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MAY/JUNE 2021

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## Trade Wars The Fight Over the Global Economy's Future



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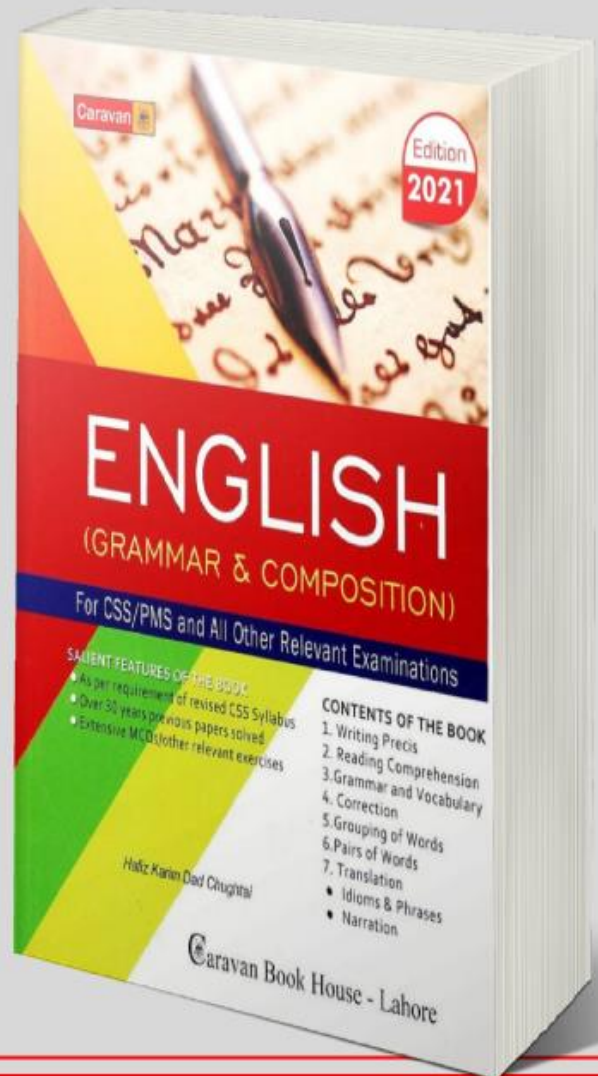
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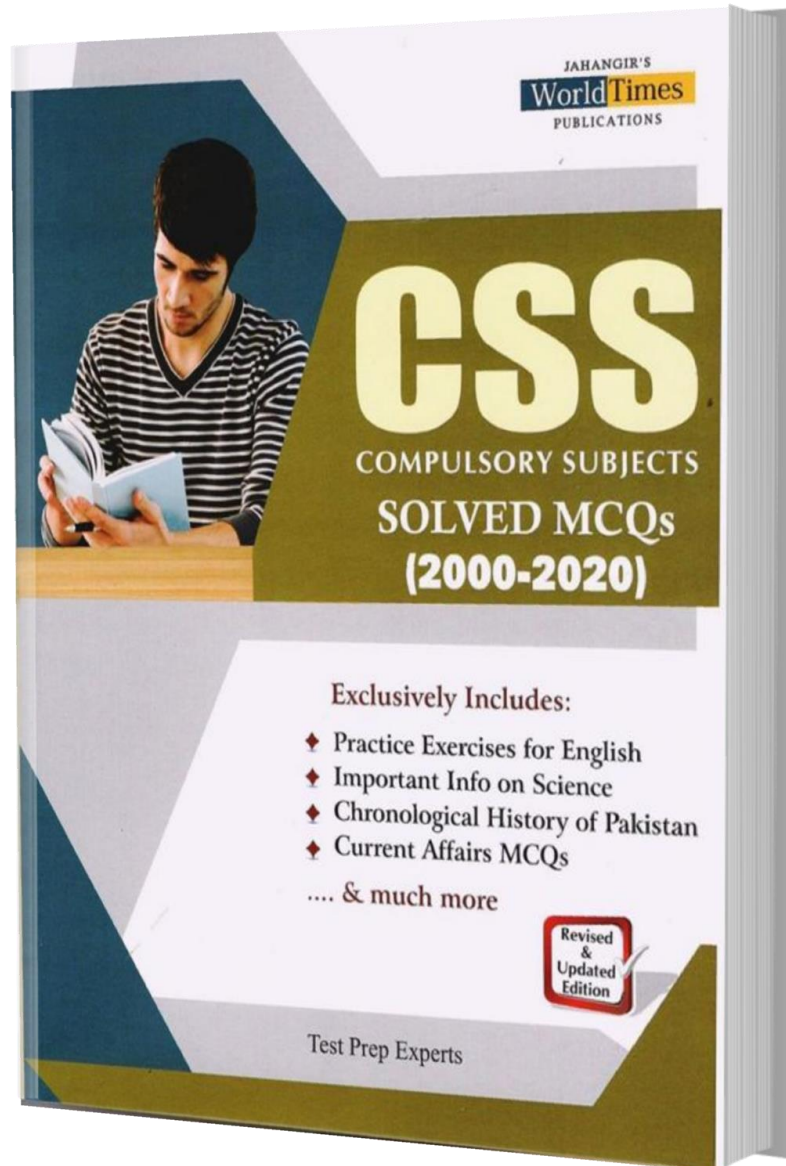
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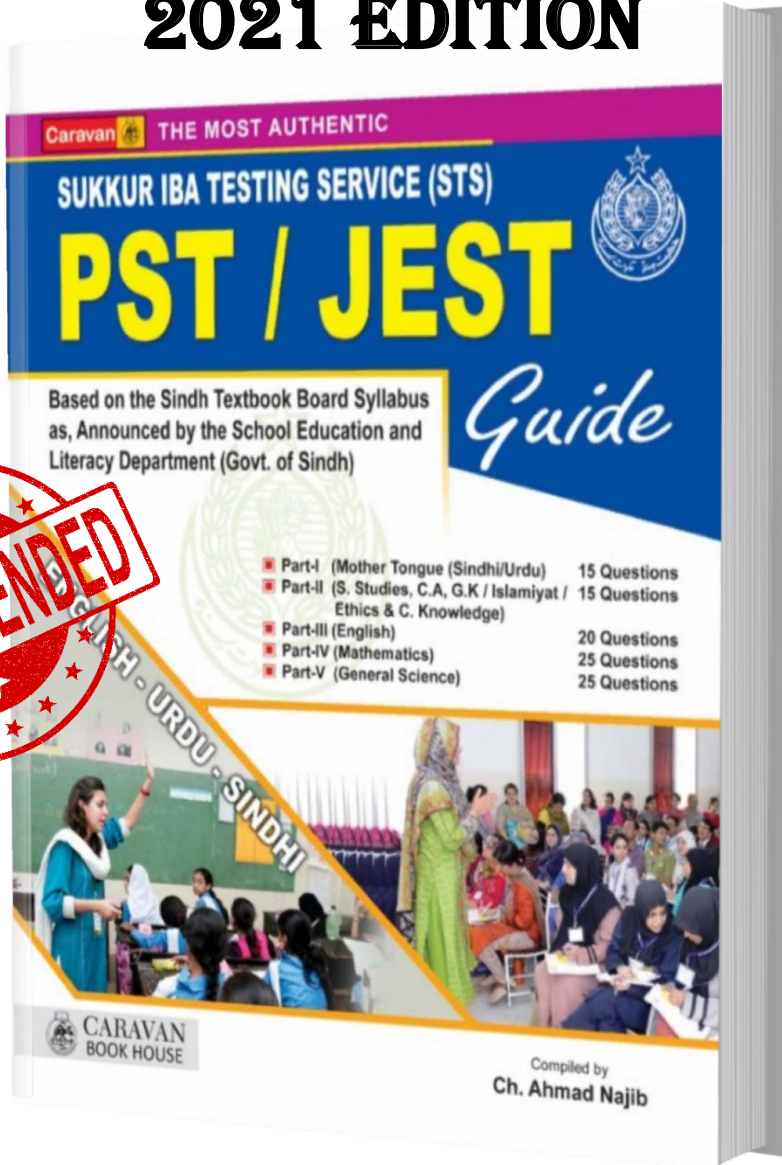
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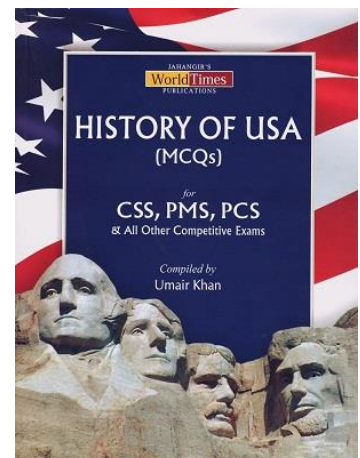
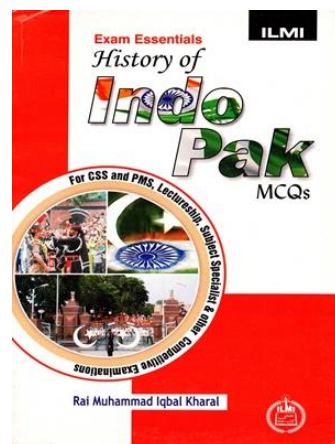
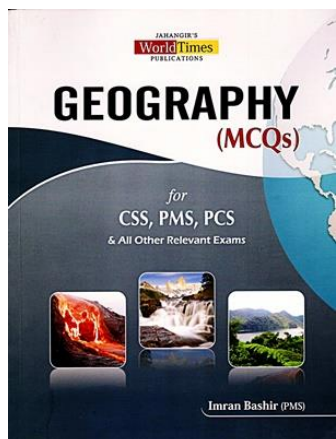
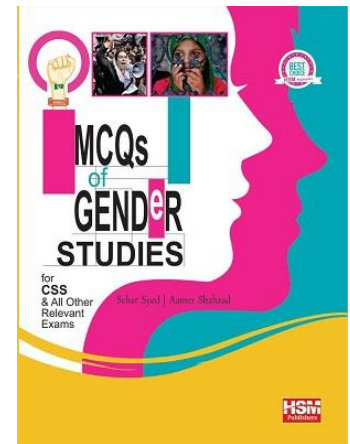
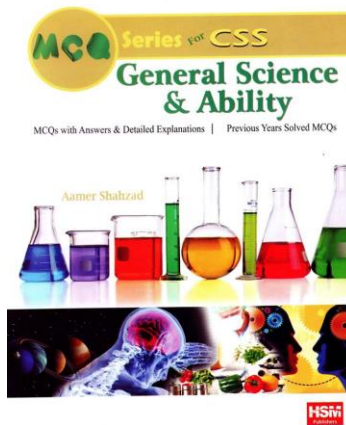
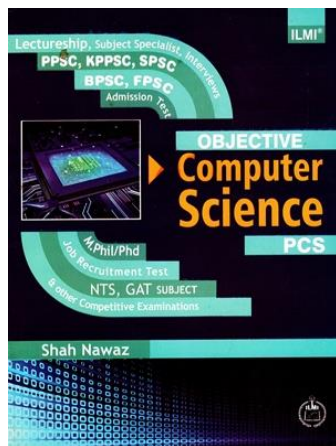
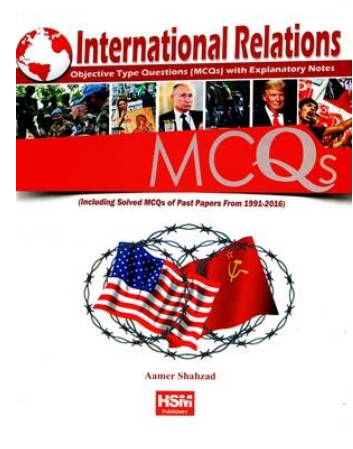
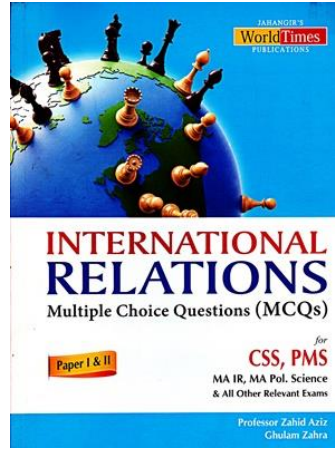
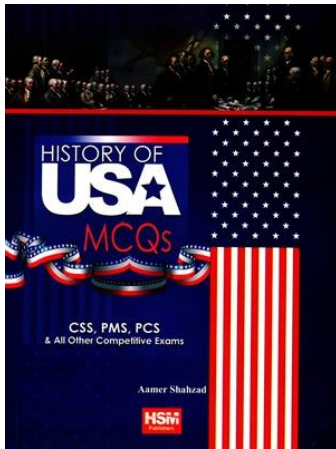
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Volume 100, Number 3

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## CONTRIBUTORS

An early childhood spent in northern Thailand as the son of mission doctors sparked **GORDON HANSON**'s interest in economic development. Since then, he has dedicated his career to understanding the relationship among migration, globalization, and trade. Now, as a professor of urban policy at the Harvard Kennedy School and a research associate at the National Bureau of Economic Research, Hanson studies China's impact on the U.S. labor market. In "Can Trade Work for Workers?" (page 20), he calls for strong domestic policies that help people adapt to globalization.



**MICHÈLE FLOURNOY** is one of Washington's most accomplished defense policymakers. She got her start in government during the Clinton administration and eventually rose to be undersecretary of defense for policy under President Barack Obama—at that point becoming the highest-ranking woman in the Defense Department's history. Outside government, she has worked as a business consultant and co-founded the think tank the Center for a New American Security. In "America's Military Risks Losing Its Edge" (page 76), Flournoy argues that the United States must reimagine how it fights wars.



**CONSTANZE STELZENMÜLLER** got her first taste of foreign policy as a writer for the German weekly *Die Zeit*, where she covered foreign, military, and international security policy. Now, 27 years later, Stelzenmüller is a top expert on transatlantic relations and European foreign policy. In "The Singular Chancellor" (page 161), she argues that Germany's Angela Merkel, who is set to leave office in September, has proved remarkably adept at holding on to power but failed to prepare the country for current and future challenges.



After getting his start as an English-French translator and freelance reporter in Côte d'Ivoire in the early 1980s, **HOWARD FRENCH** joined *The New York Times* and went on to serve successively as bureau chief for a number of regions around the world, including in Africa, Asia, and Latin America. He has published four books—three works of nonfiction and one volume of documentary photography—and his next, *Born in Blackness*, is set to come out this fall. In "A Prison Called Tibet" (page 179), French reviews Barbara Demick's *Eat the Buddha*, discussing how China has suppressed dissent in the formally autonomous region.



## TRADE WARS

A globalized economy was supposed to bring people together—or so went the dominant strain of thinking in the foreign policy world for most of the last few decades. In a few short years, the near consensus has collapsed. Gone are the prophecies of ever-accelerating integration and the paeans to trade and investment promoting prosperity and comity for all. Now, the discussion centers on just how much the world's two largest economies should “decouple,” on pandemic-addled governments taking control of supply chains and vaccine doses, and on techno-democracies vying with techno-authoritarians to shape the digital commons. Far from tempering geopolitical competition, trade has offered another means of waging it.

Yet might today's pessimism miss as much as the Pollyannaish visions of the recent past did? Tracing patterns over two centuries, Harold James foresees a new wave of globalization, not in spite of today's fragmentation and discord but because of it: in a crisis, leaders tend to respond at first with nationalist posturing, only to accept before long that recovery demands more cooperation and connection, not less.

Gordon Hanson—building on his influential research documenting the magnitude of the so-called China shock to the U.S. economy—highlights the broken promises and acute harms of past trade agreements. Even a “worker-


centric” policy, as the Biden administration has promised, will not be enough to get trade on a better track. A bolder approach is needed.

Adam Posen contends that blaming trade and openness for the United States' ills gets the problem exactly wrong: the culprit is a two-decade retreat from international economic engagement, which has increased inequality and hindered growth. Audrye Wong offers a similarly damning assessment of China's “economic statecraft,” including headline-grabbing efforts such as the Belt and Road Initiative, which backfire as often as they succeed.

Finally, Matthew Slaughter and David McCormick observe that even as overall trade has plateaued, flows of data across borders have grown exponentially—yet spurred little in the way of international action to manage the momentous economic, political, and security implications. The United States, they argue, must take the lead in crafting new rules for a world in which data is power.

These diagnoses differ, and the prescriptions point in varying directions. But a common thread runs through them all, highlighting what old assumptions got wrong: ultimately, not immutable economic forces but policy choices—foolish or wise, myopic or farsighted—will determine where we go from here.

—*Daniel Kurtz-Phelan, Editor*



*Far from tempering  
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**Globalization's Coming Golden Age**

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# Globalization's Coming Golden Age

## Why Crisis Ends in Connection

*Harold James*

**T**he thought that trade and globalization might make a comeback in the 2020s, picking up renewed vigor after the pandemic, may seem far-fetched. After all, COVID-19 is fragmenting the world, destroying multilateralism, and disrupting complex cross-border supply chains. The virus looks like it is completing the work of the 2008 financial crisis: the Great Recession produced more trade protectionism, forced governments to question globalization, increased hostility to migration, and, for the first time in over four decades, ushered in a sustained period in which global trade grew more slowly than global production. Even then, however, there was no complete reversal or deglobalization; rather, there was an uncertain, sputtering “slobalization.” In contrast, today’s vaccine nationalism is rapidly driving China, Russia, the United Kingdom, and the United States into open confrontation and sowing bitter conflict within the EU. It is all too easy

**HAROLD JAMES** is Professor of History and International Affairs at Princeton University and the author of the forthcoming book *The War of Words: A Glossary of Globalization*.

to extrapolate and see a future of “nlobalization”—globalization vanishing in a viral haze.

Over the past two centuries, the course of trade and globalization has been shaped by how governments and people have responded to such crises. Globalization comes in cycles: periods of increasing integration are followed by shocks, crises, and destructive backlashes. After the Great Depression, the world slid into autarky, nationalism, authoritarianism, zero-sum thinking, and, ultimately, war—a series of events often presented as a grim parable of the consequences of globalization’s reversal. Yet history shows that many crises produce more, rather than less, globalization. Challenges can generate new creative energy, better communication, and a greater willingness to learn from effective solutions adopted elsewhere. Governments often realize that their ability to competently deliver the services their populations demand requires answers found abroad.

