

# **The Age of Nonpolarity**

## **What Will Follow U.S. Dominance**

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Summary: The United States' unipolar moment is over. International relations in the twenty-first century will be defined by nonpolarity. Power will be diffuse rather than concentrated, and the influence of nation-states will decline as that of nonstate actors increases. But this is not all bad news for the United States; Washington can still manage the transition and make the world a safer place.

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The principal characteristic of twenty-first-century international relations is turning out to be nonpolarity: a world dominated not by one or two or even several states but rather by dozens of actors possessing and exercising various kinds of power. This represents a tectonic shift from the past.

The twentieth century started out distinctly multipolar. But after almost 50 years, two world wars, and many smaller conflicts, a bipolar system emerged. Then, with the end of the Cold War and the demise of the Soviet Union, bipolarity gave way to unipolarity -- an international system dominated by one power, in this case the United States. But today power is diffuse, and the onset of nonpolarity raises a number of important questions. How does nonpolarity differ from other forms of international order? How and why did it materialize? What are its likely consequences? And how should the United States respond?

### NEWER WORLD ORDER

In contrast to multipolarity -- which involves several distinct poles or concentrations of power -- a nonpolar international system is characterized by numerous centers with meaningful power.

In a multipolar system, no power dominates, or the system will become unipolar. Nor do concentrations of power revolve around two positions, or the system will become bipolar. Multipolar systems can be cooperative, even assuming the form of a concert of powers, in which a few major powers work together on setting the rules of the game and disciplining those who violate them. They can also be more competitive, revolving around a balance of power, or conflictual, when the balance breaks down.

At first glance, the world today may appear to be multipolar. The major powers -- China, the European Union (EU), India, Japan, Russia, and the United States -- contain just over half the world's people and account for 75 percent of global GDP and 80 percent of global defense spending. Appearances, however, can be deceiving. Today's world differs in a fundamental way from one of classic multipolarity: there are many more power centers, and quite a few of these poles are not nation-states. Indeed, one of the cardinal features of the contemporary international system is that nation-states have lost their monopoly on power and in some domains their preeminence as well. States are being challenged from above, by regional and global organizations; from below, by militias; and from the side, by a variety of nongovernmental organizations (NGOs) and corporations. Power is now found in many hands and in many places.

In addition to the six major world powers, there are numerous regional powers: Brazil and, arguably, Argentina, Chile, Mexico, and Venezuela in Latin America; Nigeria and South Africa in Africa; Egypt, Iran, Israel, and Saudi Arabia in the Middle East; Pakistan in South Asia; Australia, Indonesia, and South Korea in East Asia and Oceania. A good many organizations would be on the list of power centers, including those that are global (the International Monetary Fund, the United Nations, the World Bank), those that are regional (the African Union, the Arab League, the Association of Southeast Asian Nations, the EU, the Organization of American States, the South Asian Association for Regional Cooperation), and those that are functional (the International Energy Agency, OPEC, the Shanghai Cooperation Organization, the World Health Organization). So, too, would states within nation-states, such as California and India's Uttar Pradesh, and cities, such as New York, São Paulo, and Shanghai. Then there are the large global companies, including those that dominate the worlds of energy, finance, and manufacturing. Other entities deserving inclusion would be global media outlets (al Jazeera, the BBC, CNN), militias (Hamas, Hezbollah, the Mahdi Army, the Taliban), political parties, religious institutions

and movements, terrorist organizations (al Qaeda), drug cartels, and NGOs of a more benign sort (the Bill and Melinda Gates Foundation, Doctors Without Borders, Greenpeace). Today's world is increasingly one of distributed, rather than concentrated, power.

In this world, the United States is and will long remain the largest single aggregation of power. It spends more than \$500 billion annually on its military -- and more than \$700 billion if the operations in Afghanistan and Iraq are included -- and boasts land, air, and naval forces that are the world's most capable. Its economy, with a GDP of some \$14 trillion, is the world's largest. The United States is also a major source of culture (through films and television), information, and innovation. But the reality of American strength should not mask the relative decline of the United States' position in the world -- and with this relative decline in power an absolute decline in influence and independence. The U.S. share of global imports is already down to 15 percent. Although U.S. GDP accounts for over 25 percent of the world's total, this percentage is sure to decline over time given the actual and projected differential between the United States' growth rate and those of the Asian giants and many other countries, a large number of which are growing at more than two or three times the rate of the United States.

