

Global America Will the Unipolar Moment Pass?

“New Perspectives For A New Millennium Local, National, Regional and Global”

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We are now at the height of our power and prosperity. We face no single, overriding threat to our existence. The ideals of democracy and free markets, which we embrace, are ascendant through much of the world. After fifty years of building alliances for collective defence, common prosperity and wider freedom, we now have an unparalleled opportunity to shape, with others, a better, safer, more democratic world”. [1] - Samuel R Berger, US National Security Advisor

Introduction

With the defeat of the Soviet Union, and the consequent victory of the United States in the Cold War, the leading American realist journal, *International Security*, published a series of articles on the subject of what it termed the ‘unipolar moment’. [2] The concept of the unipolar moment involved the idea that the US was emerging as the only superpower in the international system and one with preponderant power. Realists discussed the extent of its dominance and whether this would inevitably lead to the rise of other states, or coalitions of states, to challenge US dominance. [3] The unipolar moment was used to imply that US dominance was theoretically and, judging from historical experience, temporary. Different writers offered various policy prescriptions either to extend the duration of the moment or to use it to refashion the system to the advantage of longer term US interests. While there are benefits in using the term, particularly its explicit formulation of the existing distribution of power as being a temporary one, a more common term outside US realist circles is that of hegemony. In this conception, a hegemonic power is one that has the traditional attributes of a great power but because of its relative dominance has rule setting capabilities with respect to the system as a whole. This warrants the term hegemonic power. It is not, however, imperial in the meaning of being able to directly control the activities of other political formations in the international system. [4] The usage of hegemonic does, however, create its own problems, insofar as it may be confused with the leftist usage of the term, commonly sourced to Gramsci, involving the notion of ideological dominance of a system of thought by those powerful enough to control it.

In this paper, the idea of hegemony is used in the sense of the US as a dominant but not imperial great power, greatly more powerful than any other since the end of the Cold War, capable of imposing new rules on the behaviour of other states and on the functioning of the system as a whole, but probably not able to guarantee its hegemony for ever. The concept is used in a similar way to that utilised by Paul Kennedy in his historical account, *The Rise and Fall of the Great Powers*, while noting, as I have argued elsewhere, that Kennedy’s portrayal of the decline of the US was premature, to say the least. [5] Structurally, the ascendancy of the US compares with that of the United Kingdom for the half a century after the Napoleonic wars when the British navy, British industry and the City of London combined to give Britain informal dominance of much of the international system even at a time when it eschewed the extension of its formal imperial domain. It was the empire of free trade on which the sun began to set in the 1890s, exciting an open discussion about the policy options available to London of it were to arrest or deal with the change in its international circumstances. [6]

The articles in *International Security* did not produce such a debate about the consequences of America’s decline and the policy options it presented. The central reason for this was that US power increased throughout the 1990s. Instead of the US joining Kennedy’s longish list of states that have risen to preponderance in the interstate system since its modern inception in the sixteenth century and then experienced decline, the US has used its victory over its most serious

rival, the Soviet Union, to fashion an international system more in concert with its national aspirations. This paper examines US strategy as a hegemonic power, portrays the policies it has deployed and the instruments it has used to pursue them, sets out the regional dimensions of these policies, and finally examines whether the unipolar moment of US hegemony faces serious challenge into the new millennium.

1. What is the US trying to do?

For most of the twentieth century US foreign policy has been designed to create a liberal world order. This was first enunciated by the President who has given his name to that strategic conception, Wilsonian liberalism, as declared in the fourteen points which took the form of the declared US war aims in 1917. [7] At that stage, the ambitious global agenda was not wholly acceptable to the American political elite and it was defeated when put to the US Senate in the form of the League of Nations Treaty in 1920. This heralded a renewed period of relative isolationism for what was already the most powerful state in the world. During World War Two, the liberal F D Roosevelt administration took more care to win support for its globalist liberal peace plans. [8] From 1944 to 1948, the US undertook the construction of a liberal international framework built on the institutions of the United Nations, the World Bank cluster and the General Agreement on Tariffs and Trade. This fell foul of the Soviet bloc and was overrun by the strategic imperatives of the Cold War after 1948. With the collapse of the Soviet Union, the bloc which it dominated, and the ideology it had fashioned and succored in 1991, the US made its third attempt to create a global international liberal order.

The first effort to articulate this modern version was made by President Bush during and following his successful attempt to create an international coalition against the Iraqi invasion of Kuwait in 1990-91. He called this the New World Order. This did not survive the successful war against Iraq by more than a year. In part, this was a result of Bush's personal difficulty in dealing with what he called the 'vision thing', in part due to the failure of the subsequent intervention in Somalia, and in part because Bush became mired in his own re-election campaign. This campaign was to fail because the US went into economic recession and the incumbent President was unable to connect his international vision with the resolution of domestic difficulties. This enabled his opponent, Bill Clinton, to take the low, grubby, but successful rout of domestic economic reform and revival. Bush also had the bad luck to run into Ross Perot on a good (and wealthy) day.

President Clinton was in many ways an unlikely harbinger of a renewed drive for a liberal world order. He had won office on a domestic program – 'it's the economy stupid' – was a Washington outsider, had no foreign policy experience and focused immediately on reform programs. [9] In the first instance, he had to drag the US economy out of a recession induced, in part, by its transition from a Cold War to a peacetime footing, try to deliver his tax cut promises, and reform the health system which had been the subject of much of his campaign rhetoric. As he sorted out these difficulties his foreign policy often looked like a shambles. Intervention in Haiti seemed poorly conceived, Iraq continued to tweak his nose, China looked like a rising, threatening power, the United Nations was independently run, financially chaotic and peacekeeping demanding under Boutros Boutros-Ghali. Rogue states like North Korea, were challenging US power throughout the system. Until 1994, the peace aims of the victorious US were elusive to observers. This started to change in 1995.