Modern globalization, for instance, began as a response to social and financial catastrophes in the 1840s. The most recent wave of globalization followed scarring economic disruptions in the 1970s. In both cases, shocks laid the foundation for new international connections and solutions, and the volume of world trade surged dramatically. The truth is that historic ruptures often generate and accelerate new global links. COVID-19 is no exception. After the pandemic, globalization will come roaring back.

### THE FIRST TIME AROUND

The 1840s were a disaster. Crops failed, people went hungry, disease spread, and financial markets collapsed. The best-known catastrophe was the Irish potato

famine, which began in 1845 and led to the deaths of nearly one million people, mostly from diseases caused by malnutrition. The same weather that made potatoes vulnerable to fungal rot also led to widespread crop failures and famine across Europe. In *The Communist Manifesto*, published in 1848, Karl Marx and Friedrich Engels articulated how global integration was driving the world toward social and political upheaval. “The development of Modern Industry,” they argued, “cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products.”

Europe was a tinderbox. In 1848, it ignited in an inferno of nationalist revolution, with populations rising up in France, Italy, and central Europe. But the economic shock of the 1840s did not reverse the course of global integration. Instead, trade expanded, governments reduced tariff barriers, capital mobility surged, and people moved across continents. Migration was not only a response to social and political immiseration; it also reflected the promise of new prosperity.

Historians now think of the second half of the nineteenth century as the first age of globalization. Food shortages highlighted the need for broad and diversified supply chains, and leaders realized that a modern state needed reliable access to supplies from beyond its borders. In the United Kingdom, the British government initially responded to the Irish famine by importing corn from outside Europe. At the time, *The Economist* argued that “except Russia, Egypt, and the United States, there are no countries in the world able to spare any quantity of grain worthy of mention.”

Imports, however, failed catastrophically. This was in part because the new

food was unfamiliar, but above all, it was because London couldn’t work out how to pay for the goods. Trade deficits generated currency shortages, which pushed up interest rates in the United Kingdom and France. This intensified a manufacturing crisis—itsself the result of a decline in purchasing power caused by surging food prices. Although the best solution was to sell more goods abroad, that would have required governments to lower trade barriers and open up their markets.

These shortages generated popular demands for more competent governments. Although it was only in 1981 that the economist Amartya Sen’s pioneering work on the 1943 great Bengal famine definitively showed that famines are often manmade, that intuition was already widely shared in the 1840s. John Mitchel, an Irish nationalist who emigrated to the United States, concluded, “No sack of Magdeburg, or ravage of the Palatinate, ever approached in horror and desolation to the slaughters done in Ireland by mere official red tape and stationery, and the principles of political economy.”

Governments everywhere eventually responded to these demands. That meant learning from successful efforts elsewhere. The United Kingdom enacted a series of civil service reforms, adopting a competitive examination process in place of arcane patronage. The most striking extension of state capacity, however, occurred across the English Channel, where Louis-Napoléon, the nephew of the emperor, was elected president of France in 1848. After a coup and a series of plebiscites advertising his competence and activism, Napoleon made himself president for life



and, eventually, emperor—Napoleon III. His policies were designed to show the benefits of an efficient autocrat over divided liberal regimes. He initiated large-scale public works projects—including railroad expansions and Baron Haussmann's famous rebuilding of Paris.

Napoleon also demonstrated his competence by negotiating the Anglo-French tariff agreement of 1860, which reduced duties on important goods traded across the channel. Other countries quickly followed suit and negotiated bilateral trade deals of their own across Europe. But even before 1860, improved communication and transportation meant commerce was surging: global trade in goods accounted for just 4.5 percent of output in 1846 but shot up to 8.9 percent in 1860.

The events of the 1840s also laid the foundation for a wave of institutional changes to address the proliferation of small states with a limited ability to deal with migration. The creation of new nation-states with novel currencies and banking systems, notably Germany and Italy, and administrative reform in the Habsburg empire—ending internal customs duties and serf labor—were all designed to push economic growth. In this context, the American Civil War and the Meiji Restoration in Japan were also nation-building efforts meant to maximize the effectiveness and capacity of institutions. The abolition of slavery in the United States and feudalism in Japan were profound social and economic transformations. Both upheavals, moreover, led to monetary and banking reforms.

Business competence was also newly in demand. In 1851, the United Kingdom celebrated its industrial strength

with the Great Exhibition—an international fair intended to display British ingeniousness and mechanical superiority, as well as the virtues of peaceful commerce. Some of the most stunning products, however, were neither British nor particularly peaceful—among them, the steel cannon, invented by a German, Alfred Krupp, and the revolver, developed by an American, Samuel Colt. British observers saw continental Europeans catching up and overtaking their own country. To the British scientist Lyon Playfair, the exhibition showed “very clearly and distinctly that the rate of industrial advance of many European nations, even of those who were obviously in our rear, was at a greater rate than our own.” He went on: “In a long race the fastest sailing ship will win, even though they are for a time behind.” The event taught world leaders a powerful lesson: international trade was vital for enhancing national performance. Competition was central to generating competence.

The result was an abrupt psychological shift from catastrophism to optimism, and from despair to self-confidence. This new mood initiated the first wave of globalization—its so-called golden age, in which international trade and finance expanded rapidly. Eventually, however, this optimism gave way to complacency, then doubts about the benefits of globalization and increasing disillusion among those left behind (notably European farmers). The upswing came to an end with World War I. That conflict prompted a massive international rebuilding effort that faltered bloodily with the rise of fascism in the 1930s and the advent of World War II.

### A SHOCK TO THE SYSTEM

The makers of the postwar settlement in 1945 had learned a great deal from the mistakes of the last century. They created an extensive framework of international institutions but left substantial economic control in the hands of national authorities. As a result, the end of World War II did not immediately unleash waves of capital mobility like those that had characterized the nineteenth century. Nearly three decades later, however, the dilemmas raised by shortages and scarcity that had led to earlier versions of integration finally returned—setting the stage for the current era of globalization.

In the 1970s, after two large oil price hikes, the industrialized world saw its way of life threatened. Oil prices had been stable in the 1960s, but a surge in demand taught producers that they could exploit control over the world's most important commodity. Adding to the crunch, the first oil shock, in 1973–74, was accompanied by a 30 percent rise in wheat prices, after the Soviet Union experienced poor harvests and bought up U.S. grain to compensate. Shortages reappeared. Some oil-importing countries imposed “car-free days” as a way of rationing gasoline consumption. As states spent more on oil, grain, and other commodities, they found their balance of payments squeezed. Unable to afford vital goods from abroad, governments had to make hard choices. Many floundered as they tried to ration scarce goods: mandating who could drive cars when or struggling over whether they should pay nurses more than teachers, police officers, or civil servants.

The immediate and instinctual response to scarcity was protectionism.

In the United Kingdom, where the balance-of-payments problem appeared earlier than elsewhere, the government tried a domestic purchasing campaign, supported by all the major political parties. Leaders encouraged citizens to wear stickers and badges with the Union Jack and the message “I’m backing Britain.” (The press magnate Robert Maxwell distributed T-shirts with a similar slogan, but they turned out to be made in Portugal.) In the mid-1970s, after the first oil shock, the government briefly flirted with what the Labour Party’s left flank called a “siege economy,” including extensive import restrictions. In the United States, there was acute anxiety about Japanese competition, and in 1981, Washington pressured Tokyo to sign an agreement that limited Japanese car exports. The move backfired, however. Because of the new restrictions, Japanese producers merely shifted their focus away from cheap, fuel-efficient cars and toward luxury vehicles.

Despite these gestures at economic nationalism, the oil shock—paradoxically at first—created more globalization. In conjunction with price increases, a financial revolution driven by the emergence of large international banks transferred huge surpluses accumulated by oil producers into lendable funds. The new availability of money made resources easily accessible for governments all over the world that wanted to push development and growth. International demand thus surged. In contrast, in the United Kingdom, Labour’s siege economy looked like it would cut off access to markets and prosperity.

Thus, crises in the 1970s led to the same realization as in the 1840s: open-

ness produced resilience, and financing needed to be available for trade to expand. The eventual impact was obvious: trade in goods and services, which in 1970 had amounted to 12.1 percent of global GDP, increased to 18.2 percent by 1980. The cycle swung back to globalization once again.

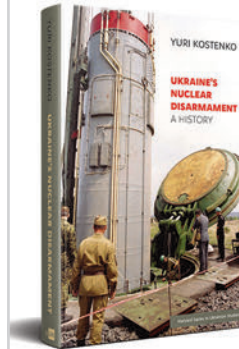
Protectionism in the 1970s also triggered a discussion of whether governments were handling the crisis competently. At first, the debate was personalized and highly caricatured: in the United States, it centered on Richard Nixon's crookery, Gerald Ford's supposed inability to chew gum and walk, or Jimmy Carter's micromanagement. In the United Kingdom, commentators focused on the detached bachelor existence of Prime Minister Edward Heath and then on allegations of cronyism against his successor, Harold Wilson. France went into the oil shock under the very sick President Georges Pompidou, who died of cancer in 1974. In West Germany, the revelation that Chancellor Willy Brandt's closest assistant was an East German spy undermined the country's reputation for competence. His successor, Helmut Schmidt, believed that Germany was returning to the chaos of the interwar Weimar Republic.

The many examples of personal incompetence in rich industrial democracies generated the thesis that such countries had become ungovernable. The political theorist Jean-François Revel concluded that democracies were perishing and that the Soviet Union was winning the Cold War. Autocracies such as Chile under Augusto Pinochet and Iran under Mohammad Reza Shah Pahlavi appeared better suited to handle



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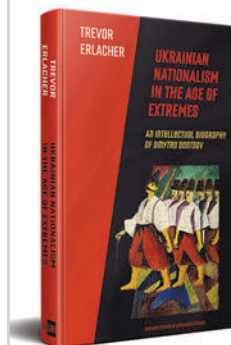
*The implicit message of Ukraine's Nuclear Disarmament is clear: there is no substitute for a nuclear deterrent when you live in a dangerous neighborhood.*

— **John J. Mearsheimer**,  
R. Wendell Harrison  
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Professor of Political  
Science, U. of Chicago



*Kis is not afraid to tackle all of the aspects of life in the camps, from pregnancy and motherhood to rape and torture... Survival as Victory is a must-read...*

— **Anne Applebaum**,  
Pulitzer Prize-winning  
author of *Gulag: A History*



*This book... explains in meticulous, spell-binding detail how Dontsov—a highly polarizing yigure—became the spiritual father of the Organization of Ukrainian Nationalists.*

— **Karel C. Berkhoff**, NIOD  
Institute for War, Holocaust  
and Genocide Studies

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modern global challenges. The autocrats lectured others about their superiority. In reality, however, they were bloody, corrupt, and, in many cases, spectacularly unsuccessful.

The real insight of the debate over administrative effectiveness was that governments could overstretch themselves by taking on too many tasks. That realization inspired a key tenet of what was later widely derided as “neoliberalism”: the belief that if governments took on microdecisions, such as determining wage and price levels (a central part of both Nixon’s and the British government’s bids to contain inflation), they risked their legitimacy and reputation for competence. Official decisions would appear both arbitrary and unenforceable because powerful groups would quickly make sure that new settlements favored their interests.

### INFLATION NATION

The shortages of the 1840s and the 1970s both seemed to have an apparent cure: inflation. Inflation can help accommodate shocks, often painlessly. Because people have more cash or bank credit, monetary abundance generates the impression that they can have everything they want. Only gradually do consumers realize that prices are rising and that their money buys less.

In the 1850s, inflation may have been partially unintended. It was largely the result of the 1849 California Gold Rush, which vastly increased the world’s gold stock. Price increases were also driven by financial innovation, primarily Europe’s adoption of new types of banking that drove money creation, such as the so-called *crédits mobiliers*, which developed industrial

lending in France and central Europe. By giving people apparently greater wealth, this increase in the supply of money (and the resulting mild inflation) helped governments appear more competent and made businesses and consumers more confident. It prompted a genuine global surge in production, which generated greater prosperity and security.

After 1971, when Nixon finally severed the link between the dollar and gold, monetary policy was no longer constrained by a metallic standard. In times of crisis, governments could now print more money to drive growth. In many countries, the immediate response to oil price increases was therefore to accommodate the shock through expansive fiscal and monetary stimulus: people could still go on buying. That reaction spurred inflation, which by 1974 had risen to 11 percent in the United States and beyond that in some other countries: in 1975, the United Kingdom’s inflation rate reached 24 percent.

Although inflation initially seemed to be the solution to the scarcity problem, it soon appeared in diagnoses of government incompetence. The economist Arthur Okun developed a popular “misery index” by simply adding inflation and unemployment. The metric became an important political weapon. The Democratic presidential challenger George McGovern used it against Nixon in 1972, Carter used it against Ford in 1976, and Ronald Reagan used it against Carter in 1980.

High inflation at first superficially stabilizes societies, but over time, it becomes a threat. Inflation often pushes interest groups—internationally, producer cartels such as OPEC, and

domestically, labor unions—to mobilize, organize, and lobby in the hope of acquiring a greater share of monetary and fiscal resources. Depending on the extent of that mobilization, it can pull societies apart, as unions leapfrog each other with aggressive wage demands and inflation erodes the pay and pensions of the nonunionized and the retired. By demonstrating that governments are vulnerable to organized pressure, inflation is thus a destabilizing force in the long term. Indeed, analysts have argued that it was at least in part generalized international inflation in the 1960s that pushed oil producers to organize—leading to the price hikes of the 1970s.

Monetary experiments of this sort created demands for new ordering frameworks. After the surge in economic growth of the mid-nineteenth century, the world internationalized the gold standard to create a common framework for international payments. Although policymakers went a different route after the inflation and liberalization of the 1970s, they were also looking for a return to stability. To end the monetary disorder, central banks targeted a low inflation rate, and governments engaged in new patterns of cooperation abroad—creating the G-5 and then the G-7 and the G-20 as forums for discussing collective responses to global economic challenges. The quest for stability was also aided by the steady march of globalization. Greater global integration lowered production costs and thus helped correct the inflationary surge that initially accompanied the shortage economy. Inflation, which first fueled globalization in the 1850s, was, by the end of the twentieth century, eventually tamed by it.

## **PAST AS PROLOGUE**

Today, the COVID-19 pandemic has produced a deep economic crisis, but it is different from many past ones. The shock is not a demand-driven downturn, like the Great Depression or the 2008 recession. Although lockdowns have interrupted supply and caused unemployment to soar, there is no overall shortage of demand. Large rescue and stimulus packages in rich countries have generated a financial buffer, and savings have shot up as people spend less. The best estimate is that in 2020, the United States piled up \$1.6 trillion in excess savings, equivalent to seven percent of GDP. People are waiting to unleash their pent-up purchasing power. On top of that, finance ministers and international institutions are listening to U.S. Treasury Secretary Janet Yellen's demand that "the time to go big is now" when it comes to fiscal relief.

Yet the current crisis does share key characteristics with the crises of the 1840s and the 1970s. The world of scarcity, for one thing, is already here. The pandemic has led to shortages of medical supplies such as face masks and glass vials for vaccine storage. Food prices have soared to their highest level since 2014—the result of a combination of dry weather in South America that has hurt wheat and soybean crops and pandemic-induced shipping disruptions. In the initial stages of the pandemic, laptops became scarce as employees scrambled to update their work-from-home setups. There is also a worldwide chip shortage, as the demand for microprocessors in medical, managerial, and leisure use has increased. Freight rates between China and Europe quadrupled at points in 2020. Steel, too, is in short supply.

Much as the crises in the 1840s and the 1970s did, the pandemic has also raised questions of government competence. At first, China seemed able to deal with the crisis better than its Western competitors—its cover-up of the severity of the pandemic notwithstanding—which prompted many observers to question whether democracies were capable of swift, effective action. Donald Trump’s presidency collapsed because of his chaotic handling of the crisis. British Prime Minister Boris Johnson faced a revolt among conservative members of Parliament because of his complex, contradictory, and constantly shifting lockdown rules. The European Commission lost credibility because of its poor management of vaccine purchases. As in the past, citizens personalized the incompetence. Americans debated, for example, how much blame to put on Trump’s son-in-law, Jared Kushner, who led part of the response. In the United Kingdom, much of the outrage focused on Dominic Cummings, the prime minister’s policy adviser, who had violated the country’s lockdown rules.

For other observers, the unifying theme behind the mismanagement was populism, with Trump, Johnson, Brazilian President Jair Bolsonaro, Indian Prime Minister Narendra Modi, and Philippine President Rodrigo Duterte all botching the response. But even in countries where the crisis has been handled relatively well, there have been surges of protests against the way governments have reacted to the pandemic. In Germany, “alternative thinkers” protesting new lockdown measures attacked the parliament building in August 2020. Even in Japan, where there is a long tradition of the use of

face masks as a hygiene measure, a movement calling itself the Popular Sovereignty Party organized “cluster protests” again mask wearing.

Given these challenges, it’s easy to assume that governments and citizens alike would prioritize nationalization—cultivating supposedly resilient domestic supply chains to hedge against the next crisis. But that’s unlikely to happen. Instead, people are desperately looking for new leadership and new visions. As was true during previous supply shocks, leaders can make a good case for the importance of foreign models: some countries have done much better than others in dealing with the health and economic consequences of COVID-19. Although some of these countries are small or relatively isolated, by most metrics, the country with the most competent response was the biggest: China. That is not without irony, to put it mildly: the country responsible for unleashing the virus has also been a major beneficiary—with some states now looking to Beijing for leadership. But instead of condemning China’s response or demanding reparations for the pandemic’s costs, other countries should consider how to use Beijing’s example, just as the United Kingdom in the 1850s realized that it could learn from foreign producers.

