

Power and liberal order: America's postwar world order in transition

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1 Introduction

American global power – military, economic, technological, cultural, political – is one of the great realities of our age. Never before has one country been so powerful or unrivaled. The United States emerged from the Cold War as the world's only superpower and grew faster than Europe and Japan in the decade that followed. American bases and naval forces encircle the globe. Russia and China remain only regional powers and have ceased to offer ideological challenges to the West. For the first time in the modern age, the world's most powerful state can operate on the global stage without the fear of counterbalancing competitors. The world has entered the age of American unipolarity.¹

The United States is not just a powerful state operating in a world of anarchy. It is a producer of world order. Over the decades, and with more support than resistance from other states, it has fashioned a distinctively open and loosely rule-based international order. This order – built with European and East Asian partners in the shadow of the Cold War and organized around open markets, security alliances, multilateral cooperation, and democratic community – has provided the foundation and operating logic for modern world politics. For better or worse, states in the postwar era have had to confront, operate in, or work around this far-flung order.

Both the Atlantic and East Asian regional orders were shaped by – and today bear the deep marks of – the exercise of America's postwar hegemonic

1 This essay draws on Ikenberry (2004a,b).

power. A half-century after their occupation, the United States still garrisons troops in Japan and Germany – the world’s second and third largest economies. America’s political-security relations with Europe have loosened in the years since the end of the Cold War, but the Atlantic region remains organized around an American-led Western partnership. American relations with East Asia have also evolved over the decades, but they still reflect this hegemonic reality: Japan, South Korea, and other countries in the region are dependent on American military protection and the American market. Indeed, American extended deterrence and regional trade linkages are at the heart of this East Asian order. The Atlantic and Pacific regions exhibit different hegemonic patterns: American relations with Europe are organized around multilateral economic and security cooperation, whereas the East Asia region is organized around bilateral ties and loose multilateral economic relations (see Ikenberry, 2003a, 2004c).

Today, however, this American global order appears to be at a turning-point. Indeed, some observers argue it is in crisis or breaking apart.² In recent years – and certainly since the September 2001 terrorist attacks – the character and future of this postwar order have been thrown into question. The Bush administration’s war on terrorism, invasions of Afghanistan and Iraq, expanded military budgets, and controversial 2002 National Security Strategy have thrust American power into the light of day – and, in doing so, deeply unsettled much of the world. In the background, the postwar rules and institutions, political bargains, communist threats, shared visions, and communal bonds that shaped and sustained this United States-led order appear to be eroding. For most of the postwar era, America’s pursuit of its national interest and the construction of a progressive and mutually agreeable global order went hand in hand. But today, America and the world seem increasingly estranged. Anti-Americanism is a prominent feature of politics in many regions of the world. The most fundamental questions about the nature of global politics – who commands and who benefits – are now the subject of conversation among long-time allies and adversaries alike.

The world is trying to make sense of this new reality. Diplomats are trying to figure out how an American unipolar order will operate. Will the United States break out of its postwar commitments to multilateral and alliance-based partnerships and attempt unilaterally to dominate the world? Should American power be appeased, engaged, or resisted? Scholars are also asking fundamental questions about the character of American domination. What are the restraints on American power? Has the American-led postwar order evolved from an open and liberal system to an old-style empire? Looming in

2 Some analysts argue that the ‘West’ itself is in crisis or undergoing a fundamental transformation. See Kupchan (2002a,b); Todd (2003).

the background is the question of whether American unipolarity is consistent with multilateral, rule-based order.

The view that America is making a grand historic turn toward imperial rule is reflected in a growing body of scholarship that evokes the images of empire. 'No one can deny the extent of the American informal empire,' argues Niall Ferguson (2002, p. 368), who likens today's imperial order to its British precursor. But for Ferguson the organization of the global system around an American 'liberal empire' is to be welcomed: the United States provides order, security, and public goods. His fear is that America will fail in its imperial duties and interests (Ferguson, 2004; Bacevitch, 2002). Others see an American empire that is coercive, exploitative, and destructive. Chalmers Johnson (2004) argues that America's far-flung Cold War military alliance system has been consolidated over the last decade into a new form of global imperial rule. Driven by triumphalist ideology, exaggerated threats, and a self-serving military-industrial complex, the United States is 'a military juggernaut intent on world domination'. Others see American empire as a impulse rooted in a US unipolar power and military dominance that is ultimately incoherent and doomed to failure. America's imperial reach will exceed its grasp and destabilize the global system (Barber, 2003; Mann, 2003).

Thus we must ask several basic questions about American unipolarity. What is the character of the American unipolar order as a political formation? How does the rise of unipolarity alter America's grand strategic behaviors? What are the costs, incentives, and impulses for pursuing liberal and imperial strategies of governance? In the long run what will be the dominant tendencies of the leading state within a unipolar system? Will it construct – or reconstruct – multilateral rule-based order or pursue a bilateral, divide-and-rule imperial strategy?