In the mid-term elections of 1994, the Republicans enjoyed a huge electoral success under the inspired slogan of a 'Contract With America' and the near charismatic leadership of Newt Gingrich. The Clinton Presidency appeared in great difficulty. Clinton emerged from this crisis with a determination to move to the Right politically. He moved away from a domestic reform program, often symbolically associated with his wife and, in the case of health insurance, failing anyway, and towards a firmer hand on foreign policy. At the other, earlier, major crisis in his political career, his defeat as Governor of Arkansas in 1980, he had undertaken a similar regeneration and re-aligned more closely with business power. [10] By 1995 the US economy was also well and truly launched on its biggest peacetime expansion, arguably, ever, an occurrence closely linked to its enjoying the peacetime dividend of re-diverting energies away from strategic towards civilian activities. Defence spending fell three points of GDP. In the strategic area, the defeat of PRC saber rattling in the Taiwan Straits crisis of March 1996 marked a critical turning point in Clinton's deployment of US power – a two-carrier battle group. It was so demonstrably superior to that of the only other potential claimant to superpower status that US hegemony was not to be denied. In the economic sphere, from 1995 Clinton started to routinely declare in speeches that the renewed US prosperity

was closely linked to the emerging growing post-Cold War global liberal economy, for which he asserted could be thanked one third of all new American jobs. By the time of his 1996 re-election victory Clinton had been made over to an activist foreign policy President with a clear global agenda that could be traced in lineage to Wilsonian liberalism. The staff in the new administration was more activist, notably with Secretary of State Madeleine Albright replacing the urbane Warren Christopher.

It should also be noted that by 1996 there was a newly emerging domestic consensus about the strategic objectives of US foreign policy. This had been partly in evidence during the closing years of the Bush administration. By 1996, however, Clinton was talking openly and frequently, about the need to create a world of free trading democracies. The more isolationist wing of the Republican Party was represented by Pat Buchanan, the iconoclastic broadcaster and one time White House aid for Nixon and Reagan. But he failed dismally in the nomination contest, which was won by the internationalist Bob Dole. By 1999, this consensus had been deepened with the effect that Buchanan left the Republicans for Perot's Reform party and was flirting with an anti-free trade Marxist as a running mate. The emerging leaders for the 2000 Presidential contest were clearly Wilsonian liberals in both major parties – Al Gore and George Bush Jr. This is not to say that there are no political differences within the US foreign policy making elite. There are, indeed, robust disagreements over issues of nuclear strategy, over fast tracking free trade agreements, over funding the United Nations and over appropriate policy towards the PRC. There is, however, a consensus that the US should press the liberal agenda of an open world economy on the international system. [11]

This liberal order may be summarised as trying to create a world of liberal states. Ideally, these would have free trade, little obstruction to the flow of capital and have representative systems of government. They would also have an extensive system of international law and multilateral organisations to regulate their behaviour towards one another. And, of course, if these mechanisms break down, they should have preponderant US power to protect or coerce them. This theme runs from the Fourteen Points to the Washington Consensus.

2. Why is the US trying to do it?

There is rarely one discernible motive behind the foreign policy of a major state, and less frequently so with a superpower as populous and diverse as the US. That is to say, there is not just one motive in foreign policy. Nonetheless, it is possible to discern the emergence and consolidation of a consensus among the US foreign policy making elite of a commitment to the creation of a global liberal order since it was first articulated by Wilson. It replaced the more complicated structure of isolationism from Europe, a sphere of influence in Central America, imperialism in the Pacific and the Open Door in Asia, which had emerged at the turn of the century. It gradually assumed the ascendancy and after the Cold War is the Washington foreign policy consensus. This consensus has to be continually defended and reinforced.

Periodically, this liberal vision is challenged or more commonly augmented by other traditions. In the 1950s Senator Taft tried unsuccessfully to mobilise the isolationist wing of the Republican Party. In the early 1970s Henry Kissinger tried to abandon American 'exceptionalism' and run a realist US foreign policy. During the 1990s, parts of the Congress have tried to generate isolationist components of US foreign policy including withdrawing finance from the World Bank and the IMF, not supporting UN peacekeeping operations, or blocking a comprehensive nuclear test ban treaty. But the thrust of policy, especially insofar as it is controlled by the executive, is towards liberal internationalism. Why does the US bipartisan center support an internationalist agenda?

One simple explanation, offered by Left commentators, [12] is that as the US emerged as the strongest capitalist economy in the world at the beginning of the twentieth century, so its political and economic elite adopted international free trade as the guiding principle of its international agenda. The large American companies became too ambitious to be contained within the American frontiers and, as the opportunities arose, sought to open other national economies to their capital, trade and finance. This first became evident in US behaviour in Central America in the late nineteenth century, in its Open Door diplomacy in the 1890s, and it took on a global complexion when the US had to develop global peace plans for the aftermath of the First World War. Due to Wilson's mishandling of the League Treaty and residual isolationism, the 1920 peace settlement was not ratified and the US lurched into semi-isolationism, although its capital flowed into Europe, and elsewhere, in the 1920s. After the Second World War, a more determined effort

produced the institutional structure for global liberal capitalism, although Soviet power ensured that it was geographically confined to the parts of the world not under Moscow's direction. After the Cold War ended US corporate power and its desire for a global economy has been more in evidence.

As the impact of decolonisation, trade liberalisation, currency convertibility, technological innovation in air transport, container shipping and electronic communications, the deepening of the GATT and then the end of communism had their impact, so the multi-national corporation assumed ever larger proportions of the emerging world economy. "By the mid-1990s more than 38,5000 MNCs world wide with more than 250,000 foreign affiliates generated \$5.2 trillion in global sales, outpacing world wide export of goods and services and accounting for one-fifth of the globe's \$25 trillion economy". [13] The US gross national product was at that time about seven trillion dollars.