## NO SURPRISES

Familiar historical forces will drive post-pandemic reglobalization. In a world facing enormous challenges, not just the pandemic but also climate change, solutions are global public goods. In 1945, the architects of the postwar order believed that peace and prosperity were indivisible and could not be the property

of one nation. Now, health and happiness are the same. Both are impossible for individual states or regions to enjoy alone.

Technology is also transforming a globalizing planet, as it did in the 1840s and the 1970s. In the mid-nineteenth century, the drivers were the steamship, the undersea cable, and the railroad. In the last quarter of the twentieth century, it was computing power: the first widely available personal computers appeared in the early 1980s. Today, data occupies the same position—linking the world and offering solutions to major problems, including government incompetence. New types of information might help leaders attack some of the inequalities and injustices highlighted by the COVID-19 pandemic. More automation might mean that machines can take on some of the repetitive and dangerous tasks performed by low-paid essential workers. Telemedicine and data-driven public health can trigger faster and more precisely targeted pharmaceutical or medical interventions.

As in past crises, there is also an immediate and powerful global demand for cheap and reliable products. In the mid-nineteenth century, it was foodstuffs, and in the 1970s, it was oil and commodities. In the 2020s, it is medical supplies, data chips, and rare-earth metals. To be resilient to new shocks, these commodities need to be produced and traded internationally, by a multiplicity of suppliers.

Governments and businesses also need to continuously innovate. As it did in the 1840s, isolationism today would mean cutting off opportunities to learn from different experiments. No single country, or its particular culture of science and innovation, was responsible for the development of an effective COVID-19

vaccine—one of the miracles of 2020. Success was the product of intense international collaboration. This story of innovation also applies to government competence. No state can succeed alone. Even if one particular decision is by chance spectacularly successful—say, Germany's impressive testing record or the United Kingdom's fast vaccine rollout—it is usually difficult to repeat that success in other policy areas. Policy-makers may stride confidently past their first victory, only to slip on a banana peel.

The United States, in particular, may find this a hard pill to swallow. Americans have long been attached to the idea of their country's superiority, akin to the belief held by the British in the mid-nineteenth century. COVID-19, like the 1840s famines and the 1970s oil shocks, presents both a crisis and a learning opportunity. The United States has coasted on the idea that the world needs the English language and the U.S. dollar. Neither of those assumptions can hold forever. Just as automatic translation technology is increasing linguistic accessibility, a different currency could become a new international standard. The dollar is not an adequate insurance policy or a viable basis for Washington to reject the need for change.

The challenge of the new upswing in the cycle of globalization will be to find ways to learn and adapt—increasing the effectiveness of government and business—without compromising fundamental values. As in the 1840s and the 1970s, financial and monetary innovation, or the tonic of inflation, will drive transformational change. Memories of crisis will push countries and governments to adapt in 2021 and beyond, just as they have before. 🌐

# Can Trade Work for Workers?

## The Right Way to Redress Harms and Redistribute Gains

*Gordon H. Hanson*

For decades, the promise of globalization has rested on a vision of a world in which goods, services, and capital would flow across borders as never before; whatever its other features and components, contemporary globalization has been primarily about trade and foreign investment. Today's globalized economy has been shaped to a large extent by a series of major trade agreements that were sold as win-win propositions: corporations, investors, workers, and consumers would all benefit from lowered barriers and harmonized standards. American advocates of this view claimed that deals such as the North American Free Trade Agreement would supercharge growth, create jobs, and strengthen the United States' standing as the world's largest and most important economy. According to then President George H. W. Bush, "NAFTA means more exports, and more exports means more American jobs."

A quarter of a century later, such optimism appears profoundly misplaced. NAFTA and other deals did boost

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growth, and free trade remains a net benefit for the U.S. economy as a whole. But the overall gains have been far less dramatic than promised, and many American workers suffered when well-paid manufacturing jobs dried up as factories moved abroad. Those who managed to stay employed saw their wages stagnate. The federal government, meanwhile, did little to build a safety net to catch those who lost out.

Unsurprisingly, Americans have complicated views on trade. Although a majority of voters see free trade as a good thing, barely one-third believe that it creates jobs or lowers prices. In response, political elites and elected officials across the ideological spectrum have scrambled to distance themselves from free-trade policies and from the major pacts of the past. For its part, the Biden administration has made a noble-sounding but vague pledge to pursue a "worker-centric" trade policy. The specifics are still unclear, but such an approach will likely include more aggressive so-called Buy American provisions, which require government agencies to give preference to U.S. products when making purchases; increased pressure on trading partners to respect workers' collective-bargaining rights; and a hawkish relationship with China. Despite the rhetoric, these proposals put the administration well within the bounds of existing U.S. trade policy—tweaking margins here and there.

That approach is unlikely to fix the problems caused by free trade—which, despite the appeal of protectionist talking points, isn't going anywhere. Instead, the Biden administration should establish targeted domestic





programs that protect workers from the downsides of globalization. A responsible policy would capture the gains of free trade but make up for domestic losses. In recent years, the United States has done neither.

### **BIG TALK**

The skepticism about globalization that now pervades U.S. politics has its origins in the failed promises of 1990s trade liberalization. NAFTA and China's accession to the World Trade Organization disrupted economic life in the small and medium-size American cities that once formed the country's manufacturing backbone. Resentment over those changes helped Donald Trump win the presidency in 2016. If President Joe Biden hopes to launch or modernize U.S. trade policy, he will have to address this legacy.

NAFTA was a bipartisan effort initiated in 1990 by Bush and concluded in 1994 by his successor, Bill Clinton. Leaders in Canada, Mexico, and the United States heralded the deal as an economic miracle. Mexican President Carlos Salinas de Gortari and his aides promised that the agreement would turn Mexico into the next South Korea. Clinton waxed poetic not only about conventional economic gains from trade but also about how NAFTA would foster "more equality, better preservation of the environment, and a greater possibility of world peace."

These were bold but arguably irresponsible claims. In the end, NAFTA did what standard economic models predicted: it delivered modest net benefits, primarily by giving U.S. companies access to manufacturing components at lower prices, enhancing

their competitive advantage in global markets. But NAFTA worked no miracles. Although the deal hastened the industrialization of northern Mexico, the south of the country remained poor, overall productivity growth languished, and Mexican immigration to the United States surged to new highs during the late 1990s and the early years of this century—contrary to Clinton's and Salinas's promises.

In the United States, the aggregate gains in real income from NAFTA were positive but meager—less than 0.1 percent, by some estimates. Mexico's economy, roughly the size of Ohio's at the time of the deal's signing, simply wasn't large enough for the agreement to have a substantial impact. Running for U.S. president as an independent populist in 1992, the American businessman Ross Perot famously predicted that Americans would hear a "giant sucking sound" as jobs crossed the border into Mexico. No enormous shift materialized, but many U.S. workers, especially those in labor-intensive manufacturing industries, did lose their jobs. Some eventually found employment in new truck and jet-engine factories, but most did not. For them, the upsides that NAFTA presented to others offered no solace.

Freer trade in North America, however, was just the warm-up act for the real show: China's emergence as a global economic powerhouse, a process that began in the late 1970s under the leadership of Deng Xiaoping, who reduced the state's stranglehold on the economy, allowed private enterprise to flourish, and opened China up to limited forms of foreign investment. The impact of Beijing's outward turn

was immense. Almost overnight, China became the world's factory. Between 1990 and 2015, the country's share of global manufacturing exports rose from 2.8 percent to 18.5 percent.

Aside from the speed and scale of the transformation, however, another factor amplified the disruptive power of Chinese growth. In the 1990s and at the turn of the twenty-first century, the Chinese model of export-driven growth relied almost exclusively on labor-intensive products—apparel, footwear, and other consumer goods that China could produce more cheaply than other countries owing to its low labor costs, its proximity to suppliers in East Asia, and a willingness to let private companies make exacting demands on workers. Although China has since diversified its economy, this initial surge in labor-intensive exports proved deadly for U.S. manufacturing. Between 2000 and 2011, the United States' share of global manufacturing exports slumped from 14 percent to 8.6 percent, and according to my research with the economists David Autor and David Dorn, between 600,000 and one million U.S. manufacturing jobs disappeared.

### **THE CHINA SHOCK**

Part of what made the surge in Chinese exports so painful for American workers was that many of them lived and worked in industry towns. When manufacturing jobs in those towns disappeared in response to rising import competition, it wasn't just factory workers who suffered: everyone else did, too. Consider Martinsville, a small town in southern Virginia that is part of a manufacturing belt that stretches through North Carolina and

into northern Georgia, Alabama, and Mississippi. In 1990, 41 percent of the working-age population in the three counties surrounding Martinsville worked in manufacturing, with half of those workers employed by just two industries: furniture and knitted outerwear. This made Martinsville what economists call an "industry cluster," a place that enjoys a productivity boost from workers and firms specializing in a narrow set of industries operating in close proximity to one another. That benefit, which the British economist Alfred Marshall famously identified in his analysis of the nineteenth-century Lancashire cotton textile industry, explains why firms in certain industries tend to locate near one another.

Specialization, however, also leaves regional markets exposed in the event of an adverse economic shock—which is precisely what China's rise represented. Between 1990 and 2012, furniture was one of the U.S. industries hit hardest by Chinese import penetration. For Martinsville, the impact was devastating. Its main industry, furniture and fixtures, saw employment drop nationally from 378,000 to 283,000 between 2000 and 2007. Many of Martinsville's factories closed, and by 2018, only 12 percent of the area's adults still worked in the sector. This pattern of concentrated job losses in manufacturing repeated itself across the United States. It was one of the most immediate consequences of the China trade shock—the period of rapid Chinese productivity and export growth following the country's market-oriented reforms.

In theory, there are many ways in which a community such as Martinsville

could adjust to a major change in its economic landscape. Its furniture and textile firms could have invested in innovations that improved product quality and allowed them to maintain their market share. Local governments could have attracted new firms seeking to take advantage of a newly available labor force. Or workers could simply have given up on Martinsville and moved elsewhere in search of gainful employment.

In reality, however, communities rarely adapted in these ways. For reasons economists still don't entirely understand, when workers without a college degree lose their jobs, few choose to move elsewhere, even when local market conditions are poor. Consequently, manufacturing job losses usually result in lower earnings for former factory workers and lower employment rates in their communities. Martinsville was no exception. The proportion of the working-age population that had jobs—a strong barometer of economic well-being—fell from a healthy 73 percent in 1990 to an anemic 53 percent in 2015. The same story played out in hundreds of places across the United States.

Why was the China shock so disruptive? After all, job losses in the United States are common. In a typical year, millions of jobs are eliminated, but slightly more jobs are created, and so U.S. employment expands. That's how the labor market normally operates. Mass job loss due to factory closures, however, is not normal. Among workers without a college degree, manufacturing pays relatively well. When those good jobs disappear, so, too, do the generous paychecks. The result is essentially a localized recession: displaced workers

spend less on restaurants, entertainment, home renovations, childcare, and other services, pushing the economy into a downward spiral of further job losses and spending cuts.

Although the newly jobless can and do often claim unemployment benefits, these cover only a fraction of previous earnings and expire after six months. The Trade Adjustment Assistance program, established by Congress in 1962, covers up to two years of basic retraining for workers displaced by import competition. But between 2000 and 2007, when Chinese exports were doing the most damage to U.S. manufacturing, the program was still small and provided workers with little help. Autor, Dorn, and I estimate that for every \$1,000 increase in Chinese imports per U.S. worker, TAA provided just 23 cents per worker in benefits. For able-bodied Americans who wished to continue working, government benefits were paltry.

Still, the long decline of U.S. manufacturing employment is not the result of international trade alone. Job losses in the sector since the 1960s likely have had much more to do with technological change than globalization. Other forces—including deunionization and the declining real value of the minimum wage—have also suppressed incomes for less educated workers. Yet wage and employment losses from foreign competition stand out because they were highly localized and because policymakers didn't prepare for them. Rather than lifting all boats, globalization pushed the Martinsvilles of the United States into deindustrialization and decay. These tectonic shifts gave many Americans the sense that they

had been left behind—the victims of globalization and free trade.

### **THE UPSIDE**

Despite these downsides, globalization has undoubtedly helped the U.S. economy. There is robust evidence that freer international trade, including with China, has raised real incomes for U.S. households by about 0.2 percent—not a transformative amount, but substantially more than the net benefits brought by NAFTA. The backlash against globalization—rooted in the painful experiences of manufacturing communities—puts those gains at risk. As the Biden administration seeks to make its trade policies more worker-centric, it would do well to keep that fact in mind.

China's rise, although disruptive for many workers, has nevertheless benefited the U.S. economy. The expansion of global value chains, which meant that different stages of manufacturing could happen in different places, allowed U.S.-based multinationals, such as Apple and Qualcomm, to fully commercialize their intellectual property. The patents and product designs for the iPhone, for instance, were developed in California, at Apple's Cupertino headquarters—but they became valuable only because the Chinese manufacturing giant Foxconn could assemble huge numbers of handsets in Shenzhen. These innovations are economically valuable for U.S. workers and shareholders, as well as the millions of people lifted out of poverty in China. American consumers benefit from China's rise, too, through lower prices on the goods they purchase.

With these advantages in mind, Biden should reengage with U.S.

trading partners and make it a priority to rejoin the Trans-Pacific Partnership—a wide-reaching trade agreement among a dozen countries. Doing so would deepen the economic relationship between the United States and the countries that will produce parts, components, and goods for the next generation of U.S. technology. It would also strengthen U.S. ties with countries that would like to see Beijing live up to its commitments as a member of the World Trade Organization, providing Biden with allies he will need if he wants China to improve its behavior.

More broadly, the Biden administration should focus on the consequences of job losses rather than their causes. The China trade shock hurt many U.S. workers and their communities. But so, too, have automation, the Great Recession, and the COVID-19 pandemic. And because the scarring effects of job losses are the same whether imports, robots, or a virus is responsible, responses to the damage should not depend on the identity of the culprit. On its own, making U.S. policies on trade more worker-centric won't do the trick. All economic policy needs to be more worker-centric, in terms of being attuned to the destructive effects of concentrated layoffs and plant closures.

The administration should assume that in response to a large and localized employment decline, few workers without college degrees are likely to relocate—especially older ones who were born in the United States. It is a mistake to believe that because of the dynamism of the U.S. labor market, localized spikes in joblessness will sort themselves out; they don't, and they require immediate remedies. In its

current form, however, the U.S. unemployment insurance program usually extends benefits only when the national economy is in a severe recession. Such an approach did little to help communities such as Martinsville weather greater foreign competition. A better system would consider the severity of regional shocks when setting the duration and generosity of benefits.

Abundant evidence suggests that such help reduces the fallout from sudden job losses without creating disincentives for displaced workers to find new jobs. But policymakers do need to be mindful of that risk if they expand similar programs. Doing so would be a matter of providing workers with assistance and incentives to return to work quickly. Also problematic is the way that TAA encourages people to stay out of the labor force to receive approved forms of job training. And such training may not even be the best prescription for many workers, who might be better off receiving money to help pay off bills or to finance a move to a place with better employment prospects. The legislation that created TAA makes such aid possible, but it is rarely offered in practice. An improved system would give workers more flexibility in how they could use extra unemployment insurance. For some, paying for retraining or occupational licensing may be the right choice. For others, covering moving costs or investing in a new business might be the better investment. Congress should give workers freedom of choice, rather than saddling them with the burden of a one-size-fits-all program.

Finally, when considering how to promote job creation in distressed

regions, it is important to acknowledge that most of the U.S. jobs that were lost to import competition (or to automation) are not coming back. The China trade shock ended almost a decade ago. Today, China's economy is slowing, its comparative advantage in labor-intensive products is slipping, and its government is directing resources away from the private sector and toward state-owned and state-approved enterprises whose record of productivity growth is unimpressive. As China tries to pivot into high-tech sectors such as robotics and artificial intelligence, Bangladesh, Vietnam, and other countries in South and Southeast Asia are positioning themselves to capture market share in the sectors in which China used to dominate. For that reason, it would be a mistake to try to foster a manufacturing renaissance in places such as Martinsville; furniture and apparel companies may no longer find cheaper labor in China, but they will find it elsewhere. Encouraging optimism about the reshoring of jobs would only lead to more disappointment, and might further fuel the backlash against free trade and globalization.

The Biden administration should instead try to help communities such as Martinsville thrive. Doing so will require ingenuity and experimentation. Federal officials should give their local and state counterparts wide latitude to pursue policies that are right for the places they serve. Conventional approaches won't necessarily be the most effective. Take tax incentives, for example, which officials often use to entice businesses to move to their states or municipalities. The economist Timothy Bartik has found that al-

though such measures expand output in targeted industries, they appear to do little to raise local living standards. And for each job they create, such incentives impose costs that are nearly ten times as high as those of some other options for creating employment, such as redeveloping defunct industrial sites known as brownfields.

So what actually works? Evidence shows that active labor-market programs, designed to help young and disadvantaged workers succeed in the labor market, are a good bet. Successful approaches provide people with assistance in their job searches, help the young build the soft skills required to find and hold a job, and deliver technical training tailored to promising local industries, such as health care or information technology. Other alternatives to tax incentives include attracting college-educated workers to distressed communities through student-debt forgiveness or the promise of an immigration visa, providing services to help local firms expand into new markets, and improving access to capital for small and medium-size businesses—many of which are owned by members of minority groups and are poorly connected to existing sources of finance.

Helping left-behind regions should be a core goal of Biden's administration. But trying to undo three decades of structural change in the global economy isn't the right way to get there. Biden and his team need to be clear-eyed about what trade policy can and cannot do to help workers hurt by globalization. The damage has been done, and free trade isn't going anywhere. Protectionist measures and narrow attempts to

placate labor unions will do little to help workers who are already hurting or to help others avoid a similar fate. Better to help the unemployed get back on their feet with generous and direct assistance and to create a far stronger safety net to protect future generations of American workers. 🌐

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# The Price of Nostalgia

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## America's Self-Defeating Economic Retreat

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*Adam S. Posen*

**A** new consensus has emerged in American politics: that the United States has recklessly pursued international economic openness at the expense of workers and the result has been economic inequality, social pain, and political strife. Both Democrats and Republicans are now advocating “a trade policy for the middle class.” In practice, this seems to mean tariffs and “Buy American” programs aimed at saving jobs from unfair foreign competition.