GDP growth is hardly the only indication of a move away from U.S. economic dominance. The rise of sovereign wealth funds -- in countries such as China, Kuwait, Russia, Saudi Arabia, and the United Arab Emirates -- is another. These government-controlled pools of wealth, mostly the result of oil and gas exports, now total some \$3 trillion. They are growing at a projected rate of \$1 trillion a year and are an increasingly important source of liquidity for U.S. firms. High energy prices, fueled mostly by the surge in Chinese and Indian demand, are here to stay for some time, meaning that the size and significance of these funds will continue to grow. Alternative stock exchanges are springing up and drawing away companies from the U.S. exchanges and even launching initial public offerings (IPOs). London, in particular, is competing with New York as the world's financial center and has already surpassed it in terms of the number of IPOs it hosts. The dollar has weakened against the euro and the British pound, and it is likely to decline in value relative to Asian currencies as well. A majority of the world's foreign exchange holdings are now in currencies other than the dollar, and a move to denominate oil in euros or a basket of currencies is possible, a step that would only leave the U.S. economy more vulnerable to inflation as well as currency crises.

U.S. primacy is also being challenged in other realms, such as military effectiveness and diplomacy. Measures of military spending are not the same as measures of military capacity. September 11 showed how a small investment by terrorists could cause extraordinary levels of human and physical damage. Many of the most costly pieces of modern weaponry are not particularly useful in modern conflicts in which traditional battlefields are replaced by urban combat zones. In such environments, large numbers of lightly armed soldiers can prove to be more than a match for smaller numbers of highly trained and better-armed U.S. troops.

Power and influence are less and less linked in an era of nonpolarity. U.S. calls for others to reform will tend to fall on deaf ears, U.S. assistance programs will buy less, and U.S.-led sanctions will accomplish less. After all, China proved to be the country best able to influence North Korea's nuclear program. Washington's ability to pressure Tehran has been strengthened by the participation of several western European countries -- and weakened by the reluctance of China and Russia to sanction Iran. Both Beijing and Moscow have diluted international efforts to pressure the government in Sudan to end its war in Darfur. Pakistan, meanwhile, has repeatedly demonstrated an ability to resist U.S. entreaties, as have Iran, North Korea, Venezuela, and Zimbabwe.

The trend also extends to the worlds of culture and information. Bollywood produces more films every year than Hollywood. Alternatives to U.S.-produced and disseminated television are multiplying. Web sites and blogs from other countries provide further competition for U.S.-produced news and commentary. The proliferation of information is as much a cause of nonpolarity as is the proliferation of weaponry.

## FAREWELL TO UNIPOLARITY

Charles Krauthammer was more correct than he realized when he wrote in these pages nearly two decades ago about what he termed "the unipolar moment." At the time, U.S. dominance was real. But it lasted for only 15 or 20 years. In historical terms, it was a moment. Traditional realist theory would have predicted the end of unipolarity and the dawn of a multipolar world. According to this line of reasoning, great powers, when they act as great powers are wont to do, stimulate competition from others that fear or resent them. Krauthammer,

subscribing to just this theory, wrote, "No doubt, multipolarity will come in time. In perhaps another generation or so there will be great powers coequal with the United States, and the world will, in structure, resemble the pre-World War I era."

But this has not happened. Although anti-Americanism is widespread, no great-power rival or set of rivals has emerged to challenge the United States. In part, this is because the disparity between the power of the United States and that of any potential rivals is too great. Over time, countries such as China may come to possess GDPs comparable to that of the United States. But in the case of China, much of that wealth will necessarily be absorbed by providing for the country's enormous population (much of which remains poor) and will not be available to fund military development or external undertakings. Maintaining political stability during a period of such dynamic but uneven growth will be no easy feat. India faces many of the same demographic challenges and is further hampered by too much bureaucracy and too little infrastructure. The EU's GDP is now greater than that of the United States, but the EU does not act in the unified fashion of a nation-state, nor is it able or inclined to act in the assertive fashion of historic great powers. Japan, for its part, has a shrinking and aging population and lacks the political culture to play the role of a great power. Russia may be more inclined, but it still has a largely cash-crop economy and is saddled by a declining population and internal challenges to its cohesion.

