. Know-how on nuclear weapons and other weapons of mass destruction can be downloaded from the Internet. Shoulder-fired missiles easily find their way to terrorists.

With respect to industry, more rational patterns of production, prompted in part by global competition, have injected more efficiency into defense procurement. The defense industrial base is checkered with licensing deals and crisscrossed by strategic partnerships.[58,59] There has been a substantial consolidation of firms within both the U.S. and the European defense industry. While these firms often compete head-on for major arms contracts, considerable cross-investment has occurred, especially at the subcontractor level.

In some ways, the United States is superbly positioned to shape military globalization. Its technology is second to none. It is by far the world's largest and most competitive seller of arms. For decades, it has constructed an extensive web of military-to-military ties and trained numerous military personnel from abroad. Although Europe, Russia, and China rival the United States as global arms merchants, none enjoys close military relationships with other countries to the degree that the United States does.

Military resources alone, however, cannot cope with the combination of weapons proliferation and nuclear stockpiles, ethnic and religious violence, the explosion of crime, health and environmental disasters, massive migration, and the demand for humanitarian intervention to halt genocide. Arms sales and technology transfer can be destabilizing, and military-to-military ties serve U.S. interests only if the government in question is committed to the right goals. In the era of globalization, conflict prevention and institution building must be granted more priority space in the American toolbox. Just as gun control alone will not stop crime, the United States needs a comprehensive security strategy that transcends its military elements.

In sum, the benefits of globalization are substantial, but the risks are immediate and pressing. Globalization can facilitate solutions, but not overnight. In many parts

of the world, globalization is linking together an emerging world community, while those left behind are angry and alienated. There are far too many small-scale conflicts, catastrophes, and threats, causing far too much human suffering and discontent. A global strategy must extend from dot-coms to demographics, from rockets to religion. Although security is an essential ingredient, the scope of such remedies extends way beyond the purview of the U.S. military and calls for a wide variety of expertise.

## Globalization, Security, and the International System

Globalization in the current era is unprecedented, irreversible, highly uneven, and sometimes divisive in its effects. It has defining characteristics (for example, speed, networks, and flows) and a defining direction—toward integration. It is intertwined with economic development, politics, culture, religion, society, and the environment in ways that can produce both benefits and risks. Security policy is concerned with the risks. Shocks and disruptions associated with globalization have provoked outbursts of religious, cultural, political, and individual reaction, and sometimes crime, revolution, and war.[60] These eruptions can threaten U.S. security interests, expose the shortcomings of U.S. policy, and generate demands for intervention.

### *Globalization and Security Policy*

Globalization has vastly expanded the scope of security policy. For individuals, communities, and nations alike, security has always meant freedom to pursue a freely chosen way of life without undue danger, interference, or uncertainty. Today, threats have proliferated in both number and in type. Globalization creates and exposes vulnerability to what had previously seemed remote or irrelevant.

**External Threats.** Traditionally, security has been an external, cross-border concept. City dwellers built walls and fought off invaders. Alternatively, their leaders went off and conquered their neighbors. The danger of a Soviet nuclear attack has disappeared, but the threat of conventional, territorial war has not (for example, the Korean Peninsula, the Taiwan Strait, the Spratly Islands, and Kashmir). Military forces are still organized geographically, and their most basic mission is to protect territorial integrity.

In the era of globalization, by contrast, external threats have increasingly assumed transnational forms. Information on making weapons of mass destruction can be gleaned from the Internet. Because of improvements in transportation and communications, globalization has multiplied the instances and destructiveness of covert criminal activities (for example, crime, drugs, terrorism, and trafficking in human beings) and given rise to new, invisible threats (for example, cyberterrorism and new forms of germ warfare).

Economic priorities figure prominently in the new security calculus. In the most recent national security strategy document issued by the White House, for example, the tasks of security are not only to protect territory and save lives but also "to promote the well-being and prosperity of the nation and its people."[61] The broad scope of this thinking brings U.S. security policy more into line with what leaders in ASEAN,

Japan, and elsewhere call *comprehensive security*. Security thinking in other parts of the world has been moving in this direction as well.[62]

Environmental and demographic changes also have cross-border effects. As national economies have become more integrated, hardship and crisis in one country can puncture livelihoods in the entire region. Environmental disasters—ranging from Chernobyl-type accidents and erosion-induced flooding to the polluting effects of slash-and-burn agriculture on a massive scale—can erode the health of people in neighboring countries. One example is the drifting of smoke and haze from burning fields in Indonesia to Malaysia and Singapore.

**Internal Threats.** In addition to coping with external, cross-border threats, security planners must now grapple with the internal dynamics that stoke those threats in the first place. A certain number of states are either too rigidly controlled or too weak at the center to cope with globalization, let alone take advantage of it. They are clustered in the geographical region extending from the former Soviet Union through the Middle East and down through much of sub-Saharan Africa. The so-called failed states—Somalia, Sudan, and possibly Sierra Leone and Pakistan—are in this region. Four states whose rulers are most at odds with emerging norms of the post-Cold War international order—Iraq, Iran, Libya, and Afghanistan—are also located there. (Two others are North Korea and Burma or Myanmar.) These states either deliberately isolate themselves from the international community or pursue policies known to invite isolation. In a slightly different category are a handful of states such as Colombia, whose governments contain or shelter criminals who are heavily engaged in the global drug trade.

The collapse of internal sovereignty can also become a regional security headache. What begins as a collapse of authority soon spawns rag-tag rebel armies, ethnic thugs, armed quasi-religious groups, drug traffickers, vigilantes, and shakedown artists.[63,64] Other countries can be drawn into internal problems if local violence spills across borders, if domestic insurgents and criminal elements receive funding and combat support from abroad, if insurgents take foreign hostages or launch a "holy war" against their neighbors, or if genocide occurs. Devising a global security policy now requires coming to grips with its internal aspect, which is individual and human, as well as its external aspect, which is collective and territorial.[65]

Sooner or later, the infusion of information technology and services into countries ruled by corrupt or repressive governments stimulates a drive for more political openness and predictability. It raises awareness of the outside world, encourages behavior that conforms to basic global norms and standards, fosters networking among NGOs, and brings abuses to global attention. But the near-term dangers are real and complex.