Any presidency that cares about the survival of American democracy, let alone social justice, must assess its economic policies in terms of overcoming populism. The protectionist instinct rests on a syllogism: the populist anger that elected President Donald Trump was largely the product of economic displacement, economic displacement is largely the product of a laissez-faire approach to global competition, and therefore the best way to capture the support of populist voters is to firmly stand up against unfettered global competition. This syllogism is embraced by many Demo-

crats, who are determined to recapture an industrial working-class base, and many Republicans, who use it as evidence that the government has sold out American workers in the heartland. For politicians of any stripe, playing to districts where deindustrialization has taken place seems to offer a sure path to election.

Every step of this syllogism, however, is wrong. Populist anger is the result not of economic anxiety but of perceived declines in relative status. The U.S. government has not been pursuing openness and integration over the last two decades. To the contrary, it has increasingly insulated the economy from foreign competition, while the rest of the world has continued to open up and integrate. Protecting manufacturing jobs benefits only a small percentage of the workforce, while imposing substantial costs on the rest. Nor will there be any political payoff from trying to do so: after all, even as the United States has stepped back from global commerce, anger and extremism have mounted.

In reality, the path to justice and political stability is also the path to prosperity. What the U.S. economy needs now is greater exposure to pressure from abroad, not protectionist barriers or attempts to rescue specific industries in specific places. Instead of demonizing the changes brought about by international competition, the U.S. government needs to enact domestic policies that credibly enable workers to believe in a future that is not tied to their local employment prospects. The safety net should be broader and apply to people regardless of whether they have a job and no matter where they

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live. Internationally, Washington should enter into agreements that increase competition in the United States and raise taxation, labor, and environmental standards. It is the self-deluding withdrawal from the international economy over the last 20 years that has failed American workers, not globalization itself.

### **GLOBALIZATION UNDONE**

Contrary to popular belief, the United States has, on balance, been withdrawing from the international economy for the past two decades. For all the claims that globalization is the source of the country's political woes, the reality is the opposite: tensions have risen as international competition has fallen. In fact, the country suffers from greater economic inequality and political extremism than most other high-income democracies—countries that have generally increased their global economic exposure. That is not to say that competition from China and other countries has had no effect on U.S. workers. What it does say, however, is that the effect has occurred even as the U.S. government has swum against the tide of globalization, suggesting that more protectionism is not the answer.

Global trade has been growing for decades as countries have opened up their economies. As a share of global GDP, total imports plus total exports rose from 39 percent in 1990 to 61 percent in 2008. Trade then fell sharply as a result of the global financial crisis, but it crept upward afterward, nearing its pre-meltdown level in 2019. The United States has bucked this trend, however. Its trade-to-GDP ratio has risen more slowly than that of

other countries—growing from 20 percent in 1990 to 30 percent in 2008—all the while staying well below the global average. It fell at the same rate as the world at large's during the financial crisis, but it has yet to recover. Of course, as a country that has a large, advanced, and diverse economy and is separated by oceans from much of the rest of the world, it is only natural that the United States has a lower trade share than the average economy. There is no fundamental reason, however, for it not to be opening up at roughly the same rate as the rest of the world—especially considering that the entry of China, India, eastern Europe, and parts of Latin America into global markets ran its course long ago.

These trends run counter to the oft-told story that American workers suffered gravely after China joined the World Trade Organization. After much debate, economists have agreed on an upper-bound estimate of the number of U.S. manufacturing jobs that were lost as a result of Chinese competition after 1999: two million, at most, out of a workforce of 150 million. In other words, from 2000 to 2015, the China shock was responsible for displacing roughly 130,000 workers a year. That amounts to a sliver of the average churn in the U.S. labor market, where about 60 million job separations typically take place each year. Although approximately a third of those total job separations are voluntary in an average year, and others are due to individual circumstances, at least 20 million a year are due to business closures, restructurings, or employers moving locations. Think of the flight of jobs

from inner cities or the displacement of secretarial and office workers due to technology—losses that, for the workers affected, are no different in terms of local impact and finality than the manufacturing job losses resulting from foreign competition. In other words, for each manufacturing job lost to Chinese competition, there were roughly 150 jobs lost to similar-feeling shocks in other industries. But these displaced workers got less than a hundredth of the public mourning.

An American who loses his job to Chinese competition is no more or less deserving of support than one who loses his job to automation or the relocation of a plant to another state. Many jobs are unsteady. The disproportionate outcry about the effect of Chinese trade ignores the experiences of the many more lower-wage workers who experience ongoing churn, and it forgets the way that previous generations of workers were able to adapt when they lost their jobs to foreign competition. Why the outsize political attention? It may have to do with the fact that the China-shocked workers are predominantly white and live in exurban areas or small towns, fitting a nostalgic image of men doing heavy work on big stuff in the heartland.

Concern for such workers has been highly successful in preventing new free-trade agreements. Since 2000, the U.S. government has brought into force deals with a number of extremely small economies, primarily for foreign policy, rather than economic, reasons—with Bahrain and Jordan in the Middle East and with Colombia, Panama, Peru and a group of Central American states in Latin America. Cumulatively, these

have had essentially no impact on the openness of the U.S. economy. In the last 20 years, only the 2012 U.S.-Korea Free Trade Agreement, a deal with South Korea, has required any measurable liberalization, and even it included greater protections for U.S. manufacturers of light trucks. A U.S.-Japanese agreement concluded in 2019 was so limited that it required no congressional approval. The Trans-Pacific Partnership (TPP) would have significantly opened the United States up, but it was rejected by Trump on the third day of his administration, to the cheers of many Democrats. The U.S.-Mexico-Canada Agreement put up more protections for U.S. auto production than its predecessor, the North American Free Trade Agreement.

The rest of the world has been moving in the opposite direction. The EU has added 13 new member states since 2000, thereby achieving the deepest economic integration anywhere, including the largely free movement of labor. It has also matched the United States in concluding comparable trade deals with Japan and South Korea and has struck additional agreements with Canada, Singapore, and Vietnam. Japan has not only joined the TPP's successor but also opened up its economy to China and South Korea by joining the Regional Comprehensive Economic Partnership. Australia, New Zealand, and Singapore have also signed on to both deals. The only high-income democracy to retreat from trade more than the United States is the United Kingdom, whose exit from the EU has gone about as badly as most economists predicted. But even it promptly sought to join the TPP's successor.

The U.S. economy has retreated from global economic integration in another way, too: by discouraging foreign companies from building new plants, offices, research facilities, or outlets in the United States. “Greenfield investment,” as this type of activity is known, is much more desirable than corporate takeovers, mergers, or the cross-border sale of businesses—forms of foreign investment that may entail only a change of ownership, without creating any new jobs. In fact, foreign greenfield investment is generally associated with increases in higher-paying jobs and R & D spending. But since 2000, the inflow of greenfield investment to the United States has been trending down sharply, from \$13 billion annually in 2000 to \$4 billion annually in 2019. Blame goes to a succession of nationalist policies that have increased the threat of arbitrary restrictions on technology transfers and foreign ownership.

Immigration tells the same story of U.S. disengagement from the global economy. The trend started well before Trump took office. Net immigration to the United States has been declining since the 1990s. In that decade, the U.S. immigrant population (including undocumented people) was growing at 4.6 percent annually; in the next decade, it grew at 2.5 percent annually; and in the decade after that, it grew at 1.3 percent annually. Some of the decline is owing to weaker “push” factors, such as the diminished incentive for Mexicans to head north as wages in Mexico have increased, and some of it is the result of weaker “pull” factors, such as the growth of anti-immigrant sentiment in the United

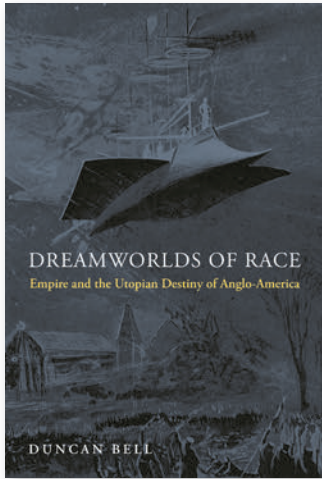
States. Whatever the reason, the fact is that the U.S. labor market has been increasingly insulated from the arrival of foreign workers.

The trends tell a clear story about the United States over the past two decades: even as trade barriers have accumulated and immigration has more than halved, inequality and nativism have risen. Washington has given the angry, mostly white and male swing voters much of what they wanted on the international front, and they are still angry. Meanwhile, the lot of the United States’ lower-wage service workers—predominantly female and disproportionately non-white—has worsened.

### **THE MANUFACTURING OBSESSION**

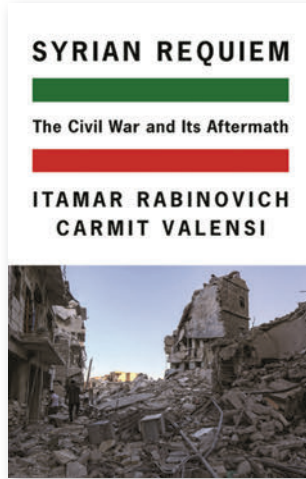
Nostalgia is not a good look for a progressive agenda. That is just as true for economic policy as it is for social policy; nostalgia privileges a status quo that locks in incumbents’ advantages and ignores the difficulties that many people are already suffering. Politicians’ sentimental obsession with “good jobs” in manufacturing is doomed to fail politically as well as economically, while failing to address long-standing injustices.

For more than 50 years, ever since German and Japanese exports began seriously competing with U.S. goods, pundits and politicians have bemoaned the decline of American manufacturing. If only the government supported American producers, the argument went, they could stave off competition from the Germans and the Japanese, then the Mexicans and the South Koreans, and now the Chinese. The notion that elites betrayed the common



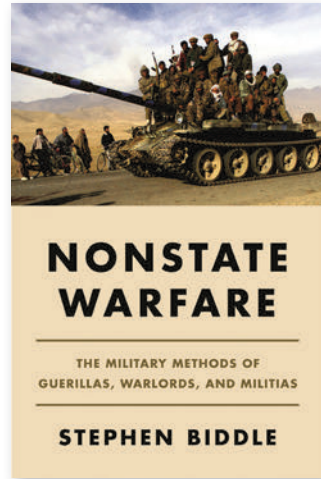
“A lucid, multifaceted, and fascinating investigation of the centrality of race in the imagining of international relations.”

—Robbie Shilliam,  
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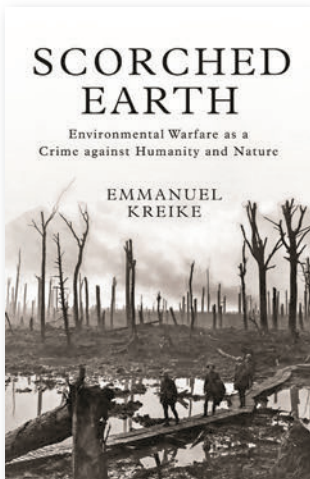
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—*Kirkus*



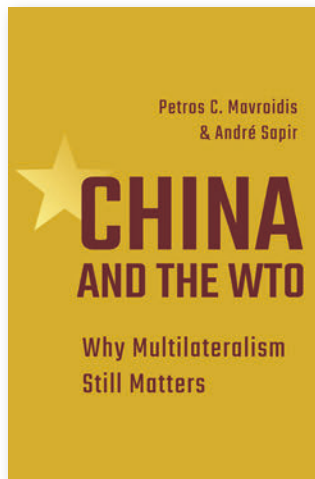
“One of the best books in the past decade or so to look at military history and policy from a theoretical perspective.”

—Allan C. Stam, coauthor of  
*Why Leaders Fight*



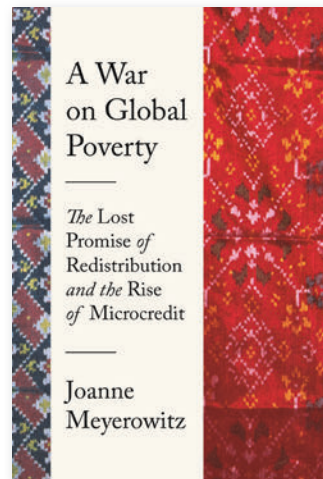
“[A] sweeping history. . . Kreike offers a stark corrective and an implicit warning: Humanity is not distinct from nature, and assuming it is can have tragic outcomes.”

—Tatiana Schlossberg,  
*New York Times Book Review*



“This is a must-read, for everyone from students of law to negotiators of policy.”

—Christina Davis, author of  
*Why Adjudicate? Enforcing Trade Rules in the WTO*



“Illuminating . . . *A War on Global Poverty* shows for the first time how the practice of extending small loans to women in the global South became orthodoxy among US development experts and institutions.”

—Amy C. Offner,  
University of Pennsylvania

man has echoes in the stabbed-in-the-back myths that recur in nationalist politics. It is just as misguided.

Germany and Japan have indeed run manufacturing trade and overall trade surpluses for decades, and yet over the past 40 years, their manufacturing workforces have also shrunk as a share of their total workforces, and at about the same rate as the United States' has. In fact, manufacturing employment has been falling sharply in all high-income economies, irrespective of their trade balances. It is true that the share of manufacturing in total employment remains higher in some of these countries than it is in the United States, but even in the top manufacturing countries, the current share is below 19 percent. (The last time the share in the United States stood at 19 percent was in 1982; today, it is around ten percent.) In China, the share peaked at 30 percent in 2012 and has been falling ever since—even though the country boasts the world's most extensive subsidies and government protections for manufacturing.

Only about 16 percent of non-college-educated Americans work in manufacturing. What about the remainder, who are not blessed with those “good” manufacturing jobs? This is not an idle question. Even after assuming a massive change in government priorities, it is completely unrealistic to think that a country can raise the share of employment in manufacturing by more than a small fraction; no country has ever done so after becoming a developed economy. Sustainable growth in desired employment is not a matter of wishing. Nor is it costless to pursue more manufacturing jobs. Like

any industry, manufacturing responds to incentives, and trade protectionism imposes substantial costs on manufacturers. These costs are passed on to those U.S. firms that pay more for tariffed inputs. As a result, these companies have a harder time competing against other producers or find their goods subject to retaliatory foreign tariffs, and so jobs are destroyed. The costs to American consumers from protectionism are substantial, as well. They particularly hit poorer households, which spend a larger portion of their income on affected goods such as cars, clothing, food, and housewares. As three economists who worked in the Obama White House—Jason Furman, Katheryn Russ, and Jay Shambaugh—have put it, “tariffs function as a regressive tax that weighs most heavily on women and single parents.”

Protectionism distorts incentives in another way, too. Manufacturing companies that feel politically protected because they are “too big to fail” engage in moral hazard every bit as much as the banks did before the financial crisis, whether that takes the form of Volkswagen and other German automakers cheating on emission tests and poisoning the air or Boeing denying the design flaws in the 737 MAX airplane and causing crashes. As the U.S. auto industry proved in the 1970s, and as Chinese heavy industry is proving today, corporate political privilege destroys productivity, at a minimum, and usually the environment, too.

Moreover, the fetishization of manufacturing jobs is hardly a neutral policy. The image of men doing dangerous things to produce heavy stuff

seems to resonate with nostalgic voters in a way that women providing human services does not. This is a fiercely gendered view: only 30 percent of manufacturing workers in the United States are women, and the overwhelming majority of manufacturing workers have always been men (even during the wartime days of Rosie the Riveter). When manufacturing contracted, the jobs hit first and hardest were the already less well-paid jobs in the garment industry, a higher proportion of which were held by women.

Manufacturing also favors white men over men of color. Black and Latino workers make up more than a third of the non-college-educated workforce, and so one would expect that they would have a higher share than the less than 25 percent of manufacturing jobs they do. Black and Latino workers are also paid less, on average, than white workers for the same jobs. Whatever the causes of these disparities, to favor manufacturing jobs is to favor white male workers—which is part of the reason the policy is so popular among this demographic.

Ultimately, the worst thing about holding up the ideal of “good jobs”—whether in factories, as coders, or in the trades—is that it distracts from the reality facing most lower-wage American workers. Many people, not just undocumented immigrants, effectively work in the informal sector, holding unstable jobs that offer limited protections and few guaranteed hours, let alone any prospects for advancement. It is unrealistic to make “good jobs” a central aspiration when they simply cannot be delivered for a significant minority of the population. It is wrong to focus on

those who already have advantages rather than pursue economic policies that would also improve the lot of service-sector and part-time workers.

### **LOCATION, LOCATION, LOCATION**

Overlapping with those who worry about trade dislocation are those who express concern for the communities hit hardest by it. The archetype is one of those towns in Ohio or Pennsylvania whose main manufacturing plant moves its work offshore, devastating the local economy that has been built around that employer. The suffering of less educated workers in such communities is real, profound, and mounting. Some of this suffering has been exacerbated by the opioid epidemic and by the lasting harm of combat faced by the significant number of military veterans and their families in these communities.

The natural instinct of any compassionate human being, let alone any responsive politician, is to try to fix this situation. Preventing job loss in the first place seems to be the way to do so, and when that cannot be done, what comes next are efforts to revive the hard-hit communities. Accordingly, much of the writing from policy wonks in recent years has called for plans to recognize the importance of local communities and build them back up. Elected officials, for their part, make a pilgrimage to these places of suffering to show their concern and empathy and then follow up with targeted government assistance.

The problem is that there are precious few examples of a government successfully reviving a community suffering from industrial decline.

Geography is not destiny, but it is the embodiment of economic history in many ways, and accumulated history is difficult to overcome. Growing up near Boston in the 1970s, I remember my elementary school teaching me about the jobs lost in the textile mills of Lawrence and Lowell and the efforts to bring back those towns. To this day, the towns remain shells of their former selves—and that is in Massachusetts, a state with a generous mindset and senior representatives in Congress who can deliver federal funds. The same remains true for cities in the Midwest. True, Pittsburgh has transitioned back to vitality, and Detroit is past the worst of its horrible economic and social lows, but the former had to experience a nearly complete turnover of industries and to some degree a turnover of population, and the latter is still a long way from full employment and prosperity. And those two cities are vastly outnumbered by the cities and towns that have not come back at all.