The fact that classic great-power rivalry has not come to pass and is unlikely to arise anytime soon is also partly a result of the United States' behavior, which has not stimulated such a response. This is not to say that the United States under the leadership of George W. Bush has not alienated other nations; it surely has. But it has not, for the most part, acted in a manner that has led other states to conclude that the United States constitutes a threat to their vital national interests. Doubts about the wisdom and legitimacy of U.S. foreign policy are pervasive, but this has tended to lead more to denunciations (and an absence of cooperation) than outright resistance.

A further constraint on the emergence of great-power rivals is that many of the other major powers are dependent on the international system for their economic welfare and political stability. They do not, accordingly, want to disrupt an order that serves their national interests. Those interests are closely tied to cross-border flows of goods, services, people, energy, investment, and technology -- flows in which the United States plays a critical role. Integration into the modern world dampens great-power competition and conflict.

But even if great-power rivals have not emerged, unipolarity has ended. Three explanations for its demise stand out. The first is historical. States develop; they get better at generating and piecing together the human, financial, and technological resources that lead to productivity and prosperity. The same holds for corporations and other organizations. The rise of these new powers cannot be stopped. The result is an ever larger number of actors able to exert influence regionally or globally.

A second cause is U.S. policy. To paraphrase Walt Kelly's Pogo, the post-World War II comic hero, we have met the explanation and it is us. By both what it has done and what it has failed to do, the United States has accelerated the emergence of alternative power centers in the world and has weakened its own position relative to them. U.S. energy policy (or the lack thereof) is a driving force behind the end of unipolarity. Since the first oil shocks of the 1970s, U.S. consumption of oil has grown by approximately 20 percent, and, more important, U.S. imports of petroleum products have more than doubled in volume and nearly doubled as a percentage of consumption. This growth in demand for foreign oil has helped drive up the world price of oil from just over \$20 a barrel to over \$100 a barrel in less than a decade. The result is an enormous transfer of wealth and leverage to those states with energy reserves. In short, U.S. energy policy has helped bring about the emergence of oil and gas producers as major power centers.

U.S. economic policy has played a role as well. President Lyndon Johnson was widely criticized for simultaneously fighting a war in Vietnam and increasing domestic spending. President Bush has fought costly wars in Afghanistan and Iraq, allowed discretionary spending to increase by an annual rate of eight percent, and cut taxes. As a result, the United States' fiscal position declined from a surplus of over \$100 billion in 2001 to an estimated deficit of approximately \$250 billion in 2007. Perhaps more relevant is the ballooning current account deficit, which is now more than six percent of GDP. This places downward pressure on the dollar, stimulates inflation, and contributes to the accumulation of wealth and power elsewhere in the world. Poor regulation of the U.S. mortgage market and the credit crisis it has spawned have exacerbated these problems.

The war in Iraq has also contributed to the dilution of the United States' position in the world. The war in Iraq has proved to be an expensive war of choice -- militarily, economically, and diplomatically as well as in human terms. Years ago, the historian Paul Kennedy outlined his thesis about "imperial overstretch," which posited that the United States would eventually decline by overreaching, just as other great powers had in the past. Kennedy's theory turned out to apply most immediately to the Soviet Union, but the United States -- for all its corrective mechanisms and dynamism -- has not proved to be immune. It is not simply that the U.S. military will take a generation to recover from Iraq; it is also that the United States lacks sufficient military assets to continue doing what it is doing in Iraq, much less assume new burdens of any scale elsewhere.

Finally, today's nonpolar world is not simply a result of the rise of other states and organizations or of the failures and follies of U.S. policy. It is also an inevitable consequence of globalization. Globalization has increased the volume, velocity, and importance of cross-border flows of just about everything, from drugs, e-mails, greenhouse gases, manufactured goods, and people to television and radio signals, viruses (virtual and real), and weapons.

Globalization reinforces nonpolarity in two fundamental ways. First, many cross-border flows take place outside the control of governments and without their knowledge. As a result, globalization dilutes the influence of the major powers. Second, these same flows often strengthen the capacities of nonstate actors, such as energy exporters (who are experiencing a dramatic increase in wealth owing to transfers from importers), terrorists (who use the Internet to recruit and train, the international banking system to move resources, and the global transport system to move people), rogue states (who can exploit black and gray markets), and Fortune 500 firms (who quickly move personnel and investments). It is increasingly apparent that being the strongest state no longer means having a near monopoly on power. It is easier than ever before for individuals and groups to accumulate and project substantial power.