The US had emerged as the source of the greatest number of these corporations. In 1996 the US was the headquarters for 162 of the top 500, Japan of 126, France 42, Germany 41 and Britain 34. In other words the five largest liberal democracies, which form the core of the drive for the globalised economy, account for over eighty per cent of the companies which dominate it. If countries' economies are ranked together with MNC corporate sales, the US is ranked first but General Motors(US), Ford(US), Mitsui(Japan), and Mitsubishi (Japan) are 23rd to 26th respectively, just after Austria, Belgium, Sweden, Taiwan and Australia, 22nd to 18th respectively.

The MNCs which then follow in the top fifty of the combined list include, Itochu (J) 30, Shell(Anglo-Dutch)31, Exxon (US)35, Sumitomo (J)36, Toyota (J)38, Wal-Mart (US)39, General Electric(US)44, Nissho Iwai(J)45, Nippon T and T (J) 46 IBM (US)49 and Hitachi(J)50. Israel, Malaysia, Venezuela, Pakistan, Singapore and the Philippines have yet to appear. [14]

The US has the largest number of MNCs although they are not exclusive to it, nor does the US dominate every sector. Many smaller countries have also been able to create large MNCs including South Korea (Daewoo and Sunkyong), Sweden (Saab), Holland (Phillips), Finland (Nokia), Italy(Fiat and IRI), Switzerland (Nestle) and Australia (Newscorp and BHP). In the financial sector because of stricter US anti-trust regulations only three US banks rate in the top twenty - Citicorp 4th, Chase 11th and Bank America 19th - in a list which starts with Bank of Tokyo/Mitsubishi, Deutsch Bank, and Credit Agricole. Nonetheless, in high technology sectors like computer software, Internet and the GPS, US companies dominate. They also dominate production and trade in the oil, aerospace, information, education, cultural, television and movie, biotechnology, armaments, transportation, food, pharmaceutical and medical technology sectors. Even in finance, while the Japanese, Germans and French may achieve greater savings and have the largest banks, it is the New York money market (followed by London) which organises their lending as a wholesale finance distribution center.

This is most certainly not to say that the globalised system is designed to merely benefit US corporate wealth, as Marxist theorists have concluded. Indeed, Clinton has been quick to defend the system as providing higher living standards for all Americans and generating economic growth for all states which participate in the global economy. Frequently, against US critics of globalisation, including some labour unions and the eternal Republican Presidential candidate, Pat Buchanan, Clinton has argued that a third of new jobs generated in the US during the rapid economic expansion of the mid-late 1990s have been attributable to the international economy. The British Prime Minister makes a similar point when arguing that a fifth of British jobs are in the finance sector, itself highly internationalised.

The point of a liberal economy, for liberals, is that its not exclusivist and that its benefits can be accessed by any people wishing and able to do so. That the US is also and incidentally a major beneficiary, is merely an added incentive for US policy makers. Since it was so beneficial the US also created a policy model to enhance it.

A second impetus has been provided by the ideology of liberalism. For economists and corporate managers the core of liberalism is a free trade economy with minimal restrictions on the flow of goods, finance and investment. This has been a central element of post Cold War US diplomacy as practiced through the GATT, World Bank and IMF, all of which have expanded their functions and operations in the 1990s. However, in the political sphere liberalism embraces human rights, representative government and freedom of information. These ideas have been used to mobilise support for US foreign policy objectives in areas as diverse as Haiti, Kosovo and the Korean peninsula. The core of liberal internationalist values, insofar as they apply to the global order, were

already to be discerned in Wilson's fourteen points. Wilson was after all a Princeton professor and highly skilled in the art of making an interest an idea. Liberalism combined in the United States the capacity to identify an economic interest with the ability to generate popular support for its pursuit.

The third impetus for the global pursuit of international liberalism is generated, apparently paradoxically, by the realpolitik component of US geopolitical thinking. In the International Security discussions, it is often assumed that the US has achieved international pre-eminence and that one of its major objectives should be to maintain that status for sufficient geopolitical reasons. To this end, the US strategy should be to retain its military pre-eminence. [15] Since the most likely challengers to this status are illiberal powers – notably the PRC but also regional challengers like Serbia, Iraq, North Korea and Syria – the pursuit of military superiority also assumes complementary ideological dimensions.

At different times different components of the US strategy assume pre-eminence. In the Gulf the economic issue involving oil is never far from the surface. In relations with the PRC the geopolitical consideration is usually paramount. In dealing with say the regime in Myanmar, issues of liberal principle and human rights often come to the fore.

3. What are the instruments, which the US uses?

As a hegemonic power the US has an array of instruments in its armoury for the pursuit of foreign policy objectives. A number of these may be considered.

In the final analysis, the power of a hegemon rests on its capacity to mobilise physical power to coerce other states to comply with its will. It was military power which won the Cold War for the US, and it is military power which presently underpins its hegemonic status. Although US military expenditure was cut in the early 1990s, contributing to regional recessions in the New York, Texan and southern California regions, the US continues to spend over \$US250 billion annually on its armed forces. This is more than the next ten largest national military budgets combined. In 1999, with the decision to proceed with funding an ABM system, US military expenditure is actually starting to increase again. It should also be noted that US military doctrine involves maintaining the capacity to successfully fight two regional wars and a local conflict at the same time. US military forces have been reconfigured since the Cold War to achieve these objectives. The US has re-deployed and rearmed its military to be able to rapidly deploy to any part of the world in defence of US global interests. It has also substantially adopted the revolution in military affairs, involving, computers, night fighting, satellite communications and unmanned technology, to minimise the risk of US casualties and overcome the 'Vietnam Syndrome'. At the same time, it should be noted, and despite its nuclear build down, the US has maintained a clear superiority in nuclear forces and is prepared to break the terms of arms control agreements with Moscow in order to maintain it. It is continuing to re-equip its armed forces including with the new generation F-22 fighter plane in order to ensure regional superiority.