In this essay, I make four arguments. First, the American postwar order – which has occupied the center of world politics for half a century – is a historically novel political formation. This 'American system' is organized around a dense array of rules, institutions, and partnerships spread across global and regional security, economic, and political realms. It is an order built on 'liberal hegemonic' bargains, diffuse reciprocity, public goods provision, and an unprecedented array of intergovernmental institutions and working relationships. The advanced democracies live in a 'security community' where the use or threat of force is unthinkable. This is not empire; it is an American-led open-democratic political order.

Second, transformations in the global system are making it more difficult to maintain some of the liberal features of this order – and so the stability and integrity of this old American order are increasingly at risk. The two most important sources of breakdown are the rise of American unipolarity and the transformation of global security threats. The first of these transformations

has involved the long-term ‘flipping’ of the Westphalian state system. America’s power has been on the rise since the end of the Cold War, while state norms of sovereignty have eroded. This makes US power worrisome to the rest of the world, and it erodes the balance of power logic of the previous geopolitical eras. Likewise, new security threats – not uniformly shared by old alliance partners – erode the indivisibility of security that underlay the American system. Strategic cooperation between old partners is harder, and it is easier for the United States to go its own way and for European and East Asian countries to depend less on the United States or simply to free-ride on American security provision. As a result the postwar alliance system – so crucial to the stability of American political and economic relations with Europe and East Asia – has been rendered more fragile and tenuous.

Third, these shifting global circumstances mean that both liberal and neo-imperial logics of order are put in play. Both logics are deeply rooted in American political culture and both have been manifest in American diplomacy over the last century. The liberal logic has been manifest most fully in the Atlantic community, and its institutional expressions include NATO and multilateral economic regimes. The neo-imperial logic of order would take the shape of a global ‘hub and spoke’ system. This is order built around bilateralism, ‘special relationships’, client states, and patronage-oriented foreign policy. America’s postwar ‘hub and spoke’ security ties with East Asia offer a glimmering of this approach. As we shall see, both liberal and neo-imperial logics continue to offer a mixture of benefits and costs for the American governance of unipolarity.

Finally, despite Washington’s imperial temptation, the United States is not doomed to abandon rule-based order. This is true if only because the alternatives are ultimately unsustainable. A neo-imperial system of American rule – even the ‘hub and spoke’ version that currently holds sway in East Asia – is too costly, fraught with contradictions, and premised on an inflated accounting of American power. Likewise, there are an array of incentives and impulses that will persuade the United States to try to organize unipolarity around multilateral rules and institutions. The United States may want to renegotiate rules and institutions in some global areas, but it ultimately will want to wield its power legitimately in a world of rules and institutions. It will also have incentives to build and strengthen regional and global institutions in preparation for a future ‘after unipolarity’. The rising power of China, India, and other non-Western states presents a challenge to the old American-led order that will require new, expanded, and shared international governance arrangements.

In this essay, I look first at the features of the American postwar order. After this, I discuss the rise of unipolarity and other shifts in the global system that are altering the foundations of support for this liberal hegemonic system.

Finally, I look at the forces that continue to give the United States reasons to support and operate within a rule-based international system.

2 The American system

In contrast with imperial political formations, the American system took shape in the decades after World War II as an open, negotiated, and institutionalized order among the major democracies. The United States is situated at the center of this complex liberal order – but it is an order built around the American provision of security and economic public goods, mutually agreeable rules and institutions, and interactive political processes that give states a voice in the running of the system. Strategic bargains, binding security ties, open markets, and diffuse reciprocity also infuse the order and give it liberal characteristics. This distinctive liberal political architecture is built on top of a Western security community that removes war and threats of force from American relations with the other democracies.³ America's massive power advantages do give the order a hierarchical cast, but its liberal hegemonic and security community features make American empire a structural impossibility.⁴

This order was built in the decades after World War II through the pursuit of two grand strategies. One grand strategy is realist in orientation. Forged during the Cold War, it is organized around containment, deterrence, and the maintenance of the global balance of power. This strategy has been celebrated in America's history of the last half-century. Facing a threatening and expansive Soviet Union after 1945, the United States stepped forward to fill the vacuum left by a waning British empire and a collapsing European order to provide a counterweight to Soviet power. The touchstone of this strategy was containment, which sought to deny the Soviet Union the ability to expand its sphere of influence outside its region. Order was maintained during these decades by the management of the bipolar balance between the American and Soviet camps. Stability was achieved through nuclear deterrence (Gaddis, 1984; Leffler, 1992). For the first time in the modern era, nuclear weapons and the doctrine of mutual assured destruction made war between the great powers utterly irrational. Containment and global power balancing

3 These features of the American system are sketched in Ikenberry (2001, ch. 6). For a discussion of 'security communities', see Deutsch et al. (1957); Adler and Barnett (1998). For a discussion of the Cold War origins of the American system, see Gilpin (2002).