Both the external and internal dimensions of security call for a new definition of stability: peaceful adaptation to change. In the age of globalization, no government can isolate its people completely and forever or keep them from demanding political reform, religious freedom, more land, or whatever their need happens to be. Such demands frequently lead to abrupt change. The U.S. security community tends to see changes in the status quo as destabilizing, but they need not be threatening, even if they shake up regimes friendly to the United States. To paraphrase Rosenau, what

matters is whether the change in question conforms to emerging global norms and whether it contributes to or detracts from the coherence of the system (that is, long-term sets of relationships and conditions).[66]

### *Strengthening National and International Security in the Era of Globalization: Goals, Strategies, and Process*

**Goals.** The overarching objective of U.S. foreign and security policy in the era of globalization should be to shape the emerging world order in a way that protects U.S. interests and promotes U.S. and allied values. Protecting the territorial integrity of the United States and its treaty allies is obviously a vital interest,[67] but other interests and values are of relevance to the rest of the world as well. They include a stable peace; democratic governance based on inclusion, justice, and legitimacy; economic opportunity; basic respect for the individual; and social, cultural, and environmental health and well-being.

The goals required to carry out the overarching objective of shaping a benign world order include:

- Promotion of global norms through peaceful adaptation to change and integration, accompanied by the development of corresponding global rules and institutions. Steps include strengthening and expanding the multilateral trading and financial system, participating in various environmental and arms agreements for which there appears to be a global consensus, and devoting more resources to conflict prevention. The current governance gap between advanced rule making and dispute settlement in the trading system and weak or nonexistent guidelines and rules in other aspects of international life should be narrowed so that legitimate concerns are addressed and not targeted exclusively at economic institutions such as the WTO and the International Monetary Fund.
- Simultaneous nurturing of regional, national, local, group, and individual autonomy through active promotion of diversity and free choice, reflected in strong, accountable, and flexible domestic institutions. Steps include promoting democracy, supporting efforts to protect indigenous populations and cultures, and providing financial assistance for the poorest countries.
- Enhancement and expansion of institutions and instruments of cooperative security, founded on widely shared norms and respectful of autonomy and peaceful change, to contain or reduce existing threats and prevent the development of new ones. Steps should address the demand for weapons of mass destruction and advanced conventional armaments, as well as the supply—that is, the conditions that give rise to destabilizing arms buildups and violence in the first place. Actions should take account of how U.S. actions are perceived abroad, as well as the close link between traditional and nontraditional threats (for example, civil war and crime).

Of these three goals, promoting global norms is probably the most basic. World leaders are increasingly being challenged to subscribe to and put into practice an

emerging set of global norms. The UN Millennium Declaration of September 2000 identified certain fundamental values as "essential to international relations in the twenty-first century." They are freedom, equality, solidarity (including equity and social justice), tolerance, respect for nature, and shared responsibility (for managing economic and social development, as well as threats to international peace and security).[68] This list downplays certain typical American themes (such as economic opportunity and basic human rights), but it is generally consistent with them.

Norms are usually at the heart of durable institutions.[69] Many of today's recognized workaday institutions started as shared basic norms, which the statesmen of the day then hammered into articles of agreement. A good example is the GATT and its successor organization, the WTO, whose complex rules on market access and elaborate system of dispute resolution evolved from and are rooted in the principle of nondiscrimination.

In the era of globalization, to use Rosenau's language, the evolution of shared norms is characteristic of the emerging global-domestic frontier and gives voice to the collective nature of shared challenges. It is not that a world society has consolidated its shared norms, leaving out a small minority, but that "enough evolution has occurred for traces of widely shared norms to be noticeable."[70] Even dictators often cloak their misdeeds in normative language. The phenomenon is not exactly new; La Rochefoucauld's 17th-century maxim that hypocrisy is the homage that vice pays to virtue probably applies to the entire sweep of political history. The difference today is that such language is global and so are its means of transmission.

The notion of emerging global norms is controversial. Who has the right to say what is "global"?[71] The debate about what is and is not "Western," as opposed to global or universal, has great bearing on the charge that globalization amounts to cultural imperialism, but almost every conflict that swims into global focus features recognizable demands for political participation, justice, and basic human rights (or some variation thereof).

**Strategies.** Achieving the three goals listed earlier—promoting global norms, nurturing autonomy, and creating new instruments for cooperative security—is a step-by-step process. Policymakers will have to continuously redefine and refine the substance and style of their daily work to correspond to the speed, intensity, opportunity, and potential for disaster associated with globalization. They will need a strategy based on cross-disciplinary analysis encompassing all aspects of globalization and all available tools and partnerships.

Cross-disciplinary analysis is necessary because of the interconnectedness of various aspects of global development. For instance, adequate security is a prerequisite for healthy economic growth. That growth in turn makes possible a reasonable level of defense spending and fosters a vibrant middle class. The growth of a middle class is associated with the demand for economic opportunity and, usually, more political freedom. And so on.[72]

Another crucial prerequisite is the ability to build consensus and to work as a genuine team with friends and allies, where necessary through compromise. Despite its hegemonic status, the United States cannot shape a world order adapted to emerging global norms, autonomy, and security all by itself. Building such a world order in

the era of globalization requires help and cooperation from others—allies, friends, and governments that are not particularly friendly to the United States, but with which it has common interests. Moreover, globalization has increased the value of "soft" power, which depends on alliances and coalitions for maximum effect.[73]

There is still no meaningful strategic dialogue about coordinated policy responses to globalization between and among the United States and its allies. Building coalitions is a frequently stated objective, but proposed compromises to achieve those coalitions are often dismissed as "non-starters," meaning politically unacceptable. But giving in to this defeatist viewpoint is itself a non-starter. "Buy America" legislation, suspicion of foreign motives, and a residual instinct to go it alone still hamper the ability of the members of U.S.-led coalitions to cooperate internally[74]—to the detriment of U.S. security. In particular, the emphasis that the United States places on sanctions against would-be nuclear weapons states will have to be tailored and adapted to the security priorities and prescriptions of others if a more cooperative security strategy is to be feasible.

On some occasions, U.S. unilateral action may be appropriate, as in the initial response to the Iraq-Kuwait war of 1990–1991.[75] On other occasions, some missions will have to be carried out "the European way," "the Asian way," or whatever way is appropriate because others may be better equipped to do the job and/or the job is not a U.S. responsibility in the first place. In all cases, U.S. leaders should avoid sounding arrogant or sanctimonious.

Strategies designed to channel globalization toward a benign world order must transcend governments, making use of regional and international institutions as well as local public-private partnerships involving companies and/or nonprofit groups and organizations. Nongovernmental organizations are changing the face of politics all over the world. Aided by media attention, they have been regularly demanding a voice at international meetings and in the Congress. They are bound to be active in or around future combat or peacekeeping missions. The security community must come to grips with the new power and presence of nongovernmental organizations.