The international story is even more cautionary. In Germany and Italy, fiscal transfers to depressed regions—the former East Germany, the Italian South—went on for decades at a scale unseen in U.S. history, buttressed by EU funding. Yet cities and towns in the depressed regions of Germany and Italy have still not caught up with their more prosperous counterparts in terms of employment or per capita income. Japan, which has a political system that is built on the dominant party funneling pork-barrel projects to exurban districts, has also failed to revive its depressed regions. In fact, more and more Japanese have moved from smaller cities and the

countryside to Tokyo, Osaka, and other megalopolises. In the United Kingdom, the miseries of northern England, which lost coal mines and shipyards, have been the focus of successive government efforts to “level up” that region to match the wealthy Southeast and London. Instead—just as in Germany, Italy, and Japan—the younger and more skilled have left for places of greater opportunity.

The picture is largely the same even in China. Its zones of prosperity along its eastern and southern coasts are a magnet for workers from the rest of the country. The lower-income northern and western interior has failed to catch up in income or employment. And this is in a country that has protected heavy industry on an unprecedented scale for years on end, has run substantial manufacturing trade surpluses, and has a government willing to restrict internal migration and locate industries by edict.

No one should be abandoned simply because of where they live, and no community deserves to decline. But governments should not lie to their citizens, either. There simply is no reliable method of saving local communities when they lose their dominant employer or industry, even with a massive amount of resources devoted to the effort. Any promises made to revive particular communities through government action are likely to lead to disappointment, frustration, and outright anger when they fail.

Like fixating on manufacturing jobs, holding out the hope that workers can always find the same kind of work in the same place as the economy changes also requires willfully ignoring the



reality for most lower-wage workers in the United States. It treats as normal and attainable the privilege of not having to change jobs or homes for economic reasons, a luxury that in recent decades has been enjoyed primarily by white workers living in rural or exurban areas. The creation of the Black middle class in the United States over the course of the twentieth century was in large part the product of massive migration out of the South. Latinos, too, are no strangers to moving across the country in pursuit of work and opportunity. (It is a small irony that almost all of those who wish to remain undisturbed are themselves the descendants of immigrants who traveled even further.) The suffering in the United States' rural areas and Rust Belt today should not be ignored, nor should one make light of the social ties that people moving out of those places would leave behind. But it is time to acknowledge the reality that movement is sometimes a necessity and often benefits lower-wage workers.

The dangers of the current attitude go further. Economists have found that in many parts of the United States, there is just one dominant employment option, or only a few. Just as having a monopoly over production gives companies the power to push up prices at households' expense, having a monopsony over local labor gives companies the power to push down wages—and they exercise it. Thus, government policies to prop up a local employer may enable that employer to exploit the workforce, and as studies have shown, minorities and women will be taken advantage of the most. The broader community can be exploited,



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too: companies that know their departure would ruin a town can also extract generous protections and subsidies from local governments, and in some cases a de facto exemption from environmental and safety regulations.

Even if place-based aid policies ever worked, now is not the time to ramp them up, when there are accumulating forces making them more likely to fail. Climate change will radically alter which parts of the country are viable for various industries and occupations: agricultural zones will shift, and carbon-intensive industries will shed jobs. Pandemics will likely be persistent and more frequent, perhaps changing patterns of schooling, transportation, and health care. The impact of technology is less certain. The surge in remote work, jump-started by the COVID-19 pandemic, may make it more possible for people in depressed cities to find employment. (The widespread acceptance of virtual meetings, meanwhile, has made it easier to sustain social ties at a distance, and so it may also make it easier for people to move for work.) Still, the rise of remote work is probably irrelevant for lower-wage and less educated workers: whether in services or manufacturing, their occupations for the most part require them to be in person to earn their pay.

### **PROTECTING PEOPLE, NOT JOBS**

A government's duty to its people is to them as individual human beings. The state can help people and their families move to where there are jobs. It can subsidize faster transportation so that people can commute over longer distances feasibly. It can help people prepare for jobs in growing industries

and match them with jobs, too. It can change zoning laws to encourage more affordable housing near where there is job growth. It can provide a safety net for those who are too old, too unwell, or just too anchored to move. It can copy the active labor-market policies of most European countries, putting in place government programs that enhance incentives to seek employment, improve job readiness, and help people find work.

Where U.S. economic policy has been too neoliberal is not on trade but on domestic issues. The government has worried too much that a stronger safety net might disincentivize people to find work, relied too much on finely tuned incentives and nudges as the mainstay of policies, and, as a result, done far too little to directly pay for individuals' health care, education and training, transportation, and childcare. It has failed to seriously enforce laws against tax evasion, environmental dumping, the underpayment of wages, and unsafe workplaces. The American Rescue Plan, passed by Congress in March, includes some measures in the right spirit, notably the expansion of the child tax credit, which is now universal for couples making less than \$150,000 a year and for individuals making less than \$75,000 a year. Too few of these provisions, however, are set to last beyond the recovery from the pandemic.

What is needed are universal benefits that protect individuals and families, rather than jobs and places. Instead of reinforcing the partitioning of the country into districts that define people's identities, policies should help people see their security as indepen-

dent of their current location. The United States would be better off economically and politically. To that end, the Affordable Care Act should be expanded so that health insurance is truly portable. Pension programs should be consolidated across employers to reduce the cost of changing jobs. Gig, temporary, and part-time workers should receive most of the same legal protections that full-time employees do, and they should be allowed to accumulate seniority, savings, and benefits just as many full-time workers do. These policies would level the playing field for various types of American workers and make it easier for them to move between jobs. They would also force employers to compete for workers on the basis of better wages by removing their ability to entrap employees in a given spot or through their irregular status.

Just as is true with minimum-wage hikes, these changes would raise labor costs and reduce some demand for lower-wage workers. But the net benefits for workers and the economy would be ample. There is little evidence to suggest that millions of jobs would be lost if the federal government simply raised labor standards to the level of some U.S. states and almost all competing high-income economies. Australia, Canada, and most western European countries have stricter labor regulations and more generous health insurance and pension programs—and have prime-age labor-force participation rates that are comparable to or higher than that of the United States and far better wages for lower-skilled workers. Given that in the United States, the share of

income accruing to those owning capital, as opposed to performing labor, has risen sharply for more than two decades, and given that corporate profit margins are extremely high, there is plenty of room for the government to redistribute income without significantly damaging employment.

Another key element is the enforcement of existing regulations. The agencies charged with enforcing health, safety, labor, and environmental regulations have been chronically underfunded, and the fines they hand out for violations have been set too low. As a result, polluters and wage cheats treat them as just a cost of doing business. As the scholar Anna Stansbury has argued, the deficient enforcement of labor regulations has not only significantly reduced low-wage workers' income and worsened their treatment; it would also interfere with the implementation of a minimum-wage hike since employers would have greater incentives to cheat.

Hand in hand with stronger enforcement of existing regulations and higher penalties, the U.S. government should put an end to Trade Adjustment Assistance and other programs designed to help people who have lost their jobs specifically to trade alone. These programs have failed on multiple fronts: there is little evidence that they have helped workers find new jobs faster, they clearly have not blunted the anger about trade, they have not succeeded in revitalizing declining industrial towns, and they have not created any lasting political coalitions in Congress either for workers or for trade. As an American Enterprise Institute report noted

earlier this year, compared with other developed countries, the United States is “unique in its focus on workers who have lost jobs due to trade, rather than other sources of job loss.” Most European countries spend 0.5 to 1.0 percent of GDP annually on helping unemployed people find work; the United States spends a tenth of that amount. This is exactly the wrong approach: the U.S. government is stigmatizing trade-related career changes, to no real benefit, while shortchanging all American workers by depriving them of proven programs of retraining, job matching, and support.

Can the United States afford the European approach? Yes. U.S. federal tax rates on high earners, corporations, and inheritances are at or near all-time lows—substantially below the rates in almost all other high-income countries. Other countries have managed to enjoy sustained growth in per capita incomes with much higher tax rates, as did the United States in the past century. There is a point at which higher tax rates choke off investment and employment, but the United States is nowhere near it today. Raising taxes on those U.S. taxpayers who have seen their incomes and wealth rise substantially over the last 20 years would not only be just and politically stabilizing; it could also pay for an expansion of federal labor and social-benefit programs by three or four percent of GDP. During economic upturns, additional revenues could be gained through the payroll tax, giving workers the sense that, as with Social Security, they are paying into a program that they deserve to receive payment from in turn.

## **CHANGE IS GOOD**

There is a popular notion that the United States has been sacrificing justice in the name of economic efficiency, and so it is time to correct the imbalance by stepping back from globalization. This is a largely false narrative. The United States has been withdrawing from the world economy for 20 years, and for most of that time, U.S. economic dynamism has been falling, and inequality in the country has risen more than it has in economies that were opening up. Workers are less mobile. Fewer businesses have been started. Corporate power has grown more concentrated. Innovation has slowed. Although many factors have contributed to this decline, it has likely been reinforced by the United States’ retreat from global economic exposure. Since the takeover of the U.S. Capitol by a mob in January, the United States has had to recognize that after years of lecturing others on the importance of peaceful democratic elections, it is not exempt from political failures. Similarly, after decades of lecturing others on the stagnation and corruption of closed economies, it now suffers from the same problems, to the cost of American workers.

Indeed, many countries have undertaken international opening to spur economic changes in stagnant and socially divided societies: consider the Meiji Restoration in Japan, Kemal Ataturk’s reforms in Turkey, Deng Xiaoping’s marketization in China, and the accession of southern and eastern European countries to the EU. These were deliberate campaigns of reform, not shock therapy, in which the markets are allowed to let rip. The countries had

to be honest with themselves about their shortfalls in international comparison and admit that their previous arrangements were corrupt and prejudicial. They had to accept that economic change was empowering and liberating for the majority of their citizens, that the central government had to play a stronger role in social support, and that workers had to be allowed, if not encouraged, to migrate to cities, to move to where the opportunities are.

Although the United States is not, of course, a pre-market economy under an authoritarian government, it does need to recognize how far it has fallen short of its ideals and potential in the economic sphere, as well as how much better its peers and rivals around the world have done on many counts. Just as the statement “this is not who we are” in the face of racist violence lets Americans off too easily, talk about the United States as the most open, vibrant, competitive, or opportunity-rich economy in the world is a form of self-delusion. Some politicians may want to appeal to American leadership as a motivator for reengaging with the global economy, but what the U.S. economy needs now is a jolt of followership. The United States needs to be willing to conform to international standards, to learn lessons from other countries, to accept that competition should be a source of change.

Since World War II, the United States has approached international economic integration as something it encouraged others to do. Trade deals were framed as being about foreign countries opening their markets and reforming their economies through competition. For a long time, this

narrative was largely true. It had the unfortunate effect domestically, however, of characterizing the United States as open and the rest of the world as protectionist. The competition that U.S. firms faced from abroad was seen as the result of unfair trade. Those perceptions have now outlasted the reality. It is the United States that needs foreign pressure and inspiration.

The United States should have a constructive international economic policy, rather than a defensive one that blames global forces for its ills. Such a policy would start with the recognition that the United States has not been subjected to reckless economic opening by Washington elites and that the rest of the world is continuing to further integrate without it. Globalization goes on no matter what, and trade in particular is more resilient to U.S. withdrawal than many would like to believe. Where there are real comparative advantages in production, yielding large cost or quality differentials, purchasers will find a way to get the goods and services they want. No single economy’s tariff regime can ever control a significant part of world trade, even when leveraging a large internal market; the rest of the world is always larger, and the opportunities missed are always found by someone else. As technology makes international commerce ever more transparent and efficient, the U.S. economy’s unilateral efforts to defensively withdraw from it will become only more futile.

Instead, the United States should actively seek to encourage the type of change in its own economy that it once sought to make other countries undertake through trade deals. Washington

should agree to international standards defined by limited but strong and well-enforced rules, ones that focus on observable behaviors of companies and governments, not on numerical targets or institutional aspirations. Four areas of potential international agreement are particularly ripe for the United States to pursue.

The first is international corporate taxation. Corporations often evade taxes by shifting their profits to low-tax jurisdictions, a practice that erodes government capacity and the political legitimacy of market economies. The digital economy has made these distortions even greater, although large technology companies are far from the only firms to exploit the loopholes. On this front, progress may be imminent. Members of the Organization for Economic Cooperation and Development are currently in negotiations on ways to combat corporate tax evasion, and some European governments have threatened to levy taxes on digital goods and services produced by Big Tech. Collective international action should give the United States an opportunity not only to raise its tax policies up to the standards of other advanced economies but also to prevent its own companies from evading taxes.

Another area to pursue involves carbon pricing. The United States needs a carbon tax, and the world needs it to have one, too. The U.S. economy should accelerate its pace of decarbonization. Although technological advances and private investment decisions are generating meaningful progress, a high and rising carbon price offers the best prospects for slowing climate change while there's

still time. In not having a national carbon tax, the United States lags behind the EU member states and a few other countries. If it does not catch up, those countries would be justified in instituting a carbon border adjustment—a tax on imports to offset the underpricing of carbon inputs in places such as the United States.

Washington should also seek international agreement on labor standards. The updating of the North American Free Trade Agreement as the U.S.-Mexico-Canada Agreement to protect worker representation and unions was positive in two senses: first, it helped secure rights for Mexican workers, and second, it demonstrated that the U.S. labor movement can at least tacitly support trade deals if their concerns about labor rights are addressed. Washington should now turn the tables on itself and pursue trade agreements with countries that have higher labor standards than it does. This would reinforce the changes in legislation and enforcement that it should also make. This move could be combined with an agreement among democracies to ban the import of products produced by unpaid prison labor, as in China's Xinjiang region.

Finally, U.S. officials should practice what I have called "principled plurilateralism." In this strategy, groups of countries come together to strike agreements on high standards for international commerce, with membership in the groups determined solely by compliance with those standards. American politicians are unlikely to advocate that the United States join trade deals in the near future, but there is something the

country can do in the meantime: encourage such an approach by major democratic allies, such as Australia, Canada, Japan, Singapore, and the United Kingdom. Even progress undertaken without U.S. membership benefits the United States by making more visible its own deficiencies and pressuring it to up its own game.

### **GOODBYE TO ALL THAT**

The United States needs to embrace economic change rather than nostalgia. Telling voters that the “good jobs” of manufacturing are the key to restoring their prosperity and that the country must be protected from global competition is not only misleading; it is also destructive. That path will cost jobs overall, further entrench the bias against lower-wage service workers, and do little to lure voters away from right-wing populism. You cannot buy off nativists and populists by reinforcing their nostalgic sense of status. Similarly, even well-meaning efforts to repair rural and exurban communities by tying people to their local jobs will in fact make them more vulnerable economically, which in turn will fan the flames of reactionary politics.

Instead, the government should seek to protect people as individuals separately from their jobs or lack thereof. People’s jobs should become less important both to their well-being and to their self-worth, as is already the case in most other high-income democracies. The U.S. government should promote better livings for all rather than scarce “good jobs” for a privileged few. Both the pandemic and climate change should serve as a reminder that the future will be even

more about adaptability in work arrangements and stability at home. Most of all, instead of treating economic change induced by trade as inherently unfair, Washington should use international standards and competition to raise up U.S. workers and companies. Fixating on any one sector, let alone any one company in one place, only divides American society and burdens neglected workers with a disproportionate share of the costs of adjustment. Indeed, for the last 20 years, it already has. 🌐

# How Not to Win Allies and Influence Geopolitics

## China's Self-Defeating Economic Statecraft

*Audrye Wong*

China, it is often said, has mastered the art of economic statecraft. Observers routinely worry that by throwing around its ever-growing economic weight, the country is managing to buy goodwill and influence. During the COVID-19 pandemic, Beijing has exploited its dominance of manufacturing supply chains to win favor by donating masks and now vaccines to foreign countries. And it has long used unfair state subsidies to tilt the playing field in favor of Chinese companies.

Beijing has also weaponized its expanding trade relations. China overtook the United States as the top global trader in 2013, and it is now the leading source of imports for about 35 countries and the top destination of exports for about 25 countries. The Chinese government has not hesitated to leverage access to its consumer market to pressure

foreign governments and firms to obey its wishes. In 2019, for example, it canceled the visit of a trade delegation to Sweden after a Swedish literary association awarded a prize to a detained Chinese-born bookseller. The following year, China retaliated against Australia's calls for an independent inquiry into the origins of the COVID-19 pandemic by imposing tariffs on a range of Australian products. Many fear that such gambits are only a taste of what is to come as China goes to greater lengths to use its economic influence to bully other countries.

Much of the consternation focuses on the Belt and Road Initiative, a massive collection of Chinese-financed infrastructure projects, from railways to ports, that critics portray as a modern-day imperialist venture. Pointing to the BRI, U.S. officials have accused China of engaging in "debt-trap diplomacy," whereby it purportedly saddles recipient countries with enormous loans and then extracts strategic concessions when they are unable to repay. Many of these same officials worry that at the same time that China is sharpening its economic tools, the United States has let its own grow dull, forgetting how to turn economic power into strategic gains.

But a close look reveals that China's record is far less impressive than often thought. For one thing, its attempts at economic statecraft have often sparked resistance. In many of the 60-plus countries receiving BRI investment, even in those most eager for Chinese investment, officials have complained of shoddy construction, inflated costs, and environmental degradation. Beijing has been forced to go on the defensive, with Chinese President Xi Jinping taking pains to emphasize the importance of

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“high-quality” and “reasonably priced” projects. Many countries have demanded reciprocal access to the Chinese market; others have bowed out of Chinese initiatives altogether and are seeking financing elsewhere.