4 Capturing this unusually liberal and enlightened American postwar ordering logic, the Singaporean scholar-diplomat Kishore Mahbubani notes: 'When America was truly powerful at the end of World War II, it sought to create a new world order based on the rule of law and multilateral institutions and processes that also allowed other nations to flourish. No other great power has tried to create a level playing field to enable other countries to succeed. America did' (Mahbubani, 2005).

ended with the collapse of the Soviet Union in 1991. Nuclear deterrence is no longer the defining logic of the existing order, but it remains a recessed feature that continues to impart stability in relations among China, Russia, and the West.

America's balance of power grand strategy yielded a bounty of institutions and partnerships in the decades after 1947. The most important have been the NATO and United States–Japan alliances. This global system of American-led security partnerships has survived the end of the Cold War, providing a bulwark for stability through the commitments and reassurances they manifest. The United States maintains a forward presence in Europe and East Asia, and its alliance partners gain security protection as well as a measure of regularity in their relationship with the world's leading military power. But Cold War balancing has yielded more than a utilitarian alliance structure. The American-led alliance system has inspired a wider array of economic and political agreements that have helped generate unprecedented levels of integration and cooperation among the countries of Western Europe, North America, and Northeast Asia.

The other grand strategy, forged during World War II as the United States planned the reconstruction of the world economy, is liberal in orientation.⁵ It seeks to build order around institutionalized political relations among integrated market democracies. America's agenda for reopening the world economy and integrating the major regions of the world was not simply an inspiration of businessmen and economists. There have always been geopolitical goals as well. Whereas America's realist grand strategy was aimed at countering Soviet power, its liberal grand strategy was aimed at avoiding a return to the 1930s: an era of regional blocs, trade conflict, and strategic rivalry. Open trade, democracy, and multilateral institutional relations went together. Undergirding this strategy is the view that a rule-based international order – especially one where the United States uses its political weight to derive congenial rules – is an order that most fully protects American interests, conserves its power, and extends its influence into the future.

This grand strategy has been pursued through an array of postwar initiatives that look disarmingly like 'low politics'. The Bretton Woods agreements, the GATT and WTO, APEC, NAFTA, OECD, and democracy promotion in Eastern Europe, Latin America, and East Asia together form a complex layer cake of integrative initiatives that bind the democratic industrial world together. During the 1990s, the United States continued to pursue this liberal grand strategy. Both the first Bush and Clinton administrations attempted to articulate a vision of world order that was not dependent on an external threat or an explicit policy of balance of power. Bush the elder talked about the

5 This liberal grand strategy is sketched in Ikenberry (2000).

importance of the Euro-Atlantic community and articulated ideas about a more fully integrated Asia Pacific region. In both the Atlantic and Pacific regions the Bush strategy was to offer a positive vision of alliance and partnership that was built around common values, tradition, mutual self-interest, and the preservation of stability. The Clinton administration attempted to describe the post-Cold War order in terms of the expansion of democracy and open markets. What emerged was a liberal vision of order. Democracy provided the foundation for global and regional community. Trade and capital flows were seen as forces for political reform and integration.

These two grand strategies are rooted in divergent, and in some ways antagonistic, intellectual traditions, but over the last fifty years they have worked remarkably well together. The realist grand strategy created a political rationale for establishing major security commitments around the world. The liberal strategy created a positive agenda for American leadership. The United States could exercise its power and achieve its national interests but do so in a way that helped deepen the fabric of international community. American power did not destabilize world order; it helped create it. The creation of rule-based agreements and political-security partnerships were both good for the United States and for a huge part of the rest of the world. The result by the end of the 1990s was a global political formation of unprecedented size and success – a transoceanic coalition of democratic states tied together through markets, institutions, and security partnerships.

Importantly, this American system is tied together in a cooperative security order. This was a very important departure from past security arrangements within the Atlantic area. The idea was that Europe and the United States would be part of a single security system. Such a system would ensure that the democratic great powers would not go back to the dangerous game of strategic rivalry and balance of power politics. It helped, of course, to have an emerging Cold War with the Soviet Union to generate this cooperative security arrangement. But the goal of cooperative security was implicit in the other elements of Western order. Without the Cold War, it is not clear that a formal alliance would have emerged as it did. Probably it would not have taken on such an intense and formal character. But a security relationship between Europe and the United States that lessened the incentives for these states to engage in balance of power politics was needed and probably would have been engineered. A cooperative security order, embodied in a formal alliance institution, ensured that the power of the United States would be rendered more predictable (Risse-Kappen, 1995). Power would be caged in institutions, thereby making American power more reliable and connected to Europe and to East Asia.