**Global Systemic Strategies.** Changes in the nature of security and stability have consequences for the structure and dynamics of the international system. As noted earlier, the global system that emerged after World War II tilted toward the economic arena, with security arrangements taking a regional form. Even a decade after the end of the Cold War, the global system remains asymmetrical.

For example, the development of international institutions is currently lopsided. Economic and financial institutions, notably the World Bank, IMF, and the WTO, are relatively well developed, with established procedures and rules and a proven record of accomplishment. So are certain technical organizations such as the World Health Organization and the International Telecommunications Union, both of which are specialized agencies of the United Nations. But there are many global problems for which no effective international institution exists or for which joint action is inadequate. The International Labor Organization provides an important forum for the relevant players (that is, government, labor, and employers), but it lacks "teeth." There is no functioning world environment organization, although one has been proposed.[76] The United Nations under Secretary General Kofi Annan is struggling to

improve its performance in peacekeeping and humanitarian intervention. In all of these areas, global governance lags behind globalization.

Efforts to negotiate cooperative responses to the effects of globalization across the board are ongoing and must continue. It is important, for instance, to build and make operational a fair and accountable global economic system loosely linking trade, investment, finance, energy, and monetary affairs. Building a system does not call for a new bureaucracy, merely closer coordination of existing ones.

A linked economic system should coordinate national policy responses, stimulate cross-national policy thinking, and prompt communication across traditional lines (for example, between trade policy and international finance, monetary policy and development assistance, private investment and banking supervision). It should promote transparency, provide for emergency energy sharing, and stimulate the development and equitable diffusion of technology. Such a system must respond to the legitimate trade, investment, and debt-related needs of developing countries. It must provide for adequate resources to prevent extreme financial volatility and, if prevention fails, to deal swiftly with it. It must address legitimate labor and environmental concerns. It must provide a voice for those whose livelihoods are threatened by economic globalization, as well as for those who benefit from it. Launching another round of multilateral trade talks is a necessary step, but it addresses only one aspect of economic globalization.

Another priority is the enhancement and possible expansion of security institutions to prevent and contain conflicts. At the UN Millennium Summit, heads of state pledged to make the United Nations a more effective institution in the fight against violence, terror, and crime, and to intensify efforts to reform the UN Security Council. These promises raise a basic set of questions about roles and missions. What is NATO's mission, how does it mesh with the UN system, and how many security problems should the United States take on by itself? Specifically, is "humanitarian intervention" a legitimate and appropriate mission for U.S. and allied and/or UN forces? If so, what are its limits? According to the doctrine of "overwhelming and decisive force" (prevalent during the Reagan-Weinberger years), U.S. forces should be sent into battle only if political objectives are clear and measurable, overwhelming force can be applied quickly, and an exit strategy is in place. Armed intervention to halt "ethnic cleansing" or genocide is unlikely to meet those criteria.

A related question centers on the potential uses of military forces, besides fighting and preventing wars.[77] The challenge is to determine the boundaries of U.S. (and NATO) military deployment. A typical security mission of the future is likely to combine diverse operations in such varied fields as combat operations, peacekeeping, mine clearing, refugee protection and relocation, police training, law enforcement, antiterrorism, disaster relief, and reconstruction of transport and communication facilities. U.S. soldiers, sailors, airmen, and marines may be the best trained and equipped forces on the scene—but how many of these tasks should U.S. forces be expected to undertake?

No institution is politically prepared for this broad mixture of tasks either. NATO had a difficult time coping with the Balkan crisis. Elsewhere in the world, collective security organizations are either defunct (for example, the Southeast Asia Treaty Or-

ganization [SEATO]) or never existed at all. The UN Security Council is capable of functioning reasonably well in certain cases (for example, Iraq), and much if not all of what has been done in the Balkans bears the Council's seal of approval. Nevertheless, its structure is somewhat outdated, it is frequently incapable of action, and it does not adequately back up decisions with resources.

The European effort to develop a meaningful security and defense "identity" is a good idea, but it will be years before Europeans acquire sufficient hardware, skills, and transport capacity to translate their goals into action. (Helicopters for relief activities in Mozambique, for example, had to be ferried in aging transport planes from Ukraine.) Moreover, the further away a proposed out-of-area action, the less likely a European consensus or even majority approval for intervention.

The contrast between the wide range of global conflicts and the current inadequacy of institutions and resources is stimulating fresh thinking. For example, a new high-level report on the UN peacekeeping department recommends not only the provision of adequate support for peacekeeping but also an integrated task force for each mission that combines political analysis, military operations, civilian police, electoral assistance, aid to refugees and displaced people, public information, logistics, finance, and recruitment.[78] In the meantime, the United States can use its influence to bring existing allies together and encourage them to tackle security problems cooperatively.[79] The same approach can be tried in other parts of the world, beginning with bilateral dialogues. Successful security mechanisms developed in a bilateral context can and should gradually be extended to plurilateral relationships.

**Global Issue-Specific Strategies.** In parallel with systemic measures, globalization strategies can tackle specific problems that are worldwide in scope without waiting for institutions to catch up. The working group on money laundering set up within the Organization for Economic Cooperation and Development (OECD) is an example. Task forces on crime, cyberterrorism, piracy, and illegal resource depletion (for example, intensive fishing and trafficking in endangered species) are good candidates for a cooperative approach, and some work along these lines is under way. In the private sector, global organizations dedicated to fighting corruption (Transparency International) and providing health services to the world's poor (Doctors Without Frontiers) are pioneering examples.

Coordinated, effective, issue-specific responses to globalization require some degree of international consensus on the substantive issues to be negotiated. These responses should be drawn up and implemented in close partnership with relevant groups in the private sector. Peace, security, health, a clean environment, labor standards, and protection of important cultural landmarks are among the many examples of "global public goods," that is, public goods whose benefits are diffused among people in several countries.[80,81] Neither the marketplace nor governments on their own can relieve the shortage of such goods.

The United States, working closely with allies and friendly governments, needs to take more initiative to shape and strengthen the international system and to help solve specific global problems. Globalization calls for a comprehensive set of responses. Moreover, the governance gap that exists between economic institutions and most other forms of international decisionmaking should be narrowed.