The US has also re-emerged as the dominant economy of the late 1990s. Its output is once again about a quarter of total world output – nearly eight trillion of about thirty trillion US dollars - and the foreign operations of its companies may account for that much again. Indeed, its performance has been so ascendant that US economists have begun to discuss the concept of a 'new economy', in which the fluctuations of the trade cycle have been abandoned and high regular growth rates are permanent. This is often attributed to the computerisation of the US economy, which has both produced a new phase of productivity growth. It is also claimed that it has, by eliminating excessive inventories, made the imbalance between stock and production, which generate the trade cycle, a thing of the past. While these ruminations may be excessively optimistic, it is, nonetheless, the case that the US has undertaken a spectacular growth phase during the 1990s, which has seen the US currency re-emerge as the world currency, the launch of the faltering Euro notwithstanding. Further, the New York stock exchange has become (with London) the major center for wholesale finance, although in many instances the capital itself is generated elsewhere, for example, in Japan. This, of course, gives it considerable power over credit ratings and the price at which different countries and instrumentalities can borrow finance. This gives leverage over the economic regimes adopted by other sovereign states.

The international economy of the 1990s has been dominated by nearly 40,000 international companies, the largest 500 of which are almost exclusively owned by the US and its major 'core' allies. Further, it has been US companies which have typically led the process of technological

innovation in the 1990s. Some of this is attributable to earlier military related technological innovation and some to the transition to civilian production. Impressive here has been the growth of the internet and E-commerce, both led by US firms, and the continuing innovation in aerospace technologies including aircraft and satellite communications.

The US has also been able to push through extensions to the liberal free trade regime which it initiated in the 1940s, the institutional basis for which became the GATT. The Uruguay Round, initiated in 1986, came to fruition in 1995. Although much publicity has been given in New Zealand and Australia to the inclusion of agricultural goods, the more important development was the transition to the World Trade Organisation. Under the WTO, trade in services was included and will lead to the fastest growing sector of the world economy, and that which is most frequently subjected to state regulation in the name of national cultural interests, exposed to international competition and arbitration if in dispute. The setback in Seattle in December 1999, is unlikely to permanently arrest the evolution of the WTO regime.

During the Cold War the United Nations system had become a battleground for the competing blocs which emerged during that conflict. In the 1950s it was broadly a Western instrument; in the 1960s and 1970s the Third World majority assumed a numerical domination and in the 1980s it became a site of contestation in the renewed Cold War. Since the collapse of the Soviets, the US has again emerged to dominate the UN and its agencies. In the UN Security Council the US has been able to get the endorsement for many of its policies under peacekeeping arrangements, as with, for example, its containment of the Iraqi regime. As the UN became offensive to the US Congress under the more independent peacekeeping role envisaged by Boutros Boutros-Ghali, so the US was able to have him replaced with a more compliant Kofi Annan who gained his position because of a US veto on the re-appointment of his predecessor. Both the World Bank and the IMF are now operating as part agencies for US foreign economic policy as their adoption of the 'Washington Consensus' suggests.

It is common observation that US corporate domination of the movie industry, television production and transmission, franchising in areas as diverse as advertising, fast food outlets and music, is creating a world homogenized and Americanised culture. [16] Whether or not this is the case, it is true that large numbers of the political, economic and cultural elites of many countries have been and are being educated in US Universities – or the Universities of its English speaking allies like the UK, Australia, Canada and New Zealand. There, they are exposed to intellectual traditions, subjects and textbooks, particularly in economics, law and political science, which adopt the orientation of US liberalism. This tends to ensure that among the managing and ruling classes of many countries the values of government, the intelligentsia and elite, if not mass culture, are at least to some degree, liberal in character. The extent to which these disciplines are scientific and produce pure knowledge, or are ideological and serve particular state interests, or are idealistic and pursue progress, is, of course, an arena of considerable contestation. The soft power of the spread of American culture is more difficult to deny.

4. How does US policy operate in different regions?

In general, US policy makers in the 1990s adopted a system of definitional categories for other states and adopted different policies for different categories. [17] The major categories were: 'core', 'transitional', 'rogue' and 'failed'. The core states were those developed democracies with which the US had close relations and included most European countries, some in the Americas, Japan, probably South Korea and Australia and possibly New Zealand. The US broadly wants them to do more to expand and defend the liberal international order. The transitional states were those who had been communist, planned or authoritarian and showed clear signs of liberalising. These states include most of those of the former Soviet bloc, China, Vietnam, India and the like. These would be provided with inducements, and, conversely also sanctions, designed to encourage them to adopt liberalising policies. The rogue states were those remaining communist and other radical regimes that remained hostile to the US and its interests. These included Serbia, Iraq, North Korea, Syria, Cuba, Myanmar, Iran, Sudan, and would be contained by US military power, isolated from the liberal order and their regimes challenged. The failed states were those which had disintegrated and included Somalia, Haiti, the former Yugoslavia, and others in Sub-Saharan Africa. The US increasingly determined to do little about these if no other strategic interests were involved. This 'Somali syndrome' was a legacy of the humiliating US casualties during that intervention.

The US also utilised different instruments in different regions of the world to pursue US interests.

Since the end of the Cold War, Africa has attracted less interest for US policy makers. The most powerful African state, South Africa, has been both liberated and liberalised. Elsewhere, many states have continued their processes of civil war, regional and tribal conflict and economic difficulties. In the 1990s this had not, however, created strategic problems involving the intervention of hostile powers, or the economic problems involving the denial of access to strategic raw materials. As a result, US strategy and involvement in sub-Saharan Africa has been at a low level of engagement. Whereas in the Cold War Africa became too easily the site of superpower conflict by surrogate, in the post-Cold War world it suffers the problem of irrelevance. Its most pressing problem – economic development – has encountered increasing compassion fatigue among aid donors and development agencies.