This American system is built on two historic bargains that the United States has made with the rest of the world. One is the realist bargain and

grows out of its Cold War grand strategy. The United States provides its European and Asian partners with security protection and access to American markets, technology, and supplies within an open world economy. In return, these countries agree to be reliable partners who provide diplomatic, economic, and logistical support for the United States as it leads the wider Western postwar order.

The other is a liberal bargain that addresses the uncertainties of American power. East Asian and European states agree to accept American leadership and operate within an agreed-upon political-economic system. In return, the United States opens itself up and binds itself to its partners. In effect, the United States builds an institutionalized coalition of partners and reinforces the stability of these long-term mutually beneficial relations by making itself more ‘user friendly’ – that is, by playing by the rules and creating ongoing political processes with these other states that facilitate consultation and joint decision making. The United States makes its power safe for the world and in return the world agrees to live within the American system. These bargains date from the 1940s but continue to undergird the post-Cold War order. The result has been the most stable and prosperous international order in world history.

Three features of this order make American power more stable, engaged, and restrained. First, America’s political institutions – open, transparent, and organized around the rule of law – have made it a relatively predictable and cooperative hegemon. The pluralistic and regularized way in which American foreign and security policy is made reduces surprises and allows other states to build long-term, mutually beneficial relations.⁶ Second, this open and decentralized political process works to reduce foreign worries about American power. It creates what might be called ‘voice opportunities’: it offers opportunities for political access and, with it, the means for foreign governments and groups to influence the way Washington’s power is exercised.⁷ Finally, the postwar web of Western and global institutions create a framework for order that helps to establish credible commitments and restraints on American power. After World War II, the United States launched history’s most ambitious era of institution building. The UN, IMF, World Bank, NATO, GATT, and other institutions that emerged provided the most rule-based structure for political and economic relations in history. The United States was deeply ambivalent about making permanent security commitments to other countries or allowing its political and economic policies to be dictated by intergovernmental bodies. Networks and political relationships were built

6 For an important statement of the ‘contracting advantages’ of democratic states, see Lipson (2003).

7 For a discussion of ‘voice opportunities’, see Grieco (1996). The classic formulation of this logic is Hirschman (1970).

that – paradoxically – made American power more far-reaching and durable but also more predictable and malleable.⁸

3 Unipolarity, liberalism, and empire

Despite the postwar legacy of liberal hegemony and Western security community, unipolarity – particularly when combined with the new strategic thinking triggered by September 11 – does make more plausible the logic of American empire.⁹ This is so not only because of the sheer predominance of American power but also, paradoxically, because unipolar power is connected to liberal ideals, which makes the American world order ‘project’ both more expansive and complex. In shaping world order, power and liberalism are a much more potent mixture than simply the exercise of crude material power alone. But the question remains whether the resulting American-led order is an empire.

Realist scholars depict international relations as the interaction of sovereign states who maneuver in a world of anarchy. In the classic Westphalian image, states maintain a monopoly on the use of force domestically, while order at the international level is maintained through a diffusion and equilibrium of power among states.¹⁰ For centuries, international order has rested on two organizational principles: a diffusion and equilibrium of power among great powers and sovereign territorial states. That is, internationally, power has been distributed among states, while, domestically, governments have had what the German sociologist Max Weber termed a ‘monopoly on the use of violence’ within their nation-state territory.

Today, however, there is a partial inversion of this Westphalian logic. Now the United States has a quasi-monopoly on the use of force at the international level and states are increasingly less sovereign. The domestic institutions and behaviors of states are increasingly open to global – that is, American – scrutiny. Post-9/11 Bush administration thinking about ‘contingent sovereignty’ and preemption opens states up even further to outside intrusions. The rise of American unipolar predominance and the simultaneous unbundling of state sovereignty are a new world historical development. In historical terms, this is a radically new distribution and manifestation of state power, and so it is not surprising that the world is rethinking and worrying about the new rules and institutions of global order.

8 On the logic of security binding, see Schroeder (1975). For more recent formulations, see Deudney and Ikenberry (1999).

9 For an important discussion of unipolarity, see Wohlforth (1999).

10 For general depictions of the Westphalian state system, see Bull (1977); Waltz (1979). For an important reinterpretation of the Westphalian settlement, see Krasner (1999). Krasner argues that the norms of Westphalian sovereignty actually emerged long after 1648 and departures from it lace the entire history of the state system.