In addressing these problems, the United States must be at the forefront with actions and resources, not soundbites and sermons. If the Nation profits from globalization, but does little or nothing to share its benefits and offset its risks, other countries are certain to shape the world of the future in ways that reflect neither U.S. interests nor U.S. and allied values.[82]

**Regional and Subregional Strategies.** For the most part, globalization works itself out in characteristic regional and subregional ways rather than on a uniform, worldwide basis. In an age of global media, U.S. policies toward various regions should not be inconsistent, although they need not be identical. Regional strategies permit policymakers not only to promote regional free trade and investment but also to address the social, political, and cultural concerns associated with globalization and linked to autonomy. These concerns include corruption, health and environmental issues, threats to cultural vitality, and a variety of other challenges.

A pillar of U.S. regional strategy continues to be the negotiation of regional free trade agreements. The major examples are the North American Free Trade Agreement (NAFTA), completed in 1993; the Free Trade Area of the Americas (FTAA), currently under negotiation with a deadline of 2005; and the APEC forum, which aims at open trade and investment by 2010 for developed countries and 2020 for developing ones. Imperfect as they may be from a labor or environmental perspective, these agreements and proposals have stimulated trade and investment, ratcheted up global standards, and advanced rules-based dispute settlement. They also have geopolitical significance. In addition, they have given a regional voice to global norms.[83]

The near-term future of FTAA and APEC negotiations is in doubt because the Clinton administration failed to secure the requisite political support and authority from the Congress (including so-called trade-promotion authority). This situation should be corrected as soon as possible. In addition, the United States has an interest in developing a strategic economic partnership with the European Union.[84] Provided that regional economic agreements are broadly consistent with the global system, U.S. negotiators should be empowered to pursue them as boldly and quickly as circumstances permit.

In many regions, coping with globalization will suggest open, flexible, ad hoc coalitions leading to informal security communities rather than to formal bipolar or multipolar commitments directed against particular governments. Conversely, regions in which governments fail to participate in such coalitions and groupings will miss out on the benefits of globalization and will suffer most from its ill effects. The mechanisms and processes established to promote regional economic cooperation, where they exist, can increasingly be used or built upon to address common security issues. For example, Russia and China already participate in the ASEAN Regional Forum, an extension of ASEAN that serves as an umbrella for discussions on regional political-security questions.

The United States is already actively promoting regional cooperation, but could do more. Tools of engagement and "soft" power projection include open trade and investment initiatives (backed by Congressional authorization and on terms beneficial both to developing and to industrialized countries), inclusion in regional and international decisionmaking bodies, and expanded educational and training opportunities,

to name just a few. Aid resources, including officially guaranteed credits, should be championed as an integral component of U.S. national security strategy and bolstered accordingly. Joint exercises and other forms of noncombat military operations can also play an important role in strengthening systemic tendencies toward the peaceful resolution of disputes. A special effort should be devoted to building up a cadre of regional experts in law, arbitration, and conflict resolution.

The fate of certain swing or pivotal countries will influence the evolution of their regions or subregions. Russia and China, with their vast territory and ethnic diversity, are the two most important states whose future is still uncertain. Bringing them more fully into the various leadership "clubs" and elite consultative groups should be a high priority. In the developing world, one group of authors has identified "pivotal" states as Algeria, Brazil, Egypt, India, Indonesia, Mexico, Pakistan, South Africa, and Turkey.[85] The 12 "Big Emerging Markets" identified by the first Clinton administration on the basis of population, growth, and business opportunities were Argentina, Brazil, China, Hong Kong, India, Indonesia, Mexico, Poland, South Africa, South Korea, Taiwan, and Turkey. The countries on both lists are Brazil, India, Indonesia, Mexico, South Africa, and Turkey. (China was not ranked as a "developing" country but is obviously "pivotal," and Iran could emerge as a candidate.)

These countries are important and deserve more focused policy attention and inclusion than others. They have sufficient strength and presence to qualify them as regional powers. At the same time, their size, diversity, and residual poverty make them difficult to govern. Their readiness for globalization, their quality of governance, their security environment, and the nature of their cultures vary widely.

They should not be judged solely on the basis of whether they possess or are developing nuclear weapons (for example, India) or cooperating in the U.S. war on drugs (for example, Mexico). Public, annual, single-issue report cards on these countries should be abandoned, since they contribute little or nothing to what is already known and stir up anti-American resentment in the target country.

An inchoate strand of a regional strategy is giving priority attention to cities and coasts. Globalization permeates world-class cities and coastal communities faster than rural or landlocked ones, and its benefits and risks are correspondingly greater. Large cities constitute nodes in global networks of information and money. Coastal communities benefit disproportionately from trade and investment because of the transportation advantages afforded by access to large bodies of water. New jobs are more plentiful. Cultures in these areas are typically more cosmopolitan, less encumbered by caste and taboo. Educational standards are usually higher. Privacy and anonymity are more attainable for those who want them.

At the same time, globalization brings new threats to urban and coastal communities. Waves of migration from the impoverished countryside to already overcrowded cities severely strain resources; between 40 and 60 percent of urban growth is attributed to internal immigrants of this kind.[86] Inadequate sewage and air pollution compound health problems. Political discontent among those left behind can foster insurgencies or extremist movements. Global criminals and polluters take advantage of cities and coastlines to engage in drug trafficking, piracy, money laundering, illegal immigration,

and the plundering of marine resources. Indonesia, a nation of islands and overcrowded cities, suffers from most, if not all, of these ills, but it is not alone.

A successful regional and subregional strategy would emphasize initiatives that build on shared norms while respecting local needs, cultures, and autonomy. It would include a security component. It would trim or drop programs that merely project onto other countries pet projects dreamed up in Washington. It would jettison outdated unilateral sanctions, if any. It would be carried out by well qualified ambassadors, not political hacks. A toolbox consisting of aid, credits, technical assistance, and simple presence on the ground would permit the United States to engage in activities tailored to the local scene. The mix might include, say, boosting job creation in the poorest rural areas (to dampen urban migration), strengthening and training local coast guard forces, training individuals to provide legal assistance, sponsoring exchanges of cultural and religious leaders, cooperating with environmental NGOs, and offering other components of a well thought out pattern.

**Process.** As every good bureaucrat knows, the daily work of the government consists largely of process rather than substance. Like most national governments, the U.S. Government is inadequately prepared and organized to deal with decisionmaking aspects of globalization. Pursuing the goals and strategies outlined earlier calls for setting up a process that conforms to the following guidelines.