China has managed to massively expand its economic presence beyond its borders, but so far, it has failed to turn it into long-term strategic influence. The Chinese economy exerts a strong gravitational pull, but as Beijing is discovering, that does not necessarily mean that other countries are altering their political orbits.

### **WHAT CHINA WANTS**

Over the past few decades, China’s global economic footprint has grown enormously. In 1995, China accounted for just three percent of global trade, but by 2018, thanks to massive economic growth, it accounted for 12 percent—the largest share of any country. In 2020, in part due to the pandemic, China became the EU’s largest trading partner, displacing the United States. Chinese foreign investment has expanded rapidly in the developing world, too, with Chinese companies and banks plowing money into Southeast Asia, Africa, and Latin America. Beijing has also taken on an active leadership role in global economic governance, its confidence boosted by having weathered the 2008 global financial crisis well. In 2014, China unveiled the Asian Infrastructure Investment Bank, a multilateral development bank with an initial capitalization of \$100 billion that has since grown to include more than 100 countries. Many of them are traditional U.S. partners and allies that joined over Washington’s objections.

What does China want to do with all this newfound economic power? The opacity of China’s political system leads many to ascribe its behavior to a centralized decision-making process pursuing a coherent grand strategy, but Chinese policies are in fact often the product of competition and compromise among a tangle of actors—local governments, high-level bureaucracies, state-owned enterprises, private firms, and more. Consider the BRI. What began as a vague and sprawling plan has taken on a life of its own, at times hijacked by opportunistic government officials and companies seeking to feather their own nests. Many of the constituent projects are motivated less by some grand strategic blueprint than by the preferences of individual actors.

Another error is to assume that China’s actions are driven by a desire to export its own autocratic political system and statist economic system. True, Xi has grown increasingly repressive at home and assertive abroad, but China is still preoccupied more with safeguarding its own interests than with trying to remake other countries in its own image. Even though China seeks to reshape the international system to reflect its priorities, that is a far cry from trying to overturn the order altogether.

What really drives China’s economic statecraft is not grand strategic designs or autocratic impulses but something more practical and immediate: stability and survival. The Chinese Communist Party’s fundamental objective is to preserve the legitimacy of its rule. China’s economic statecraft, then, is often employed to put out immediate fires and protect the CCP’s domestic and international image. China wants to stamp out

criticism and reward those who support its policies. This is particularly true when it comes to issues involving national sovereignty and territorial integrity (such as Taiwan, Tibet, and the East China and South China Seas) and domestic governance (such as China's treatment of the Uyghurs in Xinjiang and its handling of the COVID-19 pandemic).

Beijing approaches its efforts to convert economic prowess into geopolitical influence in a number of different ways. China has often leveraged the size of its domestic market to impose trade restrictions on countries it wishes to punish, but in targeted and symbolic ways that minimize damage to its own economy. The Chinese government imposed sanctions on Norwegian salmon exports after the dissident Liu Xiaobo was awarded the Nobel Peace Prize, and it blocked Philippine banana exports after a flare-up in tensions in the South China Sea, in both cases on the supposed grounds of food safety. It has also taken advantage of its size by encouraging boycotts—urging Chinese consumers, for example, not to patronize a South Korean department store chain in an attempt to dissuade Seoul from deploying a U.S.-led missile defense system. Capitalizing on China's position as a top foreign investor and technology producer, the Chinese government and Chinese firms have played active roles in international standard-setting bodies and promoted the export of Chinese equipment, particularly of emerging technologies—some with national security implications, such as 5G and artificial intelligence.

But perhaps the most prominent feature of China's economic statecraft is its use of positive inducements. These incentives come in two forms: under the

table, whereby Beijing buys off political leaders through illicit deals, and by the book, whereby it empowers foreign interest groups to lobby their governments for closer relations with China.

### **THE SUBVERSIVE METHOD**

China often provides economic inducements in illicit and opaque ways that circumvent political processes and institutions. As Chinese companies have increasingly invested overseas, state-owned enterprises or private companies, sometimes with the tacit approval of Chinese officials, have offered bribes and kickbacks to elites in countries receiving investment or aid projects in order to grease the wheels of bureaucracy. At other times, Chinese companies have bypassed the process of competitive bidding and regulatory approval to secure a contract, often at inflated costs, generating extra profits for both Chinese actors and local elites. I call such inducements “subversive carrots.” In many ways, their use reflects China's domestic political economy, where businesses depend on official connections, corruption is widespread, and few regulations govern foreign investment and foreign aid. My research shows that this method works best in countries that also have little public accountability—where the flow of information is restricted, and political leaders need not worry about public opinion and the rule of law.

Cambodia stands as a case in point. The longtime prime minister, Hun Sen, and his family control the military, the police, and much of the economy. Media outlets are beholden to the government, and journalists, activists, and opposition politicians are routinely silenced through

intimidation and violence. As a result, the details of Chinese aid and investment projects in Cambodia are murky, but what information has come out suggests a government deeply corrupted by Chinese influence.

The projects financed by China tend to enrich elites while evicting the poor and degrading the environment. In the southwestern province of Koh Kong, for example, a Chinese investment group is building a massive development complex that is to include a resort, a port, an airport, power plants, manufacturing zones, and roads and highways—all adding up to an estimated \$3.8 billion. While Cambodian elites have used the project to line their own pockets, the construction has destroyed ecologically sensitive areas and forced residents from their homes. Beijing may stand to benefit: the resort seems excessively large for the number of tourists the area can attract, but the airport and port appear well designed for Chinese military use.

Such largess has allowed China to buy Cambodian advocacy on its behalf—in particular, regarding its aggressive maritime claims in the South China Sea. At a 2012 summit of the Association of Southeast Asian Nations, Cambodia wielded its position as chair to block discussions of South China Sea disputes, and for the first time in ASEAN's history, the organization was unable to issue a joint statement. At one point, the Cambodian foreign minister cut off delegates who tried to raise the issue, and at another, he stormed out of the room when they proposed even a watered-down statement. Government officials I've interviewed in the region have described Cambodia's behavior at the summit as the result of a "straight-up

monetary deal" in which Beijing paid off the Cambodian government in exchange for its support. In the months before the meeting, senior Chinese leaders visited Phnom Penh, offering additional grants and loans for infrastructure and development projects worth hundreds of millions of dollars. The investment has paid off handsomely: since 2012, ASEAN has become more divided and incoherent, allowing Beijing to consolidate its position, rhetorically and militarily, in the South China Sea.

A similar dynamic is playing out in eastern Europe. The increasingly illiberal governments of Hungary and Serbia have happily accepted handouts in exchange for promoting Chinese foreign policy positions. A high-speed railway running across the two countries, for example, remains shrouded in secrecy, even as costs have ballooned and doubts have arisen about its economic viability. Part of the project is being built by a Chinese state-owned enterprise previously blacklisted by the World Bank for irregularities, and another part, by a corrupt business ally of the Hungarian prime minister. In return, Hungary and Serbia have behaved obsequiously toward China. Hungary has issued official statements echoing Beijing's position on the South China Sea, and Serbia's president, in addition to kissing the Chinese flag in gratitude for receiving medical supplies early in the COVID-19 pandemic, has expressed support for China's repressive national security law in Hong Kong. In Europe, China has plucked the low-hanging fruit, such as public statements and vetoes within the EU, and no country in the region has radically altered its foreign policy orientation. Still, Beijing

has managed to dampen international criticism and trigger embarrassing public divisions about issues on which European countries used to be united.

Chinese subversion has not worked as well in countries with greater transparency and oversight. Take the Philippines during the presidency of Gloria Arroyo, who served from 2001 to 2010—a time when the country enjoyed a vibrant media sector and a competitive political system, despite high levels of corruption. Under Arroyo, China agreed to finance and build \$1.6 billion worth of railway and telecommunications infrastructure. Many of the projects were awarded through vastly overpriced no-bid contracts. A planned commuter rail line called Northrail, for example, was shaping up to have the dubious distinction of being the world's most expensive railway per mile. Costs for a national broadband network, to be built by the Chinese state-owned company ZTE, skyrocketed by \$130 million to \$329 million because of kickbacks to key political players, including the chair of the Philippines' electoral commission and the president's husband. As if on cue, in 2005, the Philippines' national oil company signed an undersea resource exploration agreement that legitimized China's maritime claims.

Yet all this malfeasance was exposed by the press, and a public backlash ensued. Over the course of 2007 and 2008, the Philippine Senate held 13 public hearings, culminating in a long and scathing report that took Philippine politicians and Chinese companies to task for their corruption. Politicians, activists, and civil society groups organized antigovernment rallies in Manila and other cities. In response, the gov-



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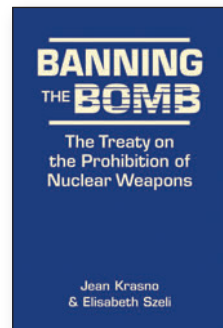
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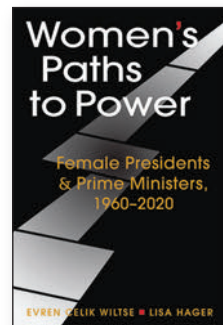


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ernment suspended and reviewed a range of Chinese-financed projects, and some of the implicated elites were charged and tried in court.

It would be hard to characterize China's campaign in the Philippines as a success. In 2010, Benigno Aquino III was elected president on an anticorruption platform and proved to be more skeptical of Beijing than his predecessor. Even though the current president, Rodrigo Duterte, has been more eager for Chinese investment, he is still partly constrained by legislators who have pushed for greater transparency and by government agencies that have implemented more stringent review procedures. At the end of the day, the country's policy on the issue China cares about most, the South China Sea, has remained fundamentally unchanged: the Philippines has stuck to its own territorial claims.

Such fallout is common. In Australia, Beijing used Chinese businesspeople as proxies to make campaign contributions and fund academic institutes in an attempt to persuade politicians and other voices to support China's positions on the South China Sea and human rights. The backlash was swift: in 2017, a prominent politician who allegedly accepted Chinese money and was seen as toeing the Chinese line was forced to resign, and the following year, Australia's Parliament tightened the country's laws on foreign political interference. In 2015, the president of Sri Lanka was voted out of office after greenlighting billions of dollars' worth of unsustainable and corrupt Chinese infrastructure projects, and three years later, the same fate befell the president of the Maldives.

Something similar happened in Malaysia in 2018. The incumbent prime

minister, Najib Razak, was mired in corruption scandals over the mismanagement of Malaysia's state investment fund, some of which implicated Chinese-financed investments in which contract costs were inflated to cover the fund's debts. Voters dealt his party a resounding defeat in elections that year, forcing him from office and marking the first opposition victory in Malaysia's 61 years as an independent country. His successor, Mahathir Mohamad, quickly suspended a number of projects, renegotiated plans for a major railway, and spoke out vocally against Beijing's actions in the South China Sea—unlike Najib, who has been sentenced to 12 years in prison. Time and again, China's subversive statecraft has run aground on the shoals of accountable political systems.

#### **OUT IN THE OPEN**

China sometimes adopts a more legitimate form of seduction. This method is rooted in a broader logic of economic interdependence: China seeks to cultivate foreign stakeholders that have an interest in good relations. Beijing promotes trade and investment across multiple sectors in the hope that the groups that benefit from economic exchange with China can be counted on to lobby their own governments to seek cooperative relations with the country. Convinced by these private-sector elites of the importance of the Chinese economy, the logic goes, political leaders will work to minimize any disagreements with Beijing.

In countries where elites are held accountable by the rule of law and public opinion—places less suited to illicit inducements—this approach has worked well so far. In 2016, for example, a

Chinese state-owned enterprise bought a majority stake in Greece's largest port, Piraeus, and proceeded to modernize it. The Greek government, in turn, has become notably more reluctant to call out China. Around the time of the acquisition, Greece watered down an EU statement on Beijing's actions in the South China Sea, and a year later, it blocked the EU from issuing one about China's crackdown on dissidents.

In Australia, a number of actors have advocated keeping the peace with Beijing. Prominent businesspeople have criticized legislation seeking to combat foreign interference and have lobbied for the Australian government to support the BRI. Local officials have signed BRI deals and awarded contracts to the Chinese telecommunications giant Huawei. Australian universities—dependent on Chinese students for tuition revenue—have canceled events that might offend Chinese sensitivities, have stood silent as lecturers have been pressured by students into apologizing for deviating from Beijing's positions, and, in one case, suspended a student activist known for criticizing the CCP.

Compared with its subversive efforts, Beijing's attempts to cultivate the support of vested interests abroad may seem like a more powerful, long-term approach to economic statecraft, since it empowers a chorus of voices pushing for closer alignment with China. Yet this strategy also faces its own challenges. For one thing, the political payoffs are more diffuse and take a long time to bear fruit, testing the patience of Chinese leaders, who are preoccupied with forestalling public criticism and immediate challenges to their legitimacy, domestically and internationally. For another thing,

cultivating stakeholders is getting harder. As the Chinese economy has moved up the value chain, Chinese companies have become powerful players in high-tech, value-added sectors—unfairly helped, competitors argue, by state subsidies. As a result of this competition, foreign corporations have had less reason to push for closer relations with Beijing.

Indeed, this evolution is already well underway in the United States. In the 1990s, U.S. businesses, lured by access to the Chinese market, successfully lobbied President Bill Clinton to extend China's "most favored nation" status. Today, by contrast, they complain about discriminatory policies, intellectual property theft, and restrictions on market access in China and lobby for punitive measures. China's doubling down on its state capitalist model is likely to undermine efforts at cultivating foreign stakeholders.

Moreover, Beijing's increasingly aggressive foreign policy threatens to overshadow the positive lure of economic engagement. Its ham-handed "Wolf Warrior" diplomacy, an aggressive style of foreign policy named after a pair of patriotic Chinese action movies, has worsened relations with many countries. Its growing tendency to resort to economic coercion has further highlighted the downsides of interdependence. When Beijing, in response to Australia's calls for an investigation into the source of the pandemic, slapped tariffs and trade bans on Australian coal, timber, wine, seafood, and other products, it ended up empowering those in Australia who favor a more hawkish China policy. In Taiwan, Beijing has enjoyed even less success: although it has tried to use burgeoning cross-strait economic relations to undercut pro-

independence factions, Taiwanese businesspeople have largely refused to back the mainland's policies, because the issue of Taiwan's independence is seen as an overriding security concern. Even legitimate seduction has its limits.

### **LOSING FRIENDS**

For all the breathless talk of the geopolitical gains from economic statecraft, so far, Beijing has mostly been able to achieve transactional, short-term objectives—say, public silence on China's human rights record from a legislator or a veto over a resolution about the South China Sea during an ASEAN meeting. Outside a small subset of countries with little public accountability, China's long-term strategic influence remains limited. Most of the countries China has targeted have not made major shifts in their geopolitical alignment; at best, they have offered rhetorical and symbolic commitments.

This is a failure of execution; Beijing has often been tone-deaf, leaving it particularly vulnerable to the vicissitudes of democratic politics. In failing to recognize how its strategies might play out in different political contexts, China has provoked backlash instead of garnering support. Chinese investments have often become politicized, with out-of-power parties criticizing the incumbents who signed the deals for caving in to Beijing. The frequent corruption scandals that such investments produce have provided even more fodder for critics.

Indeed, China has to contend with other countries' messy domestic politics far more than it might prefer. Whereas U.S. policymakers often view China's economic statecraft through the lens of

grand strategy and great-power competition, for many leaders in recipient countries, it is much more about local political jockeying. These leaders have played considerable roles in shaping China's efforts. Consider the China-Pakistan Economic Corridor, a BRI flagship. It has run into its fair share of political and economic obstacles as Pakistani politicians pushed for the expansion of energy and infrastructure projects and then bickered over their allocation. In Sri Lanka, the idea and impetus for the Chinese-financed Hambantota port, often touted as the classic case of debt-trap diplomacy, in fact came from Sri Lankan politicians, who awarded the contract to a Chinese state-owned enterprise after being turned down by the United States and India. The story of Hambantota is not one of China securing a geopolitical prize—the port is neither economically viable nor geographically suited for naval use—but one of Sri Lanka building a white elephant.

Recipient countries are also getting better at shaping the terms of their deals with China. Fed up with constant scandals, many have pressured the Chinese government to pay greater attention to domestic regulations. In Malaysia, after an outcry over waste and fraud in a massive rail project that will connect ports on Malaysia's east and west coasts, China agreed to lower the price tag by a third, from \$16 billion to \$11 billion. And in 2018, Myanmar's government sought help from the U.S. State Department to successfully renegotiate the terms of a Chinese-financed port construction project.

Economic statecraft is never easy. Coercive measures such as sanctions



often fail to convince the target, no matter whether they are imposed by Washington or Beijing. Although the lure of inducements may seem to hold more promise, they also come with risks. In China's case, failure has been more the rule than the exception. That's because the success of inducements depends greatly on the political dynamics in the recipient countries. During the Cold War, for example, American aid to corrupt developing countries in Africa and Latin America was successful at propping up dictators, whereas in Europe, the Marshall Plan succeeded at strengthening U.S. influence in democratic countries. Above-board Japanese aid and investment have bolstered Tokyo's image in Southeast Asia generally speaking but made few political inroads in Cambodia, where China's subversive approach has flourished. Beijing may find that its subversive style works well in corrupt, authoritarian states, but it will likely continue to struggle in countries where accountability matters—many of which are also strategically important.

This is not to say that Beijing's attempts at economic statecraft should be written off. With the BRI, China is learning from its missteps. It has announced that it will curb "irrational" BRI investments, crack down on Chinese investors' illegal activities abroad, and establish a new agency to coordinate foreign aid. At the BRI's international forum in 2019, Chinese leaders went beyond their usual bland "win-win" rhetoric and for the first time emphasized mantras of quality infrastructure, zero corruption, and ample transparency. At the same summit, China's central bank and finance ministry also

announced new financing criteria that would take into account recipient countries' existing debt loads.