Echoing this view, the Italian scholar Vittorio Emanuele Parsi (2003) argues that the international system has undergone a transformation in the last decade – only to be intensified since September 11 – as profound as any since the Peace of Westphalia. Parsi identifies two epochal shifts. One is a shift from a *pace d'equilibrio* ('peace of equilibrium') to a *pace egemonica* ('hegemonic peace'). For five hundred years, the security of states was maintained by ensuring the absence of an overarching power in the international system. With the rise American unipolarity, stability and peace are guaranteed by the wielding of power by a single superstate. The disparities of power are so great that counterbalancing by the other great powers is impossible.

The other grand transformation is the shift in security threats, which makes the Westphalian flip even more provocative and potentially destabilizing. This is the rise of non-state terrorism. Private transnational groups and religious fanatics can now, or will soon be able to, gain access to violence capability that previously only some powerful states could possess. This transformation might be called the 'privatization of war'. As many analysts have observed, this alters how the United States and other major states think about their security. The most profound implication is that it makes security among countries within the American system more divisible. That is, whereas during the Cold War all the states in the system experienced a more or less common threat – which reinforced security cooperation and made security indivisible – the new fragmentation and privatization of security threats means these countries experience threats in very different ways. Incentives for security cooperation are eroded. This transformation has the added effect of making American power and its use of force more controversial and contested.

Together these two shifts give the United States the capacity and necessity – but only a few would say the authority – to police international order and unilaterally project force into the affairs of vulnerable yet threatening sovereign states.

These new twin logics, of course, were grandly embraced by the Bush administration in its 2002 National Security Strategy. In this vision, the United States will increasingly stand aloof from the rest of the world and use its unipolar power – most importantly, its military power – to arbitrate right and wrong and enforce the peace. In a Hobbesian world of anarchy, the United States must step forward as the order-creating Leviathan. The United States will refuse to play by the same rules as other states; this is the price that the world must pay for the unipolar provision of security. This view is reflected in the Bush doctrine of preemption, under which the United States claims a new right to use force 'to act against emerging threats before they are fully formed' (Office of the President, 2002). The Bush administration also warns other great powers not to challenge America's military preeminence. The United States insists that it will not accept the rise of a 'peer competitor'. Indeed,

in the Bush view, no one should want to try: everyone benefits in a world where a single superpower maintains the peace.

4 Unipolarity and its implications

The rise of post-Cold War unipolarity does alter America's position with other states. Increased power advantages give the United States more freedom of action. It is easier for Washington to say no to other countries or to go it alone. Growing power – military, economic, and technological – also gives the United States more opportunities to control outcomes around the world. But unipolarity also creates problems of governance. Without bipolar or multipolar competition, it is not clear what disciplines or renders predictable US power. Other countries worry more than in the past about domination, exploitation, and abandonment. They may not be able to organize a counterbalancing alliance but they can resist and undermine US policies. Moreover, when countries confronting the United States are democracies, their leaders may have electoral incentives not to bend to American pressure.¹¹

The first feature of the shift from bipolarity to unipolarity is that it entails greater power advantages for the lead state. The United States has new latitude for withholding cooperation. The cost of nonagreement is lower for the United States than for other states, so this confers bargaining advantages on the United States. There are also new opportunities for other states to free-ride on the American provision of global public goods, particularly security protection and the underwriting of economic openness. Unipolarity, in this sense, is a welcome development for weaker states – to the extent that the United States provides those public goods. But it also opens up a new set of distributive conflicts between the United States and other states. (It is here that temptations emerge for the leading state to move from multilateral agreements to specific bilateral deals that allow it to renegotiate the sharing of costs.)

More generally, the growing disparities of power between the United States and other major states generate incentives for the unipolar state to renegotiate the old security and economic bargains. This, of course, is the dynamic that emerges after a hegemonic transition, when a new leading state emerges in the international system and wields its newly acquired power to reshape the rules and institutions of international order.¹² What is interesting about the shift from bipolar to unipolar order is that although there has not been a hegemonic transition as such, the United States finds itself in a position where it has incentives to renegotiate and reconstruct its own older order. Finally, to the

11 For efforts to sketch the emerging politics of unipolarity, see Kapstein and Mastanduno (1999); Ikenberry (2002).

12 The classic statement of this dynamic is Gilpin (1981).

extent that the unipolar state anticipates that its power advantages will wane in the near future, it has incentives to embed in the international order rules and institutions that will lock in some of its advantages in the out-years when it is in a relatively weaker position.¹³

The other feature of unipolarity is the disappearance of a competitor pole. This means that there are no 'exit' options for weaker states and no readily available balancing options. One immediate implication of this is that the absence of alternative options gives the unipolar state bargaining advantages. If other states could threaten to form an alternative and opposing coalition, this would create incentives for the United States to compromise and accommodate its interests to those of weaker states.