*First, devising a successful globalization strategy will require much closer coordination between the economic and security policymaking communities in Washington.* There should be far more teamwork and dialogue between the two groups than there is now and a far higher level of coordination. The Office of Management and Budget (OMB) could take the lead. A revised personnel system should be established to reward, not punish, people who break down outdated bureaucratic barriers. Closer coordination will help to avoid costly mistakes, identify appropriate tools to cope with emerging problems, and lessen the likely need for a U.S. show of force or intervention.

Within the Executive Office of the President, the National Economic Council should be merged into the National Security Council to form a single policy council that integrates economic and security expertise, as well as other disciplines.[87] The State Department should consider similar measures to bridge the gap between its economic and political-military bureaus. U.S. policy should reflect a tightly coordinated blend of financial, commercial, and military resources and priorities.

Such coordination should begin at the top and become institutionalized by means of specific changes in each agency's personnel system. The President must set the tone. The Treasury Department, traditionally the most secretive and exclusive of all the major agencies (and in fairness, one of the most competent), must consult with and be consulted by the full range of players, including the Department of Defense, to a far greater degree than in the past. For their part, Congressional leaders should take corresponding steps to promote communication and cooperation among Congressional committees.

This new commingling could lead to small, but meaningful, changes in policy. For example, the United States may need to modulate its laissez-faire policy on international capital flows and place more emphasis on foreign bank supervision. It

should also step up the pace of reducing its own barriers to exports from poor countries—for national security reasons as well as humanitarian ones.

*Second, U.S. policymakers should unite in support of more funding for nonmilitary instruments of foreign policy to achieve a better balance with military ones.* The ability to shape globalization rather than just react to it requires adequate resources and a better balance between "hard" and "soft" security.

Nonmilitary instruments of U.S. foreign policy, such as foreign aid, educational exchanges and scholarships, visitors' programs, public diplomacy, and contributions to humanitarian programs and multilateral organizations, are pitifully small in comparison with U.S. military power and global reach. Spending on these nonmilitary instruments has shrunk steadily over the last 20 years, from 4 percent of the Federal budget in the 1960s to 1 percent today.[88]

Although the number of U.S. troops overseas also declined in the 1990s, the American presence abroad is overwhelmingly dedicated to conflict-related missions—defense, law enforcement, and peacekeeping—rather than to conflict prevention, institution building, environmental cleanup, education, public diplomacy, and other peaceful missions. In the era of globalization, these latter missions are more important than ever. Neither U.S. companies nor U.S. troops should be expected to take primary responsibility for such missions, although they may make important contributions.

Generous education and training programs, development assistance, credit programs, conflict prevention, and old-fashioned diplomacy should receive higher priority. Officeholders in these fields should have adequate budgets and staff, as well as access to the White House. Their perspectives are essential to an integrated strategy.

*Third, decisionmaking will have to become speedier, communications more direct, and organizations flatter and more streamlined.* This will be difficult because of the greater variety of perspectives built into the strategy. But compartmentalized activities will no longer do. This is as true in the military services as it is in the rest of the foreign policy community. As outgoing Commander in Chief of the U.S. Central Command, General Anthony Zinni, put it, "Napoleon could reappear today and recognize my Central Command staff organization: J–1, administration stovepipe; J–2, intelligence stovepipe—you get the idea. . . . This must be fixed."[89]

*Fourth, policymakers will have to learn more about historical, technological, cultural, religious, environmental, and other aspects of world affairs than they have to date.* More people with expertise in these nonmainstream fields should be hired and utilized in mainstream positions. Where appropriate, representatives of religious groups should be recruited and assigned to diplomatic missions.[90] Nongovernment actors of all backgrounds should be consulted not occasionally and after the fact, but routinely and as far ahead of time as possible. Ambassadors should be appointed from the ranks of career diplomats or serious noncareer professionals capable of, and interested in, learning about the regions to which they are assigned.

*Fifth, building and maintaining coalitions with friends and allies to channel globalization in constructive directions and mitigate its harshest aspects should receive higher priority.* The United States cannot have everything its own way. Its officials cannot preach free trade, the rule of law, and other aspects of international order

to others and make an exception for the United States. Relatively small commercial disputes should be settled promptly so that they do not sour prospects for cooperation on more important economic, political, or security issues. Laws and regulations that impinge on others' interests (for example, the economic sanctions legislation of the mid-1990s) should be avoided. The annual G–8 summit should revert to the pattern set by President Valery Giscard d'Estaing of France in 1975 (where the first such summit was held)—focused, intense, selective, informal discussions of pressing economic issues among leading heads of state.[91] (China should be added to the group.) No matter what the setting, the United States should take pains to avoid sounding sanctimonious, bullying, or arrogant.

*Sixth, internal policy coordination should be such that domestic speeches and policies that have bearing on foreign and security policy could be modified, adapted, or at least reexamined in light of global public opinion*. Globalization blurs the distinction between "domestic" and "foreign" policy. Foreigner bashing, bullying remarks and unilateral threats damage American interests abroad, even when uttered before domestic political audiences because the globalized media will flash them around the world. Policies may have a strong rationale at home, but their foreign policy and security costs may be too high. For instance, there is a strong security argument for reorienting the battle against drugs from suppression abroad and interdiction at the border to greatly expanded treatment and prevention of addiction at home. This shift would free major resources and remove a periodic irritant in U.S. relations with otherwise friendly countries.[92]

*Finally, more effort must be made to gain domestic support for global engagement.* Contrary to the perceived "isolationism" of the public, polls show that a majority of U.S. citizens are not opposed to engagement and intervention abroad, military or otherwise, but they will rightfully demand explanations for it from their elected leaders.[93] Instead of "grandstanding" and pandering to the politics of the moment, leaders should strive urgently to restore bipartisan support for vigorous U.S. engagement. Such support is needed not only from Congress but also from states, localities, and key nongovernment actors.

## Conclusions and Recommendations

Globalization holds the promise of global pluralism—a state of society in which autonomous groups maintain and develop their culture, livelihoods, and interests within the confines of shared norms and a shared world order. This promise is broadly consistent with U.S. international security and foreign policy interests, as well as with the long-term needs of most of the world's people. Over time, globalization promotes openness, encourages political and economic reforms, strengthens the demand for the rule of law, and fosters norms-based integration.

From a security perspective, the worrisome phrase is "over time." In areas of the world where poverty is widespread and institutions are weak, economic globalization is outstripping the development of public and private means to help ordinary people cope with its effects. In the near term, globalization can sharpen class differences, feed rampant corruption, fortify dictators, and arm criminal elements and terrorists.