## NONPOLAR DISORDER

The increasingly nonpolar world will have mostly negative consequences for the United States -- and for much of the rest of the world as well. It will make it more difficult for Washington to lead on those occasions when it seeks to promote collective responses to regional and global challenges. One reason has to do with simple arithmetic. With so many more actors possessing meaningful power and trying to assert influence, it will be more difficult to build collective responses and make institutions work. Herding dozens is harder than herding a few. The inability to reach agreement in the Doha Round of global trade talks is a telling example.

Nonpolarity will also increase the number of threats and vulnerabilities facing a country such as the United States. These threats can take the form of rogue states, terrorist groups, energy producers that choose to reduce their output, or central banks whose action or inaction can create conditions that affect the role and strength of the U.S. dollar. The Federal Reserve might want to think twice before continuing to lower interest rates, lest it precipitate a further move away from the dollar. There can be worse things than a recession.

Iran is a case in point. Its effort to become a nuclear power is a result of nonpolarity. Thanks more than anything to the surge in oil prices, it has become another meaningful concentration of power, one able to exert influence in Iraq, Lebanon, Syria, the Palestinian territories, and beyond, as well as within OPEC. It has many sources of technology and finance and numerous markets for its energy exports. And due to nonpolarity, the United States cannot manage Iran alone. Rather, Washington is dependent on others to support political and economic sanctions or block Tehran's access to nuclear technology and materials. Nonpolarity begets nonpolarity.

Still, even if nonpolarity was inevitable, its character is not. To paraphrase the international relations theorist Hedley Bull, global politics at any point is a mixture of anarchy and society. The question is the balance and the trend. A great deal can and should be done to shape a nonpolar world. Order will not just emerge. To the contrary, left to its own devices, a nonpolar world will become messier over time. Entropy dictates that systems consisting of a large number of actors tend toward greater randomness and disorder in the absence of external intervention.

The United States can and should take steps to reduce the chances that a nonpolar world will become a cauldron of instability. This is not a call for unilateralism; it is a call for the United States to get its own house in order. Unipolarity is a thing of the past, but the United States still retains more capacity than any other actor to improve the quality of the international system. The question is whether it will continue to possess such capacity.

Energy is the most important issue. Current levels of U.S. consumption and imports (in addition to their adverse impact on the global climate) fuel nonpolarity by funneling vast financial resources to oil and gas producers. Reducing consumption would lessen the pressure on world prices, decrease U.S. vulnerability to market manipulation by oil suppliers, and slow the pace of climate change. The good news is that this can be done without hurting the U.S. economy.

Strengthening homeland security is also crucial. Terrorism, like disease, cannot be eradicated. There will always be people who cannot be integrated into societies and who pursue goals that cannot be realized through traditional politics. And sometimes, despite the best efforts of those entrusted with homeland security, terrorists will succeed. What is needed, then, are steps to make society more resilient, something that requires adequate funding and training of emergency responders and more flexible and durable infrastructure. The goal should be to reduce the impact of even successful attacks.

Resisting the further spread of nuclear weapons and unguarded nuclear materials, given their destructive potential, may be as important as any other set of undertakings. By establishing internationally managed enriched-uranium or spent-fuel banks that give countries access to sensitive nuclear materials, the international community could help countries use nuclear power to produce electricity rather than bombs. Security assurances and defensive systems can be provided to states that might otherwise feel compelled to develop nuclear programs of their own to counter those of their neighbors. Robust sanctions -- on occasion backed by armed force -- can also be introduced to influence the behavior of would-be nuclear states.

Even so, the question of using military force to destroy nuclear or biological weapons capabilities remains. Preemptive strikes -- attacks that aim to stop an imminent threat -- are widely accepted as a form of self-defense. Preventive strikes -- attacks on capabilities when there is no indication of imminent use -- are something else altogether. They should not be ruled out as a matter of principle, but nor should they be depended on. Beyond questions of feasibility, preventive strikes run the risk of making a nonpolar world less stable, both because they might actually encourage proliferation (governments could see developing or acquiring nuclear weapons as a deterrent) and because they would weaken the long-standing norm against the use of force for purposes other than self-defense.