But another implication of the disappearance of a rival pole is that one benefit of aligning with the United States also disappears – or is radically reduced – namely, the benefit of security protection. Other countries do not need the United States as much as they did. Front-line states in the Cold War struggle with Soviet communism are no longer front-line states. This means that the bargaining position of the United States should decline: it loses one of its assets. It might, however, be more correct to say that the need for security protection declines and that there are new variations across regions in the security needs of other states. Some states will still need and want American security protection and others will not. (This differentiation of security needs generates another incentive for the unipolar state to move toward a more bilateral, 'hub and spoke' approach to rule.) At the same time, because the United States itself also does not confront a bipolar or multipolar rival(s), it too will be less willing to provide public goods of security protection and security-driven economic cooperation.

The implications of unipolarity go even further, creating what might be called American 'unipolar dilemmas'. First, a unipolar distribution of power creates 'legitimacy problems' for the lead state in a way that great powers operating in other power configurations, such as bipolar and multipolar orders, do not experience. And indeed, American unipolar power today is experiencing a legitimacy problem. In a bipolar or multipolar world, the legitimacy of state power is easier to achieve. During the bipolar Cold War struggle, American power was seen as legitimate by other states within its orbit because that power was embedded in mutual security pacts and put at the service of the common defense against Soviet communism. America was *primus inter pares* within a Free World partnership.

But unipolar or hierarchical orders do not legitimate power as readily. It is easier for other states and peoples to ask basic questions about the rectitude and legitimacy of American power: Why should the United States rule the

13 This is the dynamic I discuss in Ikenberry (2001).

system? What gives it the right to decide right and wrong, good and evil, or make and enforce rules? After the Cold War, the Clinton administration legitimated American power by championing globalization and open markets – ‘engagement’ and ‘enlargement’ were the watchwords. US power was aligned with the progressive forces of capitalism and democracy. The Asian financial crisis and the anti-globalization movement have tarnished this legitimating cover for American power. The Bush administration has elevated the war on terrorism as the cutting edge of American foreign policy and master principle of international order. But fear of terrorism is not a sufficient legitimating cover for American power.¹⁴

Second, unipolarity also appears to have created problems in how the world sees the American provision of public goods. In the past, the United States provided global ‘services’, such as security protection and support for open markets, which made other states willing to work with rather than resist American preeminence. The public goods provision tended to make it worthwhile for these states to endure the day-to-day irritations of American foreign policy. But the trade-off seems to be shifting. Today, the United States appears to be providing fewer global public goods while at the same time the irritations associated with American dominance appear to be growing.

It might be useful to think of this dynamic thus: the United States is unique in that it is simultaneously both the provider of ‘global governance’ – through what has tended in the past to be the exercise of ‘liberal’ hegemony – and a great power that pursues its own national interest. America’s liberal hegemonic role is manifest when it champions the WTO, engages in international rule or regime creation, or reaffirms its commitment to cooperative security in Asia and Europe. Its great power role is manifest, for example, when it seeks to protect its domestic steel or textile industry, or when President Bush proclaims, as he did in the 2004 State of the Union address, that ‘the United States doesn’t need a permission slip’ to use force to protect its citizens. When it acts as a liberal hegemon, it is seeking to lead or manage the global system of rules and institutions; when it is acting as a nationalist great power, it is seeking to advance domestic interests and its relative power position.¹⁵ Today, these two roles – liberal hegemon and nationalist great power – are increasingly in conflict.

5 ‘Hub and spoke’ governance

There are two general ways in which the United States might choose to ‘govern’ unipolarity. One strategy is the multilateral rule-based strategy of the postwar era, manifested most fully in America’s relations with Western Europe.

14 Commentators on the left, right, and center have identified a legitimacy crisis. See Anderson (2002); Kagan (2004); Brzezinski (2004).

15 For a useful discussion, see Cronin (2001).

The other strategy is what might be called ‘hub and spoke’ bilateralism. This is a strategy that has been pursued in important respects in America’s postwar relations with East Asia. Overall, unipolarity does appear to generate some incentives – but also costs – for the United States to run a global ‘hub and spoke’ order.

The countries arrayed around a unipolar America have an interest in a rule-based multilateral order. In such a system, power is exercised through agreed-upon institutions. But the question is how the United States will calculate its interests. Will it want to renew, renegotiate, and manage a rule-based hegemonic order – which entails institutional restraints, ‘voice opportunities’, and reduced policy autonomy – or will it want to break out of these multilateral shackles and pursue direct control of the system? As the ‘hub and spoke’ security organization of East Asia suggests, there are incentives for the United States to operate a global order where it deals bilaterally with key states in all the various regions.¹⁶

To understand the two competing logics of unipolar governance, it is useful to remember the contrasting American postwar experiences in Europe and East Asia. The United States agreed to a multilateral order with Europe because it determined that the restraints on its power through NATO and other multilateral institutions were worth what it got in return. Britain, France, and other major states were willing to accept multilateral agreements to the extent that they also constrained and regularized US economic and security actions. American agreement to operate within a multilateral economic order and make an alliance-based security commitment to Europe was worth the price: it ensured that Germany and the rest of Western Europe would be integrated into a wider, American-centered international order. At the same time, the actual restraints on American policy were minimal. But it did agree to operate within loose multilateral arrangements, and this ensured that Western Europe would be anchored in an Atlantic and global political order that advanced America’s long-term national interest.