Sound environmental standards, access to clinics, and safety nets may exist only on paper, if at all. Shocks associated with rapid globalization, especially short-term financial flows, can shake up the body politic, throw more people into poverty, foment riots, and force a retreat from market-oriented reforms, whipping up anti-Americanism in the process.

The overarching objective of U.S. policy is to shape the emerging world order in a way that avoids these disasters and channels the wave of globalization in directions that ease adaptation to rapid change and peaceful integration. The United States should avoid policies that polarize the global community, concentrating instead on promoting global norms that are accompanied by global systems, institutions, and rules. At the same time, U.S. policymakers should place a premium on the protection of regional, national, local, group, and individual autonomy based on diversity and free choice; reflected in strong, accountable, and flexible domestic institutions; and sustained by the rule of law. Finally, the U.S. security community needs to work with others to enhance and expand institutions and instruments of cooperative security, founded on widely shared norms and respectful of autonomy, to contain, reduce, or prevent conflicts and other threats to a peaceful world order.

To pursue these goals, policymakers should be prepared to make necessary compromises with allies to gain their support as partners and forge new, flexible, ad hoc coalitions with friendly governments, NGOs, and private business. Most of these notions exist on paper, but are not considered relevant to national security. They are.

The strategy also requires a more balanced set of tools, namely, adequately funded *non*military instruments of foreign policy. Without a more well stocked and diversified toolbox, U.S. military forces will be under mounting pressure to solve problems for which military power is not well suited.

Finally, the strategic agenda should include a streamlined, flexible, and coordinated decisionmaking process adapted to the Internet Age and capable of responding quickly to fast-moving foreign crises. This process should be initiated by the White House and embedded in the goals and missions of the various departments and agencies. It should embody routine coordination between economic and security policies; draw in political, cultural, religious, environmental, demographic, and other perspectives; build support for active global engagement in Congress and the public; and seek common ground with those voicing legitimate concerns about globalization, both at home and abroad.

For their part, developing country governments can help to smooth adaptation to globalization by establishing the right policies and priorities. These include strengthening the rule of law, dismantling unnecessary regulatory restrictions, promoting education, punishing corruption, fostering inclusion, guaranteeing the peaceful transfer of power, emphasizing the adaptive elements of the prevailing political culture, and, where feasible, deepening trade and investment relationships with neighboring countries. These steps are far more important than geography and natural resources. Countries that are resource-poor, landlocked, or lacking in navigable rivers have to try harder, but if the policy climate is right, and if their neighbors are not waging war on them, they can often find a niche. Successful adaptation depends on the strength, flexibility, responsiveness, and openness of institutions; the cultures in which those

institutions are embedded; and the ability of individual leaders to shape those institutions and cultures for a new era.

Those involved in setting U.S. priorities and allocating U.S. resources to deal with these challenges of globalization will have to work together far more closely, quickly, and flexibly than they have to date. They will need adequate tools and budgets. They need to avoid preaching and practice humility. They will have to develop a thorough understanding of globalization, shared criteria of success, a more considered ranking of the priorities at stake, and a more balanced application of resources, including but not limited to military forces—in short, a globalization agenda informed by strategic purpose.

## Notes

The author is grateful to Frederick M. Montgomery for his extensive and insightful comments on earlier drafts of this chapter.

[1] Compare with "[Globalization] is morally neutral…. It can be good or bad, depending on the kind of content we give to it." Vaclav Havel, *The New York Times,* August 23, 2000, A8.

[2] The term *globality* is taken from Daniel Yergin and Joseph Stanislaw, *The Commanding Heights* (New York: Simon and Schuster, 1998), 14. Robert O. Keohane and Joseph S. Nye, Jr., prefer the word *globalism*. See their article in *Foreign Policy*, no. 118 (Spring 2000).

[3] Commission on Global Governance, *Our Global Neighborhood* (Oxford, England: Oxford University Press, 1995), 1.

[4] Thomas L. Friedman, *The Lexus and the Olive Tree: Understanding Globalization* (New York: Farrar, Straus and Giroux, 1999).

[5] Dani Rodrik, *Has Globalization Gone Too Far?* (Washington, DC: Institute for International Economics, 1997), 1.

[6] The White House, *A National Security Strategy for a New Century* (Washington, DC: Government Printing Office, December 1999), 1.

[7] Defense Science Board Task Force on Globalization and Security, *Globalization and Security*, i.

[8] David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton, *Global Transformations: Politics, Economics, and Culture* (Stanford, CA: Stanford University Press, 1999).

[9] Michael D. Bordo, Barry Eichengreen, and Douglas A. Irwin, "Is Globalization Today Really Different from Globalization a Hundred Years Ago?" *Brookings Trade Forum 1999* (Washington, DC: The Brookings Institution Press, 1999), 1–50.

[10] James N. Rosenau, *Along the Domestic-Foreign Frontier: Exploring Governance in a Turbulent World* (Cambridge, England: Cambridge University Press, 1997), especially chapters 4–6.

[11] National Defense University, Institute for National Strategic Studies, Project on Globalization and National Security, "Stability, Stasis, and Security: Reflections on Superpower Leadership," *Global Forum* 1, no. 1 (June 2000).

[12] Jessica T. Mathews, "Power Shift," *Foreign Affairs* 76, no. 1 (January/February 1997), 50–66.

[13] Rosenau, *Along the Domestic-Foreign Frontier*.

[14] Anne-Marie Slaughter, "The Real New World Order," *Foreign Affairs* 76, no. 5 (September/October 1997), 183–197.

[15] John Newhouse, "Europe's Rising Regionalism," *Foreign Affairs* 76, no. 1 (January/February 1997), 67–84.

[16] David C. Gompert, *Right Makes Might: Freedom and Power in the Information Age*, McNair Paper 59 (Washington, DC: National Defense University Press, May 1998).

[17] For a comprehensive discussion, see Wolfgang H. Reinecke, *Global Public Policy: Governing Without Governance?* (Washington, DC: The Brookings Institution Press, 1998).

[18] For a description of how Coca-Cola and McDonald's are coping with this trend, see "Fallen Icons," *The Financial Times*, February 1, 2000, 12.

[19] The Asian financial crisis demonstrated that the pace of financial liberalization exceeded institutional capacity to deal with credit booms and liquidity/currency "mismatches." See Morris Goldstein, *The Asian Financial Crisis: Causes, Cures, and Systemic Implications* (Washington, DC: Institute for International Economics, 1998).