US policy in Latin America has been relatively quiescent for a quite different reason. Latin America has been the centerpiece of what Huntington identified in the 1980s as the 'Third Wave' of democratisation. [18] As the economic policies of liberal capitalism were adopted throughout the continent so the economic growth that they generated produced political liberalisation. By the end of the Cold War a continent for long notorious for the viciousness of its' military regimes and the savagery of its revolutionary movements settled into a sedate and liberal developmental process. The allures of Marxism receded as the Cuban model declined with the withdrawal of Soviet subsidy. The US had, as a result, no further reason for promoting military rule and the local middle classes no reason for supporting it. With a few exceptions, the South American countries started to act like the newly emerging middle class sector of the international system which Washington had so long desired.

The critical regions for US policy have emerged as Europe, the Middle East and East Asia.

In Europe the critical result of the victory in the Cold War was the disintegration of the Soviet bloc. This has left the US with a four-pronged strategy. First, it has supported the Yeltsin successor regime in Moscow with considerable financial and political resources. This has proven difficult, as the Russian economy has declined in every post-Cold War year (and in the previous decade) to produce an average real income for Russians now 50 per cent of its 1991 level, and probably 25 per cent its 1980 level. However, this has been still cheaper and safer than continuing an arms race with the Soviet Union for the US. Yeltsin is committed to cutting military expenditure to 3.5 per cent of the Russian economy and has offered little resistance to US hegemony in the 1990s, even effectively abandoning its ally, Serbia.

Secondly, the US has supported the extension of the NATO system to the Russian border. After developing the Partnership for Peace (PfP) program the US began to draw the former east European satellites states into the western orbit. In 1999 the Czech Republic, Hungary and Poland attended their first NATO Council meeting in Washington as NATO members. At the same time, the purpose of NATO was changed. Since 1949, the NATO Charter had described it as an exclusively defensive organisation. By 1998 the US was already seeking to change this and give NATO a new purpose in the absence of a plausible Russian threat. This would also enable a wider purpose for the 100,000 or so US military personnel remaining in Europe. The April 1999 Washington NATO Council, under the impact of the Kosovo crisis, redefined the NATO alliance as one whose members would use force in pursuit of their general and agreed liberal principles, if necessary outside the European continent as they had done against Serbia within its sovereign territory of Kosovo. Under US prompting, NATO had become a potential instrument for intervention anywhere in the world and a potential substitute for multilateral action in the event of the UN not being available. "It is essential that we now give the public and Congress an understanding of why NATO is as essential, or more essential, as during the cold war," said an American NATO diplomat at the 1999 NATO meeting. "At the same time we need to keep Russia involved in a security partnership and the Europeans on board. There are real differences, and there will be histrionics, but I think the Europeans also know we have to update NATO." What was clear, was that the balance of power within the organization had not been changed by the end of the Cold War. The US still dominates NATO - but it now wished to use the organisation not just for the defence of Western Europe against possible Soviet attack, but as a global vehicle for the promotion of the world order of liberal capitalism it is trying to create.

"With the US President Bill Clinton, showing the way, the North Atlantic Treaty Organisation adopted a new strategic concept, formally extending the alliance's role beyond collective defence

to embrace crisis management and the promotion of stability throughout the Euro-Atlantic area". [19] The NATO Secretary General, Javier Solano, said the 1999 communiqué "marks the transition from an alliance that was concerned mainly with collective defence to one that will be a guarantee of security in Europe and upholder of democratic values within and beyond our borders".

The future of the alliance - which successfully stood up to the Soviet Union and its Communist allies in the Warsaw Pact, but which had been moving to a new role since the collapse of the Soviet bloc - had unexpectedly come to hinge, NATO leaders said, on the outcome of the conflict with Yugoslav President Slobodan Milosevic. Simply put, said Senator Joseph R. Biden, Jr., in remarks at the Senate Foreign Relations Committee in April 1999, "If we do not achieve our goals in Kosovo, NATO is finished as an alliance." [20]

"Our message is that the NATO of the future is as good as the NATO past", said Ronald Asmus, Deputy Assistant Secretary of State for European Affairs. NATO had to be able to deal with crises outside its member states, and Kosovo, he said, underscored that NATO had come together in such a way. Indeed, the war against Milosevic was the first instance in the history of NATO in which the alliance acted as a regional policeman rather than the way it acted for its first 40 years - as a partnership bound by a mutual defence treaty, without firing a shot.

One of NATO's most cherished descriptions of itself was dropped in early 1999. Those lines about defence that were at the heart of NATO's last strategic concept, written in 1991, when the Soviet Union still existed, disappeared. "The Alliance is purely defensive in purpose: None of its weapons will ever be used except in self-defence". These changes to the basic policy of NATO were approved by the Heads of State and Government participating in the meeting of the North Atlantic Council in Washington DC on 23 and 24 April 1999 after which a communiqué was issued setting out, "The alliance's strategic concept". This lengthy document started: "At their Summit meeting in Washington in April 1999, NATO Heads of State and Government approved the Alliance's new Strategic Concept". This was an extended geographic and social and political role, including an extensive list of potential reasons for interfering in regional issues and the domestic affairs of sovereign states where they offended liberal principles, and the further integration of NATO national forces for the purpose of combined operations.