In East Asia, security relations quickly became bilateral. Why? One difference was that conditions did not favor multilateralism. Europe had a set of roughly equal-sized states that could be brought together in a multilateral pact, whereas nothing like this existed in East Asia.¹⁷ But another factor

16 For a discussion of empire as a ‘rimless hub and spoke’ system, see Motyl (1999).

17 There is an interesting literature on why a NATO-style multilateral alliance system did not emerge in East Asia after World War II. Obviously, the array of ‘allies’ in East Asia did not readily lend itself to multilateral security cooperation. The point here is that the United States did not want as much from these East Asian countries and therefore it was less willing to bind itself – i.e. restrict its policy autonomy. The bilateral–multilateral difference is less important than the degree of institutional binding. After all, a bilateral relationship can entail extensive rule-based commitments (albeit with only two countries) and a multilateral agreement can be very loose, informal, and non-binding. For explanations for differences in postwar Atlantic and Pacific security relations, see Grieco (1999); Press-Barnathan (2003).

mattered: the United States was dominant in East Asia yet wanted less out of the region, so the United States found it less necessary to give up policy autonomy in exchange for institutionalized cooperation there. In Europe, the United States had an elaborate agenda of uniting Europe, creating an institutional bulwark against communism, and supporting centrist democratic governments. These ambitious goals could not be realized simply by exercising brute power. To get what it wanted, the United States had to bargain with the Europeans, and this meant agreeing to institutionally restrain and commit its power. In East Asia, the building of order around bilateral pacts was more desirable because multilateralism would have entailed more restraints on American policy autonomy. Extreme hegemony in East Asia led to free-riding by the weak postwar states in the region, while the United States could exercise control without multilateral restraints on its freedom of action.

In some ways, unipolarity today presents this same logic for the United States on a global scale. Rather than operate within multilateral frameworks, the United States forges a 'hub and spoke' array of 'special relationships' around the world. Countries that cooperate with the United States and accept its leadership receive special bilateral security and economic favors. More so than multilateral agreements, 'hub and spoke' bilateral agreements allow the United States more fully to translate its power advantages into immediate and tangible concessions from other states – and to do so without giving up policy autonomy. For example, Singapore supported the Bush administration's war on terrorism and so it gets a bilateral free trade agreement. At the same time, the United States can deal directly with important states so as to circumvent global multilateral commitments. For example, the Bush administration is seeking to get around the constraints of the International Criminal Court by negotiating bilateral deals with dozens of countries. The United States has massive power advantages. It finds it easier to accept nonagreement, so its bargaining leverage is great. It does not need as much from countries. So the East Asian 'model' becomes attractive. But to investigate whether this is a logic that will be manifest selectively or become the basic organizing logic of unipolar order requires looking at the incentives the United States might still have for exercising its power through multilateral and rule-based arrangements.

6 Multilateralism and unipolarity

There are three types of incentives for the United States to continue to operate within a loose multilateral order rather than simply disentangle itself from rules and institutions or pursue bilateral 'hub and spoke' relations. These sources of multilateralism stem from the functional demands of interdependence, the long-term power calculations of power management, and American

political tradition and identity.¹⁸ First, American support for multilateralism is likely to be sustained – even in the face of resistance and ideological challenges to multilateralism within the Bush administration – in part because of a simple logic: as global economic interdependence grows, the need for multilateral coordination of policies also grows. The more economically interconnected states become, the more dependent they are for the realization of their objectives on the actions of other states. Rising economic interdependence is one of the great hallmarks of the contemporary international system. If this remains true in the years ahead, it is easy to predict that the demands for multilateral agreements – even and perhaps especially by the United States – will increase and not decrease.

In effect, multilateral rule is more efficient than bilateral, ‘hub and spoke’ rule. Bilateralism requires the United States to bargain for favorable outcomes. It will win in most instances – given its power advantages – but bargaining also entails transaction costs. Order organized around diffuse reciprocity will allow the United States to achieve most of its foreign policy goals without the day-to-day costs. The ongoing war in Iraq is a case in point. The United States is relying on bilateral bargains with other states to gain support for the occupation and reconstruction of Iraq rather than operating through formal alliance agreements. As one press report notes: ‘Washington’s inability to bring its major partners in the NATO alliance into the Iraq conflict means the United States has no ready pool of well-trained reinforcements apart from its own troops – in case the Pentagon decides more forces are necessary to maintain order. Instead of binding treaty obligations, Washington must rely on arm-twisting and powers of persuasion to hold on to its coalition partners, some of whom face domestic pressure to send their troops home’ (Associated Press, 2004). A system of multilateral rules establishes pre-existing sets of obligations and commitments that facilitate cooperation.