On the flip side, growing illiberalism globally may give China more opportunities to gain influence in subversive ways. Particularly in countries teetering on the brink of authoritarianism, carrots that buy off corrupt elites could not only help them maintain their hold on power but also do long-term damage to political institutions. China could thus entrench authoritarianism—even if it is not actively trying to export autocracy. As a preventive measure, the United States and its partners can strengthen accountability institutions in recipient countries and provide technical expertise to help them negotiate with China. But framing the issue as a U.S.-led club of democracies competing against China's authoritarian camp is almost certain to alienate many of those countries, which would prefer to avoid choosing between two rival powers.

In the end, China's rapidly expanding overseas economic presence, particularly when accompanied by subversion and coercion, may exacerbate strategic fears across the globe. Chinese officials may still think that economic development naturally promotes goodwill and gratitude among recipients, but there is good reason to believe that they are wrong. China, it turns out, cannot count on automatically converting its growing economic clout into a new geopolitical reality. 🌐

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# Data Is Power

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## Washington Needs to Craft New Rules for the Digital Age

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*Matthew J. Slaughter and David H. McCormick*

**D**ata is now at the center of global trade. For decades, international trade in goods and services set the pace of globalization. After the global financial crisis, however, growth in trade plateaued, and in its place came an explosion of cross-border data flows. Measured by bandwidth, cross-border data flows grew roughly 112 times over from 2008 to 2020.

The global economy has become a perpetual motion machine of data: it consumes it, processes it, and produces ever more quantities of it. Digital technologies trafficking in data now enable, and in some cases have replaced, traditional trade in goods and services. Movies, once sold primarily as DVDs, now stream on digital platforms, and news, books, and research papers are consumed online. Even physical goods

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come laden with digital components. Cars are no longer merely chassis built around internal combustion engines; they also house complex electronics and software capturing massive amounts of data. Trade in physical goods also comes with digital enablers, such as devices and programs that track shipping containers, and these likewise generate data and improve efficiency. And now, COVID-19 has sped up the digital transformation of businesses, pushing even more commerce into the cloud.

Digital trade and the cross-border flow of data show no signs of slowing. In 2018, 330 million people made online purchases from other countries, each involving the cross-border transmission of data, helping e-commerce hit \$25.6 trillion in sales, even though only about 60 percent of the world is online. Imagine how much data will grow as broadband access spreads to the developing world's rapidly expanding populations, 5G wireless technology allows even more extraordinary amounts of data to transfer at lightning speed, and the so-called Internet of Things dramatically increases machine-to-machine communication.

These massive changes are not merely transforming trade; they are also upending global politics. Even more than other elements of the global economy, data is intertwined with power. As an increasingly necessary input for innovation, a rapidly expanding element of international trade, a vital ingredient in corporate success, and an important dimension of national security, data offers incredible advantages to all who hold it. It is also readily abused. Countries and companies that seek anticompetitive advantages try to control data. So do those that wish to undermine liberty and privacy.

Yet even as cross-border flows of data have surged, and data itself has become a critical source of power, it remains largely ungoverned. The current international trade and investment framework was designed 75 years ago, in a very different time. It advanced prosperity and security, helped lift millions out of poverty, and, as part of a broader economic order, encouraged democracy, commerce, and individual rights. But this system is not adequate for the reality of global trade today. Confusion about the value and ownership of data abounds, and major world powers have competing visions of how to manage it.

If the United States does not shape new rules for the digital age, others will. China, for example, is promulgating its own techno-authoritarian model, recognizing that shaping the rules of digital power is a key component of geopolitical competition. The United States should offer an alternative: with a coalition of willing partners, it should set up a new framework, one that unleashes data's potential to drive innovation, generate economic power, and protect national security.

### **INNOVATION EVER AFTER**

Economists have long recognized that productivity per worker is the best indicator of a country's average standard of living and overall economic power. The higher a country's productivity, the higher the average household income and the higher the population's material well-being will be. Moreover, the higher a country's productivity, the larger the country's overall tax base will be, giving more funds to the government for national defense and other interests.

How can a country raise its productivity? It can invest in the capital used to create things—buildings, machinery, software, and the like. Or it can create new ideas, innovations that allow workers to either make existing products more efficiently or make entirely new products. Indeed, innovation has long driven the United States' rising productivity—accounting for well over half the U.S. per capita GDP growth over the past century.

Data has always been an essential input for discovering new ideas. Benjamin Franklin needed data on lightning strikes to improve humans' understanding of electricity; Gregor Mendel needed data on pea plants to discover rules of heredity. But in the past decade or so, data has become far more important to innovation, thanks to major advances in computing power, cloud storage, and machine learning. The algorithms at the heart of artificial intelligence (AI) benefit particularly from vast quantities of high-quality data, which they use to learn and gain efficacy. These and other data-driven innovations will increasingly shape people's professional and personal lives, improving everything from autonomous vehicles to sports-performance apps to social networks.

The surge in the use of data holds great economic potential for a powerful yet simple reason: data is what economists call "nonrival." Nearly all economic goods and services are "rival," meaning their use by one person or firm precludes their use by someone else. A barrel of oil, for instance, is rival. But data is nonrival: it can be used simultaneously and repeatedly by any number of firms or people without being diminished. The

widespread notion that “data is the new oil” misses this essential economic difference between the two commodities. Data can power innovation again and again without being depleted—more like the limitless supply of sunshine than the limited supply of oil.

Because data is nonrival, innovation—and thus economic power—increasingly hinges on the quantity and quality of data available to people, companies, and countries. Data can be used and reused, so the more freely it flows, the more likely it is to spark new ideas. Consider the world’s fight against COVID-19. On January 10, 2020, more than a month after the first cases appeared, Chinese scientists posted the genetic sequence of the novel coronavirus online. Armed with this essential data, scientists at the U.S. company Moderna took only two days to create the blueprint for what would become the company’s COVID-19 vaccine. Moderna had already researched the concept of a vaccine based on messenger RNA; all it needed to create something valuable from this new idea was new data.

Access to data has been revolutionizing other areas of the life sciences. In just 13 years, the Human Genome Project, a U.S.-led international public initiative, sequenced and published the data on the three billion DNA base pairs that constitute the human genome. One study estimated that from 1988 to 2010, this project led to a total economic impact of \$796 billion—including over \$244 billion in additional personal income from over 300,000 new jobs.

Data increasingly drives commercial success. Companies whose competitive advantages are built by aggregating, analyzing, and using data have seized

top market positions across the globe. Ten years ago, any list of the ten most valuable firms included oil and gas producers, consumer goods firms, and banks. Today, technology companies that traffic in data dominate the list. BHP Group, Chevron, and ExxonMobil have given way to Alphabet, Amazon, and Facebook. The current crop of technology leaders thrives in no small part because they transform vast amounts of data from billions of individuals and organizations into new economic value for their customers.

Data is crucial to national security, too. It drives productivity and thus the economic power that underwrites the United States’ military edge. It is also a primary domain of U.S.-Chinese competition for economic and geopolitical superiority—as demonstrated, for example, by the two countries’ battle over 5G technology. New technologies offer tremendous economic and strategic advantages. In the words of Eric Schmidt, former CEO of Google, and Robert Work, former U.S. deputy secretary of defense, data-enabled AI will be “the most powerful tool in generations for benefiting humanity,” but it will also be “used in the pursuit of power.”

The country that can harness data to innovate faster will gain enormous advantages. And so the United States’ future prosperity and geopolitical strength will largely depend on the rules governing access to data.

### **A PATCHWORK OF RULES**

Current international institutions are not equipped to handle the proliferation of data. Nor are they prepared to address the emerging fault lines in how to approach it. The institutional framework for

international trade—that of the World Trade Organization and its predecessor, the General Agreement on Tariffs and Trade—was built at a time when mainly agricultural and manufactured goods crossed borders and data flows were in the realm of fiction. The WTO’s framework depends on two key classifications: whether something is a good or a service and where it originated. Goods are governed by different trade rules than are services, and a product’s origin defines what duties or trade restrictions apply.

Data defies this basic categorization for several reasons. One is that vast amounts of data—such as one’s online browsing before ordering clothes—are unpriced consequences of the production and consumption of other goods and services. Another is that it is often hard to determine where data is created and kept. (From which country does data on an international flight’s engineering performance originate? In which country does a multinational firm’s cloud storage of its clients’ data reside?) Moreover, there is no agreed-on taxonomy for valuing data. In the event of a trade dispute, WTO members may seek legal recourse and ask the organization to make a one-off correction, but such fixes do not address the fundamental inconsistencies between the WTO’s framework and the nature of data.

The lack of an internationally accepted framework governing data leaves big questions about the global economy and national security unanswered. Should sovereign governments be able to limit the location and use of their citizens’ data within national borders? What does this concept even mean when the cloud and its data are distributed across the Internet? Should gov-

ernments be able to tax the arrival of data from other nations, just as they levy tariffs on the import of many goods and services? How would this work when the data flows themselves are often unpriced, at least within the firms that gather the data? What controls can sovereign governments impose on data entering their countries? Can they demand that data be stored locally or that they be given access to it?

The absence of an international framework also threatens people’s privacy. Who will ensure that governments or other actors do not misuse people’s data and violate their economic, political, and human rights? How can governments protect their citizens’ privacy while allowing data to move across borders? Today, the United States and the EU do not agree on answers to these questions, causing friction that hurts cooperation on trade, investment, and national security. China, for its part, has shown little commitment to privacy. Without common and verifiable methods of anonymizing data to protect personal privacy, the innovative potential of personal data will be lost—or fundamental rights will be violated.

In the absence of coherent and collective answers to these questions, countries and trade blocs are improvising on their own. This has left the world today with a collection of inconsistent, vague, and piecemeal regulations. Recent regional trade deals have included several provisions regarding data and e-commerce. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which does not include the United States, prohibits requirements that data be stored within

a given country and bans duties on cross-border flows of electronic content. It recognizes the growing importance of the digital services sector, and it forbids signatories from demanding access to the source codes of companies' software. The U.S.-Mexico-Canada Agreement (USMCA) has similar provisions. Both free-trade agreements aim to allow unencumbered flows of data, but they are largely untested and, by virtue of being regional, are limited.

The EU sharpened its data rules on privacy in the General Data Protection Regulation. The GDPR attempts to empower individuals to decide how companies can use their data, but many have voiced concerns that the GDPR has effectively established trade barriers for foreign firms operating in EU member countries by requiring expensive compliance measures and raising the European market's liability risks. Moreover, the EU's rules are the subject of continual dispute and litigation.

Of much greater concern to the United States is China's distinct digital ecosystem. Over a generation ago, China began building its "Great Firewall," a combination of laws and technologies that restrict the flow of data in and out of China, in part by blocking foreign websites. China has since adopted a techno-nationalist model that mandates government access to data generated in the country. The sheer quantity of that data fuels China's innovation but also enables the country's repressive system of control and surveillance—and at the expense of open, international flows of data.

Beijing now seeks to expand this model. It has clear plans to use its indigenous technology industry to

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2011-2021

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dominate the digital platforms that manage data, most immediately 5G telecommunications networks. To that end, it has unveiled an audacious plan, China Standards 2035, to set global standards in emerging technologies. And through the so-called Digital Silk Road and the broader Belt and Road Initiative, it is working to spread its model of data governance and expand its access to data by building Internet infrastructure abroad and boosting digital trade.

And the United States? At the federal level, the country has not settled on any legal framework. Nor, beyond the USMCA, has it engaged in any meaningful cross-border agreements on data flows. So far, the United States has not answered China's efforts with a coherent plan to shape technology standards or ensure widespread privacy protections. The United States' ad hoc responses and targeted efforts to encourage other countries to reject the Chinese company Huawei's 5G technology may work in the near term. But they do not constitute an effective long-term plan for harnessing the power of data.

### **A FRAMEWORK FOR FLOWS**

China has a vision for the digital age. The United States does not. Much of the discussion in Washington is too narrow, concerning privacy, antitrust issues, and liability. These are essential matters. Yet it is vital to keep in mind the immense economic potential of data—and not just data produced in the United States. Because data is nonrival, there will be major potential losses for those countries that fail to access and use it.

Consider autonomous vehicles. This idea is no longer new, and in many countries, new teams of engineers and

scientists could, in principle, come together to work on safe and functional autonomous vehicles. But the critical input for success is data: vast quantities of data on driving created by sensor-equipped vehicles. Any country that does not permit companies to access individuals' driving data will struggle to develop this industry. Or think of all the AI possibilities in health care that will require vast amounts of x-rays, CAT scans, and other diagnostic data to create innovations that will save and enhance the quality of lives. Large countries—with, for example, many people driving many vehicles on many roads or many doctors ordering many CAT scans—have an inherent advantage when it comes to data. If small countries, such as Singapore and Sweden, do not have access to data outside their borders, they could lose out.

To some, this possibility of a data advantage for large nations might not seem worth worrying about. After all, the twentieth century demonstrated that small countries can achieve high productivity and high standards of living. They were able to do so because ideas spread relatively easily around the world and because innovation didn't require that much data. But there is growing evidence that what's past will not be prologue: the quantity of data a country can access may result in a sustainable productivity advantage. Today, a vast amount of data is needed to refine ideas into economically productive uses. As the AI expert Kai-Fu Lee has said, "A very good scientist with a ton of data will beat a super scientist with a modest amount of data."

To avoid missing out on these advantages, and to fill the vacuum being filled

by China, the United States should help craft a new multilateral framework for data. Working with all willing and like-minded nations, it should seek a structure for data that maximizes its immense economic potential without sacrificing privacy and individual liberty. This framework should take the form of a treaty that has two main parts.

First would be a set of binding principles that would foster the cross-border flow of data in the most data-intensive sectors—such as energy, transportation, and health care. One set of principles concerns how to value data and determine where it was generated. Just as traditional trade regimes require goods and services to be priced and their origins defined, so, too, must this framework create a taxonomy to classify data flows by value and source. Another set of principles would set forth the privacy standards that governments and companies would have to follow to use data. (Anonymizing data, made easier by advances in encryption and quantum computing, will be critical to this step.) A final principle, which would be conditional on achieving the other two, would be to promote as much cross-border and open flow of data as possible. Consistent with the long-established value of free trade, the parties should, for example, agree to not levy taxes on data flows—and diligently enforce that rule. And they would be wise to ensure that any negative impacts of open data flows, such as job losses or reduced wages, are offset through strong programs to help affected workers adapt to the digital economy.

Such standards would benefit every sector they applied to. Envision, for example, dozens of nations with data-

sharing arrangements for autonomous vehicles, oncology treatments, and clean-tech batteries. Relative to their experience in today's Balkanized world, researchers would be able to discover more data-driven innovations—and in more countries, rather than just in those that already have a large presence in these industries.

The second part of the framework would be free-trade agreements regulating the capital goods, intermediate inputs, and final goods and services of the targeted sectors, all in an effort to maximize the gains that might arise from data-driven innovations. Thus would the traditional forces of comparative advantage and global competition help bring new self-driving vehicles, new lifesaving chemotherapy compounds, and new sources of renewable energy to participating countries around the world.

There is already a powerful example of such agreements. In 1996, dozens of countries accounting for nearly 95 percent of world trade in information technology ratified the Information Technology Agreement, a multilateral trade deal under the WTO. The agreement ultimately eliminated all tariffs for hundreds of IT-related capital goods, intermediate inputs, and final products—from machine tools to motherboards to personal computers. The agreement proved to be an important impetus for the subsequent wave of the IT revolution, a competitive spur that led to productivity gains for firms and price declines for consumers.

#### **THE INNOVATION IMPERATIVE**

At this time of uncertainty about both the future of international institutions and the United States' commitment to



them, orchestrating the creation of this framework would bring Washington many opportunities: to partner closely with like-minded countries, to reform and rejuvenate calcified institutions, and to strengthen U.S. economic power and national security. Indeed, this framework could serve as an important component of a renewed vision of the United States' role in the world. It would be a vision that recognizes the need to cultivate strong multilateral institutions of like-minded nations to stabilize an entropic world but that does not lose sight of the United States' economic and security interests, that upholds U.S. leadership but never at the expense of Americans, and that confidently sees the country as a force for good.

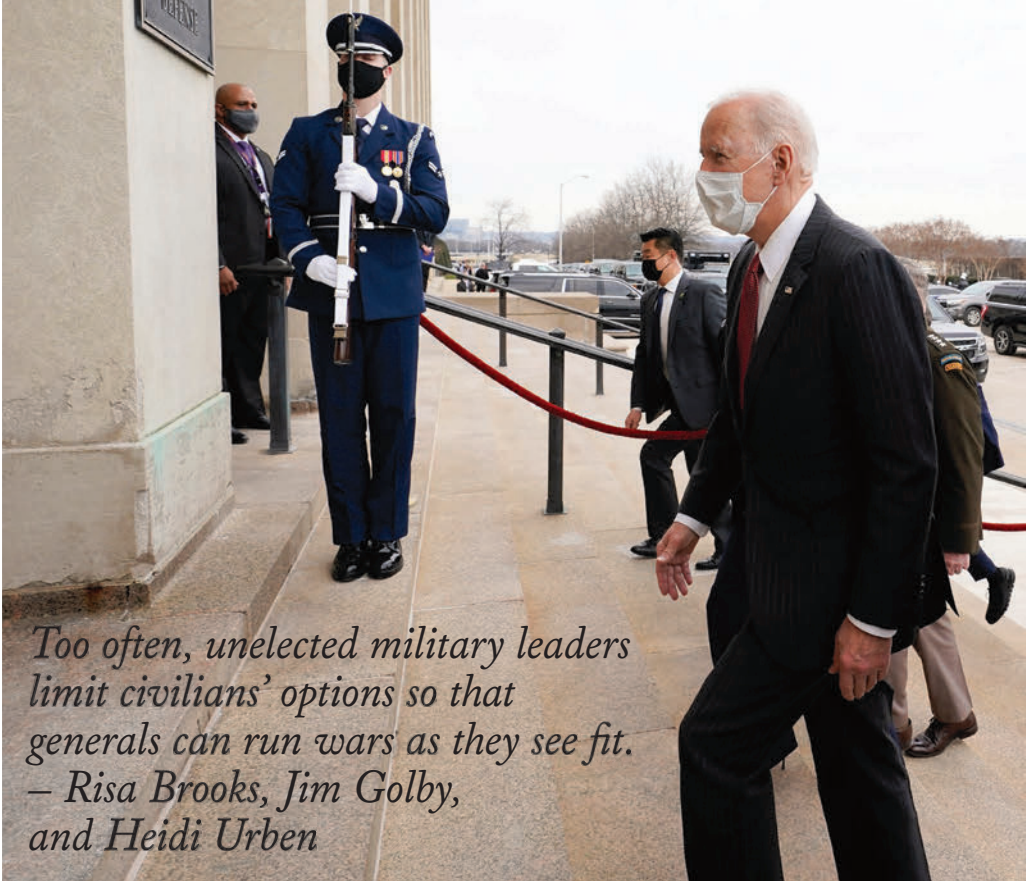
There is little doubt that the United States and its allies would face challenges in establishing an international data framework. The landscape today is characterized by a patchwork of inconsistent and vague data standards, and the initial countries and sectors involved would need to work through the thicket of various national data regulations. Some countries would no doubt choose to close themselves off and refuse to share their data. Americans, meanwhile, face deep political divisions, and many of them view global engagement with skepticism. And yet this framework would boost innovation and the United States' strategic position in an era of trying economic conditions at home and great-power competition abroad. Those are the benefits that American leaders must communicate to the American people.