Thirdly, the US sought to change the character of the European Union. The EU had been a useful adjunct to NATO during the Cold War by assisting the integration and cohesion of the Western alliance system and economic strength. In the 1990s, its potential for economic exclusivity emerged as an obstacle to US globalising ambitions. In 1992-93 the US rammed through the GATT/WTO agreement which limited EU opportunities for maintaining its exclusivity as a trading bloc. It also developed a raft of Atlantic Partnership Agreements designed to open the EU to US commerce. The New Transatlantic Agenda (NTA), launched in 1995, provided a framework for managing and enlarging US cooperation with the EU. It reinforced US bilateral relations with the EU member states and offered a framework for engaging the EU as a whole through a regular consultative process involving the EU Presidency country, which rotates, and the European Commission. The NTA laid out an ambitious agenda for expanding US-EU cooperation for promoting peace, stability, democracy, and development around the world; responding to global challenges; contributing to the expansion of world trade and closer economic relations; and "building bridges" between Americans and Europeans of the post-Cold War generation. The EU provided a non-military partnership for the US and Europe to complement NATO.

A key element of the US-EU worldwide partnership is intensified diplomatic cooperation. The US and the EU are now working together in the Balkans, in Ukraine, and to improve nuclear safety in northwest Russia. The US also is working with the EU to reinforce political and economic cooperation with Turkey, and has encouraged dialogue among the parties in the Middle East Peace Process. The US and the EU have undertaken several new initiatives to expand cooperation on law enforcement, policing drugs, environmental degradation, and health issues. US-EU consultations have spurred development of a successful joint counter-narcotics program in the Caribbean, exchanges of law enforcement officials, and an information campaign to combat trafficking in women in Poland and Ukraine. Joint US and EU trade efforts are helping to reduce transatlantic barriers and support the multilateral trading system. The US and the EU are also discussing creating a New Transatlantic Marketplace and are cooperating closely with the Transatlantic Business Dialogue (TABD), a US-European business partnership, to address a wide range of trade barriers important to the business community.

Finally, it sought to extend the EU to the east in order to dilute any of its residual Gaullist anti-US position, since the regimes in east Europe were generally pro-US for strategic reasons. By these means the US had created a new security architecture in Europe and one, moreover, that could be used in a much wider geographic region.

US policy in the Middle East since the Cold War has been more complicated. There, it has two principal objectives. One is the preservation of the state of Israel. This springs from the political strength of the Jewish voting population in the US, its concentration in three important states, and its influence in the media, intellectual life and the foreign policy making elite (which is probably at an all time high in the Clinton administration with even Mrs. Clinton claiming a Jewish background). [21] The other is the maintenance of the flow of oil from the Gulf which remains the largest source of traded energy supplying over a third of world oil. These two objectives are sometimes in conflict.

Bruce Riedel, Special Assistant to President Clinton, said in 1998,

The Gulf region has been recognized by every American President since Franklin Delano Roosevelt as an area of absolute vital strategic importance for the United States. Not only is it the energy storehouse of the world - home to two-thirds of the proven oil reserves of the globe - but it is also the nexus where three continents come together. No where else in the world have U.S. military forces been more actively engaged in the last quarter century than here. From Earnest Will to Desert Shield and Desert Storm, to Southern Watch, Northern Watch and Desert Strike, this is where the vital interests of the United States have been defended most vigorously in the last two decades. [22]

Israel is not a US puppet state and as a result often pursues policies at variance with those of Washington. In general, the US would like to see a peaceful settlement of the dispute between Israel, the Palestinians it evicted and the neighbouring Arab states who to varying degrees support those Palestinians and their nominal representation, the PLO. The Israelis, on the other hand, also want to maximise their own security status. Generally, the Israeli Left, led by the Labour Party, is closer to US policy because it is more prepared to negotiate a settlement with the PLO. Since the demise of the Soviet Union the PLO is also more flexible in negotiations and has settled for authority over limited territory. Since the Labour Party won the 1999 Israeli elections an all round settlement has become a possibility.

The flow of oil, on the other hand, is under continuing threat. Since the Cold War ended, oil production has been predictable, at high levels, and prices low. The Middle East share of world oil output has risen from the historic low of 27 per cent in 1986 to 32 per cent in 1991 and then 35 percent in 1996. More Persian Gulf oil has been going to Asia since the Cold War, while Europe and North America import oil from Africa and South America. Because of the volatility of the Middle East the US has, particularly since the 1973-74 crisis, encouraged the development of oil fields in other parts of the world. The Caspian basin, for example, became accessible to western capital and corporations after the collapse of the Soviet Union and is now rising in importance compared to the Middle East and US investment is boosting this. Despite a small price rise in 1996 and another in 1999, crude oil prices in the late 1990s have been about the same in dollar terms as in the mid 1980s. The cost of producing oil has also dropped, due to improved technology. As these costs have dropped, more output is coming from other oil fields, for example, in Norway, Venezuela and the US. Middle East countries with regimes friendly to the US are also increasing their oil production capacity. In other words, the Middle East has become somewhat less significant to the liberal world economy as a source of energy and oil. It is, nonetheless, still sufficiently important for the US to rate its protection from hostile encroachment as one of its key strategic objectives. But US interests there are no longer threatened by a major power like the Soviet Union.

Recently, it has been threatened by radical Arab nationalist movements, by the Islamic Republic of Iran, and by the aggression of the Iraqi Ba'athist regime. The US has long supported pro-Western regimes in the Gulf prepared to support its oil interests, notably the Saudi Arabian oligopoly and the smaller Gulf states. None of these has a human rights record that would pass muster, and few any semblance of representative government. In the Gulf US oil interests precede US liberal principles. In the 1970s the US relied on the Shah of Iran to protect its interests. In the 1980s it tried to balance the powers of Saudi Arabia, Iraq and Iran. After the Gulf War it has patrolled the Gulf oil routes itself under UN auspices following UN endorsement of its anti-Iraq policy. It now has to maintain up to 25,000 personnel offshore in its Gulf flotilla in defence of oil, because their presence on shore would be too inflammatory. It also faces the prospect of permanently patrolling

the Gulf since the likelihood of a transition to liberal democracy in any of the regional Islamic and Arab states, friendly or otherwise, is remote. Elie Kedourie has described the political evolution of the region's regimes in the following way:

This, then, is the dismal picture which many parts of the Middle East present to the onlooker: countries which have been confiscated by a handful of conspirators, usually military, who come to control their often very large resources and populations and who use them at whim. ... The establishment of the Islamic Republic of Iran, the military coup d'etat in Egypt, Syria and Iraq, and the regimes issuing from them, the destruction of the Lebanese Republic, and the mixed fortunes of constitutional government in the Turkish Republic are the outcome, thus far, of one hundred and fifty years of tormented endeavour to discard the old ways, which have ceased to satisfy, and to replace them with something modern, eye catching and attractive. The torment does not seem likely to end soon. [23]

In such circumstances, it is hardly surprising that the US has found it difficult to match its liberal principles to its geo-strategic interests in that part of the world.