Second, American support for multilateralism will also stem from a grand strategic interest in preserving power and creating a stable and legitimate international order. The support for multilateralism is a way to signal restraint and commitment to other states, thereby encouraging the acquiescence and cooperation of weaker states. This has been a strategy that the United States has pursued to a greater or less degree across the twentieth century, and it explains the remarkably durable and legitimate character of the existing international order. From this perspective, multilateralism – and the search for rule-based agreements – should increase rather than decrease with the rise of American unipolarity. This insight suggests that the current administration should respond to general power management incentives and limit its tilt toward unilateralism.

18 These sources of multilateralism in American foreign policy are discussed in Ikenberry (2003b).

The coming rise of China, India, and other middle-tier states also creates incentives for the United States to reinforce rather than undermine regional and global rules and institutions. China in particular poses a long-term challenge to the United States as a potential 'peer competitor' of the United States later in the century. There are two ways that the creation and strengthening of regional multilateral institutional order in East Asia might serve America's long-term hegemonic interests. One is simply to create regional institutional structures that will shape and constrain China's rising power. Chinese power will be rendered more predictable as it is embedded in wider regional institutions. Second, the more general strengthening of global governance institutions will serve America's interests 'after unipolarity'. As American relative power declines, its capacity to run the global system or even secure its interests will decrease. This problem of relative decline will be partially mitigated to the extent that durable and congenial rules and institutions are 'locked in' during its decades of unipolarity. Only if American officials think that unipolarity will last forever will the United States have an incentive to reduce its commitments to a mutually agreeable, loosely multilateral international order.

A final source of American multilateralism emerges from the polity itself. The United States has a distinctive self-understanding about the nature of its own political order, and this has implications for how it thinks about international political order. The enlightenment origins of the American founding has given the United States an identity that sees its principles of politics of universal significance and scope. The republican democratic tradition that enshrines the rule of law reflects an enduring American view that polities – domestic or international – are best organized around rules and principles of order. America's tradition of civil nationalism also reinforces this notion that the rule of law is the source of legitimacy and political inclusion. This tradition provides a background support for a multilateral-oriented foreign policy.

7 Conclusion

Is the United States an empire? The world is certainly more hierarchical today than during any era since the days of ancient Rome. The United States is at the center of a dynamic and expanding political formation rooted in Atlantic and Western institutions and traditions. The American system has features that it shares with past great empires. But ultimately the term 'empire' is misleading and misses the distinctive aspects of the global political order. Today's United States-centered political formation requires new ways of thinking about liberalism, power, and international order rather than the rehabilitation of the evocative – but ultimately ill-fitting – notion of empire.

The United States is an unrivaled military power and this does lead Washington to pursue old-style imperial policies. The other major powers

have no real control over American imperial impulses. Moreover, the neo-conservatives in Washington do offer an imperial vision of international order. In their hands, it would be an era of American global rule organized around the bold unilateral exercise of American military power, gradual disentanglement from the constraints of multilateralism, and an aggressive push to bring freedom and democracy to counties where evil lurks. But this neo-conservative vision is built on illusions about American power. They risk stripping the United States of its legitimacy as the preeminent global power and the authority that flows from that status. They fail to appreciate the role of cooperative institutions and multilateral rules in the exercise and preservation of American power. Their ideas are essentially a crude ‘owner’s manual’ for the unilateral waging of a war against dangerous regimes and terrorists. But beyond that, they are silent on the full range of global challenges and opportunities that America faces. The costs of military actions – in lives, treasure, and lost legitimacy – is greater than neo-conservatives realize. The American people are not seized with the desire to run colonies or a global empire. So even in a unipolar era, there are limits on American imperial pretensions.

Finally, the empire debate misses what is perhaps a more important international development, namely, the long peace among the great powers – or what some scholars argue is the end of great power war. We are living in the longest period without war among any of the major powers. Capitalism, democracy, Cold War bipolarity, and nuclear weapons are all part of the explanation. But so, too, is the unique way in which the United States has gone about the business of building international order. American success after both World War II and the Cold War is closely linked to the creation and extension of international institutions, which both limited and legitimated American power. In exercising unipolar power, the United States is today struggling between liberal and imperial logics of rule. Both impulses can be found deep within the American body politic. But the costs and dangers of running the world as an American empire are great and the country’s liberal faith in the rule of law is undiminished. When all is said and done, Americans are less interested in ruling the world than they are in a world of rules.

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