[20] Anton Lukas, *WTO Report Card III: Globalization and Developing Countries*, Trade Briefing Paper No. 10 (The Cato Institute, June 20, 2000), 2.

[21] World Bank, *World Development Indicators 2000* (Washington, DC: The World Bank, 2000), 3.

[22] <http://www.turnpoint.org>. For similar perspectives and links, see also the Web site maintained by the International Forum on Globalization, <http://www.ifg.org> and <http://www.globalexchange.org>.

[23] See "Global Trade Watch" at Public Citizen's Web site, <http://www.citizen.org>.

[24] Lori Wallach and Michelle Sforza, *Whose Trade Organization?* (Washington, DC: Public Citizen, 1999).

[25] See the full-page newspaper advertisements criticizing globalization found at <www.turnpoint.org>.

[26] UN Development Program, *Human Development Report, 1999* (New York: Oxford University Press, 1999), 7.

[27] A new Asian monetary fund aimed at preventing or mitigating such crises, proposed by the Japanese, is now under discussion.

[28] Debraj Ray, *Development Economics* (Princeton, NJ: Princeton University Press, 1998), 29.

[29] For a clear-sighted analysis of the disappointing record of aid to Africa, see Carol Lancaster, *Aid to Africa: So Much to Do, So Little Done* (Chicago: Century Foundation and University of Chicago Press, 1999).

[30] For example, what Alan Greenspan calls *asset inflation*—the booming U.S. stock market—has created huge wealth, but that wealth has not been taken away from the poor. By contrast, the financial crisis in Asia in 1997–1998 temporarily crushed the livelihood of millions of people.

[31] World Economic Forum Task Force, *From the Global Digital Divide to the Global Digital Opportunity*, statement to the G–8 Kyushu-Okinawa Summit, July 21–23, 2000, www.weforum.org; Andrea Goldstein and David O'Connor, "Bridging the Digital Divide," *The Financial Times,* July 21, 2000, 15.

[32] A.T. Kearney, *Globalization Ledger*, April 2000, <www.atkearney.com>.

[33] The collapse of Hanbo Steel in Korea is one of many examples. See Kimberly Ann Elliott, "Corruption as an International Policy Problem: Overview and Recommendations," in *Corruption and the Global Economy*, ed. Elliott (Washington, DC: Institute for International Economics, 1997), 196.

[34] Patrick Glynn, Stephen J. Kobrin, and Moisés Naím, "The Globalization of Corruption," in *Corruption and the Global Economy*, ed. Elliott (Washington, DC: Institute for International Economics, 1997), 10.

[35] For a thoughtful survey of research on this topic, see Joan M. Nelson, *Poverty, Inequality, and Conflict in Developing Countries* (New York: Rockefeller Brothers Fund, 1998).

[36] Andrew Leonard, *Finland—The Open-Source Society*, 2000, <http://www.salon.com>.

[37] The author borrows this word from the late Benjamin I. Schwartz, who applied it to China to identify recurrent patterns in the face of change.

[38] See Lawrence E. Harrison and Samuel P. Huntington, eds., *Culture Matters* (New York: Basic Books, 2000); Samuel P. Huntington, *The Clash of Civilizations*, 2d ed. (New York: Touchstone Books, 1997); Kishore Mahbubani, *Can Asians Think?* (Singapore and Kuala Lumpur: Times Books International, 1998); J. Timmons Roberts and Amy Hite, eds., *From Modernization to Globalization: Perspectives on Development and Social Change* (Malden, MA: Blackwell Publishers, Inc., 2000); Robert Hefner, ed., *Market Cultures: Society and Values in the New Asian Capitalisms* (Singapore: Institute of Southeast Asian Studies, 1998); and World Bank, *The East Asian Miracle: Economic Growth and Public Policy* (New York: Oxford University Press, 1993).

[39] The index published by Freedom House ranks countries as *free*, *partly free*, or *not free*. See <www.freedomhouse.org>.

[40] A good example is Transparency International, which ranks countries according to the extent of corruption and has inspired unprecedented efforts to overcome it.

[41] Robert W. Hefner, "Introduction: Society and Morality in the New Asian Capitalisms," in *Market Culture: Society and Values in the New Asian Capitalisms*, ed. Robert Hefner (Boulder, CO, and Singapore: Westview Press and the Institute for Southeast Asian Studies, 1998), 3–5.

[42] McDonald's Corporation 1999 Annual Report, March 15, 2000, 1.

[43] Lee Hsien Loong, speech to the Williamsburg Conference, March 3, 2000 (press release).

[44] James Kurth argues that the "ideology of expressive individualism" can lead to "totalitarianism of the self," according to which human rights are nothing more than the rights of individuals, independent of community or traditions. See James Kurth, "Religion and Globalization," Foreign Policy Research Institute WIRE 7, no. 7 (May 1999). See also "Faith and Statecraft," a special issue of *Orbis* (Spring 1998).

[45] Roland Robertson, quoted in Meredith B. McGuire, *Religion: The Social Context* (Belmont, CA: Wadsworth Publishing Co., 1997), 373.

[46] Miranda Beshara, "Globalization and the Middle East: Growing Together or Apart?" Unpublished paper, Fall 1999, 9.

[47] International Labor Organization, *Workers without Frontiers: The Impact of Globalization on International Migration*.

[48] International Labor Organization, *Workers without Frontiers.*

[49] International Labor Organization, *World Migration Tops 120 Million, Says ILO*, Press Release (ILO/00/2), March 2, 2000.

[50] Giovanni Valentini, *La Repubblica* (Rome), July 14, 2000, translated in *World Press Review,* September 2000, 22.

[51] Joyce Akins, "Globalization and Women: Progress and Pain," unpublished paper, December 1999.

[52] For a comprehensive and readable summary of these concerns, see Hilary French, *Vanishing Borders: Protecting the Planet in the Age of Globalization* (New York and London: W.W. Norton, 2000).

[53] A.T. Kearney, *Globalization Ledger,* April 2000, 12, available at <www.atkearney.org>.

[54] The Aspen Institute, *The Convergence of U.S. National Security and the Global Environment*, Third Conference Report, November 12–16, 1998 (Washington, DC: The Aspen Institute, 1998), 6.

[55] James Kynge, "Yellow River Brings Further Sorrow to Chinese People," *The Financial Times,* January 4, 2000, 4.

[56] Nicholas Timmins, "World Health and Disease Is Now a Local Issue," *The Financial Times*, January 3, 2000, 13.

[57] Carol Lancaster, "Redesigning Foreign Aid," *Foreign Affairs* 79, no. 5 (September/October 2000), 74–76.