Combating terrorism is also essential if the nonpolar era is not to turn into a modern Dark Ages. There are many ways to weaken existing terrorist organizations by using intelligence and law enforcement resources and military capabilities. But this is a loser's game unless something can be done to reduce recruitment. Parents, religious figures, and political leaders must delegitimize terrorism by shaming those who choose to embrace it. And more important, governments must find ways of integrating alienated young men and women into their societies, something that cannot occur in the absence of political and economic opportunity.

Trade can be a powerful tool of integration. It gives states a stake in avoiding conflict because instability interrupts beneficial commercial arrangements that provide greater wealth and strengthen the foundations of domestic political order. Trade also facilitates development, thereby decreasing the chance of state failure and alienation among citizens. The scope of the World Trade Organization must be extended through the negotiation of future global arrangements that further reduce subsidies and both tariff and nontariff barriers. Building domestic political support for such negotiations in developed countries will likely require the expansion of various safety nets, including portable health care and retirement accounts, education and training assistance, and wage insurance. These social policy reforms are costly and in some cases unwarranted (the cause of job loss is far more likely to be technological innovation than foreign competition), but they are worth providing nonetheless given the overall economic and political value of expanding the global trade regime.

A similar level of effort might be needed to ensure the continued flow of investment. The goal should be to create a World Investment Organization that would encourage capital flows across borders so as to minimize the chances that "investment protectionism" gets in the way of activities that, like trade, are economically beneficial and build political bulwarks against instability. A WIO could encourage transparency on the part of investors, determine when national security is a legitimate reason for prohibiting or limiting foreign investment, and establish a mechanism for resolving disputes.

Finally, the United States needs to enhance its capacity to prevent state failure and deal with its consequences. This will require building and maintaining a larger military, one with greater capacity to deal with the sort of threats faced in Afghanistan and Iraq. In addition, it will mean establishing a civilian counterpart to the military

reserves that would provide a pool of human talent to assist with basic nation-building tasks. Continuing economic and military assistance will be vital in helping weak states meet their responsibilities to their citizens and their neighbors.

#### THE NOT-SO-LONELY SUPERPOWER

Multilateralism will be essential in dealing with a nonpolar world. To succeed, though, it must be recast to include actors other than the great powers. The UN Security Council and the G-8 (the group of highly industrialized states) need to be reconstituted to reflect the world of today and not the post-World War II era. A recent meeting at the United Nations on how best to coordinate global responses to public health challenges provided a model. Representatives of governments, UN agencies, NGOs, pharmaceutical companies, foundations, think tanks, and universities were all in attendance. A similar range of participants attended the December 2007 Bali meeting on climate change. Multilateralism may have to be less formal and less comprehensive, at least in its initial phases. Networks will be needed alongside organizations. Getting everyone to agree on everything will be increasingly difficult; instead, the United States should consider signing accords with fewer parties and narrower goals. Trade is something of a model here, in that bilateral and regional accords are filling the vacuum created by a failure to conclude a global trade round. The same approach could work for climate change, where agreement on aspects of the problem (say, deforestation) or arrangements involving only some countries (the major carbon emitters, for example) may prove feasible, whereas an accord that involves every country and tries to resolve every issue may not. Multilateralism à la carte is likely to be the order of the day.

Nonpolarity complicates diplomacy. A nonpolar world not only involves more actors but also lacks the more predictable fixed structures and relationships that tend to define worlds of unipolarity, bipolarity, or multipolarity. Alliances, in particular, will lose much of their importance, if only because alliances require predictable threats, outlooks, and obligations, all of which are likely to be in short supply in a nonpolar world. Relationships will instead become more selective and situational. It will become harder to classify other countries as either allies or adversaries; they will cooperate on some issues and resist on others. There will be a premium on consultation and coalition building and on a diplomacy that encourages cooperation when possible and shields such cooperation from the fallout of inevitable disagreements. The United States will no longer have the luxury of a "You're either with us or against us" foreign policy.

Nonpolarity will be difficult and dangerous. But encouraging a greater degree of global integration will help promote stability. Establishing a core group of governments and others committed to cooperative multilateralism would be a great step forward. Call it "concerted nonpolarity." It would not eliminate nonpolarity, but it would help manage it and increase the odds that the international system will not deteriorate or disintegrate.