During the Cold War South Asia was a region of little strategic significance for the US. Although India has begun to assume more significance since the collapse of its Soviet partner and the evolution of a nuclear arms race between India and Pakistan in 1998, the Asia/Pacific remains the focus of US attention. East Asia contains the world's second largest economy, Japan, the arguably second most powerful state, the PRC, and some of the fastest growing economies in the world, despite the so-called 1997-98 meltdown, in the tigers and ASEAN.

During the post-Cold War period Japan has been in almost permanent economic recession. The bubble economy burst in the recession of 1990-91 and the economy has been stagnant ever since despite a series of fiscal stimuli each of which has been at first proclaimed a success only to end in further stagnation. The result of this stagnation has been the end of any speculation about the emergence of Japan as a superpower in its own right. The LDP regime has been thrown out of office in 1993 and returned in 1996, but it has failed to re-ignite the economy or recapture the political confidence which had led to Japan's participating in UN operations and even speculating about a permanent Security Council position. Its defence policy has been re-established as reliance on the US defence umbrella in exchange for a \$5 billion annual subsidy to the US.

The PRC is the only state with the potential to pose a serious challenge to US power. If its economy is measured in Purchasing Power Parity terms and generous assumptions made about its capacity to continue the rapid economic growth it has enjoyed recently and its ability to resolve the problems of its indebted state sector, its economy could draw level with that of the US in a generation. It also has significant armed forces and a regime with various claims on regional territory, particularly in adjacent seas. [24] But the PRC is a long way from matching US economic, military or technological power even regionally, let alone globally. Its defence equipment, while it is being upgraded, is mostly of Russian origin and generally unable to match that of the US. The PLA noted with dismay the ease with which both Iraq and Serbia, both armed with similar technology, were dealt with by the US. [25] US policy towards China has been, therefore, as with other transitional states, to draw it into the international system.

As Bill Clinton put it in April 1999 when welcoming Chinese leader, President Zhu,

I believe we should not look at China through rose-colored glasses, nor should we look through a glass darkly to see an image that distorts China's strength and ignores its complexities. We need to see China clearly – its progress and its problems, its system and its strains, its policies and its perceptions of us, of itself, of the world. Indeed, we should apply a bit of universal wisdom that China's late leader, Deng Xiaoping, used to preach, we should seek the truth from facts. In the last 20 years, China has made incredible progress, in building a new economy, lifting more than 200 million people out of absolute poverty. But consider this: Its working age population is increasing by more than 10 million people, the equivalent of the state of Illinois, every year. Tens of millions of Chinese families are migrating from the countryside, where they see no future, to the city where only some find work. Due in part to the Asian economic crisis, China's economic growth is slowing just when it needs to be rising to create jobs for the unemployed and to maintain support for economic reform. For all the progress of China's reforms, private enterprise still accounts for less than 20 percent of the non-farm economy. Much of China's landscape is still dominated by unprofitable polluting state industries. China state banks are still making massive loans to

struggling state firms, the sector of the economy least likely to succeed. Now, I've met with Premier Zhu before. I know, and I think all of you know, that he is committed to making necessary, far-reaching changes. He and President Ziang are working to reform banks and state enterprises and to fight corruption. Indeed, one of China's highest public security officials was arrested several weeks ago on corruption charges. They also know that in the short run, reform will cause more unemployment, and that can cause unrest. But so far, they've been unwilling to open up China's political system because they see that as contributing to instability when, in fact, giving people a say in their decisions actually provides a peaceful outlet for venting frustration. China's biggest challenge in the coming years will be to maintain stability and growth at home by meeting, not stifling, the growing demands of its people for openness and accountability. It is easy for us to say; for them, it is a daunting task. What does all this mean for us? Well, if we've learned anything in the last few years from Japan's long recession and Russia's current economic troubles, it is that the weaknesses of great nations can pose as big a challenge to America as their strengths. So as we focus on the potential challenge that a strong China could present to the United States in the future, let us not forget the risk of a weak China, beset by internal conflicts, social dislocation and criminal activity, becoming a vast zone of instability in Asia. [26]

The US strategy toward China, nonetheless, is to demonstrate its overall superior strategic capability through alliances and forward military deployments. [27] It hopes this capability will deter Chinese military adventurism and simultaneously enmesh Beijing in a web of relationships that serve mutual interests. Eventually, it is hoped, the combination of approaches will produce the desired result of integrating China into the liberal order with a liberalised domestic political structure.

But the expansion of PRC power in the 1990s has been sufficient to alarm the ASEAN states. They have both moved towards closer cooperation with one another in the face of a common concern about the PRC and some have expanded their ties with the US as a counterweight. In turn, the US was able to use its economic assistance through the IMF for some of the ASEAN regimes during the meltdown crisis of 1997-98 to enforce some liberalisation of their structures of crony capitalism. This was most clearly the case in Indonesia where a thirty two year old dictatorship crumbled before the combined forces of financial difficulties and domestic protest to produce a transitional state.

5. Will this unipolar moment last?

The question remains then: what are the prospects for a continuation of the unipolar moment? How long can US hegemony survive? International relations methodologies offer three broad answers.