[58] For a more comprehensive treatment of military globalization, see David Held et al., eds., *Global Transformations*, chapter 2.

[59] William W. Keller, *Arm in Arm: The Political Economy of the Global Arms Trade* (New York: Basic Books, 1995).

[60] Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon and Schuster, 1996), 36. Huntington sees these forces in cultural and "civilizational" terms.

[61] The White House, *A National Security Strategy for a New Century*.

[62] Paul B. Stares, ed., *The New Security Agenda: A Global Survey* (Tokyo and Washington: Japan Center for International Exchange and The Brookings Institution, 1998).

[63] Robert D. Kaplan, *The Ends of the Earth* (New York: Vintage Books, 1997).

[64] Robert D. Kaplan, *The Coming Anarchy* (New York: Random House, 2000).

[65] Reinecke, *Global Public Policy*, 224.

[66] Rosenau, "Stability, Stasis, and Security."

[67] For a discussion of U.S. interests and a grouping of those interests into priority categories, see The Commission on America's National Interests, *America's National Interests* (Washington, DC: Commission on America's National Interests, July 2000).

[68] UN Millennium Declaration, A/55/L.2, New York, September 6, 2000, 2, available at <www.un.org>.

[69] Webster's dictionary defines *norm* as a principle of right action binding upon the members of a group and serving to guide, control, or regulate proper and acceptable behavior.

[70] James N. Rosenau, *Along the Domestic-Foreign Frontier*, 180–181.

[71] Samuel P. Huntington warns us not to confuse "modern" norms and values with historically unique Western ones. According to him, the world is becoming "more modern and less Western." Huntington, *The Clash of Civilizations*, 78. Amartya Sen, by contrast, challenges the very notion that "Western" values such as liberty, justice, reason, and tolerance are uniquely Western. He points out, for example, that the great Indian ruler Akbar was codifying tolerance at a time when Giordano Bruno was burned at the stake for heresy. See Amartya Sen, "The Reach of Reason," *New York Review of Books* (July 20, 2000), 36. For an anthropological perspective, see Arjun Appadurai, *Modernity at Large: Cultural Dimensions of Globalization* (Minneapolis: University of Minnesota Press, 1996).

[72] To take a recent example, cracking down on intellectual property violations on the part of businesses run by China's People's Liberation Army should not be handled only as a trade issue, as it was in the mid-1990s. It should also be seen in the framework of the army's role in China's political and security evolution.

[73] The author is grateful to Sir Laurence Martin of the Center for Strategic and International Studies for this observation.

[74] US–CREST, *Coalition Military Operations: The Way Ahead Through Cooperability* (Arlington, VA: US–CREST, 2000), xv. *Cooperability* is defined as "the successful bridging between coalition partners of differences in doctrine, organization, concepts of operation, and culture."

[75] Peter W. Rodman has remarked that sometimes the charge of "unilateralism" leveled by U.S. allies against Washington is a code word for policy disagreements or "strategic escapism." See Peter W. Rodman, *Uneasy Giant: The Challenges to American Predominance* (Washington, DC: The Nixon Center, 2000), 51.

[76] Daniel C. Esty, *Greening the GATT: Trade, Environment, and the Future* (Washington, DC: Institute for International Economics, 1994).

[77] Lawrence J. Korb, "The Military: What Role in U.S. Foreign Policy?" in *Great Decisions* (Foreign Policy Association, 2000), 44.

[78] "UN Is Urged to Upgrade Peacekeeping Department," *The New York Times,* August 24, 2000, A10.

[79] Robert D. Blackwill, "An Action Agenda to Strengthen America's Alliances in the Asia-Pacific Region," in *America's Asian Alliances*, eds. Robert D. Blackwill and Paul Dibb (Cambridge, MA: MIT Press, 2000), 124–126.

[80] For a landmark study of this topic, see Inge Kaul et al., *Global Public Goods: International Cooperation in the 21st Century* (New York: Oxford University Press, published for the UN Development Program, 1999).

[81] Reinecke, *Global Public Policy*.

[82] Robert Kagan and William Kristol, "The Burden of Power Is Having to Wield It," *The Washington Post*, March 19, 2000, B3.

[83] In the late 1990s, when Paraguay appeared to be on the brink of a military coup, Brazil and Argentina indicated that membership in MERCOSUR would not be open to dictatorships. When Prime Minister Mahathir of Malaysia sacked and jailed his long-time deputy on what appeared to be trumped-up charges, the governments of Thailand and the Philippines expressed their dismay in the context of an APEC meeting.

[84] Ellen L. Frost, *Transatlantic Trade: A Strategic Agenda* (Washington, DC: Institute for International Economics, 1997). This study proposes the creation of a North Atlantic Economic Community, or NATEC.

[85] These observations, plus the list of "pivotal" states, are drawn from Philip Zelikow's review of Robert Chase, Emily Hill, and Paul Kennedy, eds., *The Pivotal States: A New Framework for U.S. Policy in the Developing World* (New York: W.W. Norton, 1998). The review appeared in *Foreign Affairs* 79, no. 3 (May/June 2000), 169. The major cross-cutting issues identified by the same editors are population growth, environment, ethnic conflict, human rights, and economics.

[86] National Research Council, *Our Common Journey: A Transition toward Sustainability* (Washington, DC: National Academy Press, 1999), 77.

[87] Doing so would require substantially augmenting economic expertise and giving more weight to environmental, cultural, social, and demographic concerns than exists at present.

[88] Richard Gardner, "The One Percent Solution: Shirking the Cost of World Leadership," *Foreign Affairs* 79, no. 2 (July/August 2000), 3.

[89] Anthony C. Zinni, farewell address, transcript of Robert McCormick Tribune Foundation—US Naval Institute Address, March 2000, 8.

[90] The author borrows this idea from Douglas Johnston, founder and president of the International Center for Religion and Diplomacy.

[91] Eric D.K. Melby, *Post-Okinawa—Re-Thinking the G–8 Process*, Issue Brief No. 00-05 (Washington, DC: The Forum for International Policy, August 7, 2000).

[92] Similarly, the execution of young and mentally retarded prisoners tarnishes America's image as a humane and tolerant society. Since the United States is a signatory (albeit with conditions) of the International Convention on Civil and Political Rights, such deaths also undermine U.S. credibility.

[93] John E. Rielly, ed., *American Public Opinion and U.S. Foreign Policy 1999* (Chicago: Chicago Council on Foreign Relations, 1999).