Central to a realist perspective on this issue is the realist commitment to the international political system itself being driven by the remorseless drive for self-interest by states and the anarchy which comprises the society they inhabit. Since ideology has little role to play in the formulation of state policy, or its implementation, the US is an aspiring or actual hegemonic power like any other. Its liberal ideology is a mask for its interests and a tool to mobilise support. The logic of the system, therefore, is that other powers, operating under the balance of power, will rise to oppose US dominance. [28] Who are they? There have been signs that the PRC has tried to mobilise such a coalition just as, it should be noted, it did in the 1970s in opposition to the Soviet Union. Its regime is clearly familiar with balance of power theory. So far, this policy has failed to create a coalition of rogue states plus Russia, which would be the obvious combination. The capacity of the rogues to develop Weapons of Mass Destruction, the potential for Russia to revive and the lingering ambitions of the PRC remain, nonetheless, a potent platform from which to construct an anti-hegemonic coalition.

The Russo-Sino Summit of December 1999 marked some evolution of this concept and the ascendance of China. Russian President Boris Yeltsin and Chinese President Jiang Zemin met Dec. 9 for a hasty and informal summit. While the Russian government and media focused on the two countries' strategic partnership and on China's backing for Russian actions in Chechnya, the Chinese state media highlighted the border agreements inked at the meeting. The differing media coverage reflects the fundamental difference in emphasis both nations place on the meeting. Russia appears desperate for China's support, to demonstrate to the United States that it is still a great power. China, while maintaining some distance from Russia's tactical concerns, is also demonstrating clearly to the United States that a Sino-Russian bloc remains an option.

Russian President Boris Yeltsin met in Beijing with Chinese President Jiang Zemin, Prime Minister Zhu Rongji, and chairman of the Standing Committee of the Chinese National People's Congress Li Peng Dec. 9. On the one hand, Russia has placed great importance on the informal summit between Jiang and Yeltsin, emphasizing the fact that China backs Russian military actions in Chechnya. It is also presenting the summit as an advancement in the Sino-Russo strategic partnership. On the other hand, China - while following diplomatic protocol - has treated the visit with less strategic impact, focusing instead on the three border agreements between the nations' foreign ministers.

The meeting between Yeltsin and Jiang has been postponed several times. Russia's decision to send Yeltsin to Beijing when he is obviously not healthy, and against the public advice of his doctors, reinforces the urgency Moscow assigns the meeting. Yeltsin's visit was intended not only to guarantee Chinese political support in light of Russian military operations in Chechnya, but also to reinforce to the West that Russia remains a force to be reckoned with - a force that would only grow by entering a strategic alliance with China.

The threat of such an alliance provides both Russia and China with a useful bargaining chip in dealing with the United States. Such an alliance would be difficult to actualize, due to the competing strategic interests of the two countries. Nevertheless, Russian statements regarding the meeting play up this threat.

Russia -- under increasing international pressure over the issue of Chechnya - is using the summit in an attempt to rebuild an international image of strength. It is relying on the summit to build support against growing international condemnation. Russian Foreign Minister Igor Ivanov said that China fully supported Russia's actions in Chechnya, and that the border agreements with China represented "a new step in our strategic partnership." In addition, Yeltsin responded to U.S. criticism of the Chechen campaign by saying that U.S. President Bill Clinton had forgotten that Russia "has a full arsenal of nuclear weapons."

China, on the other hand, participated in the summit for its own strategic reasons. The meeting brought about three border agreements, which have been the focus of Chinese statements and media coverage. The agreements formalize two stretches of common border, and they lay out the joint economic use of some contested river islands. The border resolution with Russia, long in the works, comes amid a larger move by China to secure its land borders.

In addition, China took the opportunity to send a message to the United States. Holding the summit with Russia, but paying little formal attention to the idea of a Sino-Russo military partnership, allows China to maintain a friendly relationship without directly confronting the United States. But, in maintaining visibly close ties with Russia, China is also sending a signal that it has the power to set the agenda. The move also provides a reminder that China and Russia could form an alliance to counter U.S. hegemonic power.

As China continues to position itself as a world power, the balance it walks between the United States and Russia will remain a key tool in its foreign policy. The summit in Beijing, and the two governments' divergent portrayals of the event, has demonstrated the weakness of Russia's international position. At the same time, China has shown itself to be the senior partner in any relationship with Russia, and, while maintaining an open relationship with the United States, remains capable of pulling the Russia card any time it sees fit.

For liberals, the cause of the US is more robust and potentially more enduring. If the US can succeed in creating a world of largely liberal powers, a kind of Kantian League of Civilised States, that are meshed into each other both economically, by interdependence, and politically by a structure of multilateral instrumentalities, then a Democratic Peace may indeed ensue. [29] One problem here is that where its interests are deeply affected, the US is as capable as any other state of using force to advance them. The cause in the Gulf War was, after all, oil. In the case of the dismemberment of the national territory of Serbia/Yugoslavia, it was as oblivious to the principle of national sovereignty as any hegemon before it. [30] Indeed, Clinton tried to persuade the 1999 UN General Assembly of the need for it, like NATO, to endorse the cause of intervention in the affairs of sovereign states in pursuit of liberal orders.

The Leftists' claim that the US is driven principally by the need for economic opportunity and exploitation certainly fits the data as earlier deployed. Since the other powerful states in the

system, notably Germany, the UK, France and Japan, not to mention other smaller, but substantial powers like Italy, Canada and Australia, all have an almost equal interest in the preservation and consolidation of the system, the US has powerful allies, indeed, to work with.

Conclusion

Since its victory in the Cold War, the US has fashioned a very substantial global system of liberal internationalism. It is being propelled by a powerful economic structure, managed by a complex system of international institutions and protected by the strongest and most determined military power of the twentieth century. It may prove extremely enduring into the next millennium.

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