If creating an international data framework proved too difficult, Washington and its partners could build on

existing efforts to address data flows and security. In 2020, the Trump administration created the Clean Network to strengthen data partnerships abroad, empower domestic innovation, and protect data privacy. Likewise, a year earlier, the G-20 leaders produced the Osaka Track vision for "data free flow with trust," an initiative to produce a coherent international data framework. And the Organization for Economic Cooperation and Development is laying the intellectual foundation for a similar effort. The United States could also build on momentum within the Quad—its cooperative partnership with Australia, India, and Japan—to advance the shared goals of innovation and security. But these would merely be stopgap measures; what is really needed is a major push for a cohesive framework.

In July 1944, just weeks after the D-Day invasion and with the outcome of World War II still hanging in the balance, the United States hosted delegates from 43 like-minded nations in Bretton Woods, New Hampshire, for a conference to agree on new rules for the postwar international monetary system. Out of this gathering came the International Monetary Fund and the World Bank, institutions designed to help rebuild the world after a devastating conflict. In the wake of another crisis, the United States once again has the opportunity to establish new international rules that support peace, prosperity, and security. The question is whether it will rise to the challenge. 🌐

# ESSAYS



*Too often, unelected military leaders limit civilians' options so that generals can run wars as they see fit.*  
— Risa Brooks, Jim Golby, and Heidi Urben

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# Crisis of Command

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## America's Broken Civil-Military Relationship Imperils National Security

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*Risa Brooks, Jim Golby, and Heidi Urben*

**W**hen U.S. President Donald Trump left office on January 20, many of those concerned about the state of civil-military relations in the United States breathed a deep sigh of relief. They shouldn't have. Yes, Trump used the military as a political prop, referred to some of its leaders as "my generals," and faced a Pentagon that slow-rolled his attempts to withdraw troops from battlefields around the world. But problems in the relationship between military officers and elected officials did not begin with Trump, and they did not end when Joe Biden took office.

Civilian control over the military is deeply embedded in the U.S. Constitution; the armed forces answer to the president and legislature. Starting in 1947, Congress built robust institutions designed to maintain this relationship. But over the past three decades, civilian control has quietly but steadily degraded. Senior military officers may still follow orders and avoid overt insubordination, but their influence has grown, while oversight and accountability mechanisms have faltered. Today, presidents worry about military opposition to their policies and must reckon with an institution that selectively implements executive guidance. Too often, unelected

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military leaders limit or engineer civilians' options so that generals can run wars as they see fit.

Civilian control is therefore about more than whether military leaders openly defy orders or want to overthrow the government. It's about the extent to which political leaders can realize the goals the American people elected them to accomplish. Here, civilian control is not binary; it is measured in degrees. Because the military filters information that civilians need and implements the orders that civilians give, it can wield great influence over civilian decision-making. Even if elected officials still get the final say, they may have little practical control if generals dictate all the options or slow their implementation—as they often do now.

Resetting this broken relationship is a tall order. It demands that Congress doggedly pursue its oversight role and hold the military accountable, regardless of who occupies the White House. It requires that defense secretaries hire skilled civilian staffs composed of political appointees and civil servants. But most important, it requires an attentive public that is willing to hold both civilian leaders and the military to account.

## **PARADISE LOST**

Evidence of the decline in civilian control over the military isn't hard to find. Over the last few decades, senior military leaders have regularly thwarted or delayed presidential decisions on military policy. In 1993, Colin Powell, the chairman of the Joint Chiefs of Staff, helped block President Bill Clinton from ending the policy that banned gays from the military, resulting in the now defunct "don't ask, don't tell" compromise. Both President Barack Obama and Trump complained that officers boxed them in—limiting military options and leaking information—and forced them to grudgingly accept troop surges they did not support. Obama's generals signaled that they would accept nothing less than an aggressive counterinsurgency in Afghanistan—despite White House opposition. Obama later fired Stanley McChrystal, then commander of U.S. forces in Afghanistan, after members of the general's staff disparaged White House officials in remarks to a reporter. Trump, for his part, saw senior military leaders push back against his orders to withdraw troops from Afghanistan and Syria. Although these moves were signature campaign promises, Trump eventually backed off when military leaders told him they couldn't be done and that the policies would harm national security.

Of course, senior military leaders do not always get everything they want, but they often get more than they should. Their power also extends beyond headline-grabbing decisions about overseas deployments or troop reductions. The military's influence manifests hundreds of times a day through bureaucratic maneuvers inside the Pentagon, in policy discussions in the White House, and during testimony on Capitol Hill. These mundane interactions, perhaps more than anything else, steer decision-making away from civilians in the Office of the Secretary of Defense and toward uniformed personnel. Inside the Pentagon, for

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*Civilian control over the military is deeply embedded in the U.S. Constitution.*

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instance, military leaders often preempt the advice and analysis of civilian staff by sending their proposals straight to the secretary of defense, bypassing the byzantine clearance process that non-uniformed staffers must navigate.

There are signs of the erosion of civilian control outside the Pentagon, as well. Congress too rarely demands that

the military bow to civilian authority, instead weighing in selectively and for partisan reasons. During the Obama administration, for example, some commentators and at least one member of Congress suggested that Martin Dempsey, the chairman of the Joint Chiefs of Staff, should resign in protest over the president's management of the campaign to defeat the Islamic State, also known as ISIS. The goal was to use Dempsey's role as the president's chief military adviser as leverage in a partisan battle over Obama's foreign policy. Under Trump, many Democrats cheered on the retired and active-duty generals who pushed back against the president's decisions. These "adults in the room" included James Mattis (the secretary of defense), John Kelly (the secretary of homeland security and then White House chief of staff), and H. R. McMaster (Trump's national security adviser). At the extreme, some of Trump's opponents even urged senior military leaders to contemplate removing Trump from office. In August 2020, two well-known retired army officers, John Nagl and Paul Yingling, penned an open letter to Mark Milley, the chairman of the Joint Chiefs of Staff, telling him to do just that if the president refused to leave office after losing the 2020 election. Although these efforts may have comforted those concerned about Trump's erratic policies, they undermined civilian control by suggesting that it was the military's job to keep the executive in check.

When politicians endorse military insubordination that serves their interests, they do long-term damage to the principle of civilian primacy.

Oversight itself has also become politicized. Politicians increasingly turn to those with military experience to run the Pentagon. Trump decided to appoint a former general, Mattis, as secretary of defense, and Biden did the same, putting Lloyd Austin in the post. In both cases, Congress had to waive a requirement that officers be retired for at least seven years before serving in the department's top job. The rule, which had been broken only once before, is designed to prioritize leaders with distance from the mindset and social networks associated with military service. Ideally, defense secretaries should be comfortable operating as civilians—not soldiers. Mattis's and Austin's nominations, and subsequent confirmations, therefore represent a break with over seven decades of law and tradition, beginning with the 1947 reforms, stipulating that the secretary of defense cannot be a recently retired general.

There is no obvious reason to think that those with military experience are better suited to controlling the military on behalf of Congress or the president—and plenty of reasons to suspect the opposite. In the military, soldiers are taught to follow orders, not scrutinize their implications, as a cabinet official should. Military personnel, moreover, are ideally taught to stay out of partisan debates, whereas the secretary's job demands well-honed political skill and experience. Yet as Mattis's and Austin's appointments show, military service is becoming a litmus test for Pentagon policy jobs traditionally held by civilians, and this is true even at lower levels.

Meanwhile, the public is failing to insist that elected leaders hold the military to account. Many Americans would rather put troops on a pedestal and admire the military from afar. Repeating the mantra "Support our troops" has become a substitute for the patriotic duty of questioning the institution those troops serve. Large numbers of citizens are now reluctant to even offer their opinions in response to survey questions about the military, let alone to criticize military leaders. In a 2013 YouGov survey, for instance, 25 to 30 percent of the nonveterans asked consistently chose "I don't know" or "no opinion" in response to questions about the military.

At best, these trends immunize the military from scrutiny; at worst, they give it a pass to behave with impunity. An October 2017 White House press conference epitomized this exceptionalism: during a dis-

cussion of Trump's condolence call to the widow of a slain soldier, Kelly, who had served in the military for more than four decades and whose own son was killed fighting in Afghanistan, refused to call on journalists who didn't know someone who had had a family member killed in combat. Sarah Huckabee Sanders, the White House press secretary, later admonished journalists for daring to question Kelly. Debating "a four-star Marine general," she said, was "highly inappropriate."

## **ORIGIN STORY**

Part of the decline in civil-military relations can be blamed on institutional changes. As the United States became a global power, elected leaders developed a bureaucratic structure to manage the military on a day-to-day basis. When it became clear at the start of the Cold War that the U.S. defense establishment had become too large for the president and the legislature to control on their own, Congress passed the National Security Act of 1947. The law established what would eventually become the Department of Defense and placed at its head a civilian secretary of defense, who would bring experience managing bureaucratic and domestic politics. That person would have the exclusive job of ensuring that the military's activities aligned with the nation's goals as determined by its elected political leaders. And Congress granted the secretary a civilian staff composed of individuals who could draw on their experiences in government, business, and academia.

But in 1986, Congress unintentionally undid much of this work. That year, it overhauled the 1947 law by passing the Goldwater-Nichols Department of Defense Reorganization Act, which shifted power and resources away from civilian leaders and to their military counterparts. Since that law passed, large, well-resourced military staffs have displaced civilians in the Pentagon and across the rest of the government. Today, for example, ambassadors and other civilian officials frequently depend on the military's regional combatant commands for resources, including planes and logistical support, necessary to do their jobs. Regional combatant commanders also have responsibilities that cross national boundaries, giving them *de facto* diplomatic authority and frequent contact not only with their military counterparts overseas but also with foreign government leaders. The military officials who govern security assistance and cooperation programs have also grown in number and influence, further sidelining their civilian counterparts in the State Department.

It is a truism in national security discourse that diplomats are underfunded relative to the military. Even former defense secretaries, including Mattis and Robert Gates, have warned Congress of the risks of underfunding the State Department. But no one ever does much about it. Without a serious attempt at rebalancing, the military's personnel and resource advantages will only further undermine civilian control, giving the military extra speed and capacity that it can leverage during bureaucratic fights to make and implement policy.

At the same time, there has also been a hollowing out of the processes of civilian control within the Department of Defense itself. In recent years, the Pentagon has faced immense difficulties recruiting, retaining, and managing the civilian professional staff responsible for overseeing the uniformed military. These challenges are the result of underinvestment in the civilian workplace. There is little systematic training to prepare civilian officials for their responsibilities, and they are often thrown into the deep end of the Pentagon and left to sink or swim. In contrast, service members benefit from thorough professional military education programs and other developmental opportunities throughout their careers.

By 2018, this situation had deteriorated to a point where the bipartisan National Defense Strategy Commission, a congressionally appointed panel, concluded that a lack of civilian voices in national security decision-making was "undermining the concept of civilian control." To be sure, these problems became more acute during the Trump administration, when the Pentagon was littered with acting officials and unfilled positions. But the civilian bench was shallow long before Trump took over.

## **PLAYING POLITICS**

Partisan polarization has also undermined civilian control. After 9/11, the public's esteem for the military spiked, and politicians noticed. Elected leaders became increasingly willing to disregard civil-military norms, avoid serious oversight and accountability, and encourage military insubordination to score political points against their political opponents.

Today, politicians on both sides of the aisle capitalize on the military's prestige to shield themselves from criticism and attack their rivals—often a cost-free strategy, given the military's popularity. During campaigns, candidates often claim that troops prefer them over their opponent; in 2020, a Trump ad featured the tagline "Support our



troops,” and Biden cited a *Military Times* poll to suggest that it was he who enjoyed their support. Candidates regularly seek the endorsement of retired generals and even use them as partisan attack dogs. At the 2016 Republican National Convention, the Trump adviser Michael Flynn, who had then been out of the military for just two years, criticized Trump’s opponent, Hillary Clinton, and encouraged the crowd to chant “Lock her up!” As president, Trump repeatedly delivered partisan speeches in front of uniformed audiences, once telling officers at MacDill Air Force Base, “We had a wonderful election, didn’t we? And I saw those numbers—and you like me, and I like you.” In over-the-top campaign videos, some post-9/11 veterans running for office use their experience as a means of dividing those who served from those who did not. In 2020, the Republican Texas congressman and former Navy SEAL Dan Crenshaw released an *Avengers*-themed ad entitled “Texas Reloaded” that featured attack helicopters, fighter jets, and Crenshaw himself parachuting out of a plane.

More frequently ignored, however, are the less egregious moments of politicization, such as presidents donning bomber jackets and flight suits in public speeches to military audiences or venturing to West Point to make major foreign policy addresses rather than to a civilian university. All these actions reinforce the belief that military service is superior to other kinds of public service.

Even though politicians try to gain electoral advantage through such behavior, what they are ultimately doing is damaging their own authority. By lionizing the armed forces, politicians teach the public to expect elected officials to make concessions to military leaders or defer to them on important decisions. This same dynamic motivates civilian leaders to encourage officers to serve as “the adults in the room,” resist or oppose their partisan opponents’ policies, or resign in protest against a lawful order from an elected president. Although there may be short-term advantages to such behavior (assuming, of course, that the military leaders are correct), it subverts the broader principle that civilians get to pursue the policies they were elected to carry out.

The military has also played a role in the degradation of civilian control. For one thing, its nonpartisan ethic is in decay. Whereas the majority of senior military officers did not identify with a political party as late as 1976, nearly three-quarters do so today, according to surveys of senior officers attending various war colleges conducted

between 2017 and 2020. Many service members are comfortable airing their partisan political commentary on social media to wide audiences, an outspokenness that would have made past generations of soldiers blush. Retired generals involved in politics—especially through campaign endorsements—reinforce to those in uniform that the military is riven by partisan divides. Senior military leaders have largely failed to address this behavior, either looking the other way or attributing it to a few bad apples. Their silence, however, normalizes partisanship in the military, with those in uniform concluding that it is acceptable to openly pick political sides. Recent surveys of senior active-duty officers found that roughly one-third had observed their colleagues make or share disparaging comments about elected officials on social media.

Service members also make civilian control that much harder when they act as if they are superior to their civilian counterparts. Research consistently shows that many in the military believe that their decision to serve in uniform makes them morally superior to those Americans who did not make that choice. According to a 2020 survey by the research institution NORC, this sense of superiority extends even to their views of those Americans whose jobs also entail significant risks—including doctors fighting the pandemic and diplomats serving in combat zones or in hardship assignments. At the extreme, military personnel question the legitimacy of the civilians who oversee them, especially if they suspect that those leaders don't share their partisan views.

Another factor undermining civilian authority is the military's attachment to the notion that it should have exclusive control over what it views as its own affairs. This concept, endorsed by the political scientist Samuel Huntington, contends that the military has a right to push back when civilians attempt to interfere in military matters. According to this view, autonomy is a right, not a privilege. But military and political affairs are not as distinct as many officers have been led to believe, and the experience of other countries suggests that alternative models are just as plausible: throughout Europe, for example, military leaders are accustomed to much more intrusive oversight than their U.S. counterparts.

## **HOLLYWOOD TREATMENT**

Trends in American culture underpin many of these problems. Americans increasingly fetishize the armed forces and believe that the only true patriots are those in uniform. According to Gallup poll-

ing, the public consistently has more confidence in the military than in any other national institution. That admiration, coupled with declining trust and confidence in civilian organizations, means that large segments of the population think that those in uniform should run the military, and maybe even the country itself.

This adoration has grown in part out of efforts to bring the military out of its post-Vietnam malaise. In 1980, Edward Meyer, the army chief of staff, declared his force a “hollow army,” and that same year, an operation intended to rescue U.S. hostages in Iran ended in disaster, showing the public just how depleted its armed forces had become. While Congress attempted to rectify the situation by ramping up military spending, the military cannily worked to rehabilitate its image through popular culture. In the 1980s, the Pentagon cooperated with big-budget movies such as *Top Gun*, a practice it has continued to the present with such superhero films as *Captain Marvel*. By conditioning its cooperation and provision of equipment on approval of the script, the military learned that it could influence storylines and enhance its brand.

Another contributing problem is the military’s tendency to recruit heavily from particular subsections of American society. With few calls for shared sacrifice or national mobilization during the wars in Afghanistan and Iraq, the majority of the public had little to do besides thank the troops for their service. The military, meanwhile went to great lengths to honor soldiers with patriotic displays centered on the nobility of military service, notably during college and professional sporting events. These trends all reinforced the notion that military service members were truly exceptional—better, different, and more selfless than the civilians who cheered them on.

## **REFORM OR PERISH**

Together, these pressures have weakened the institutional processes, nonpartisan practices, and societal values that have historically served to keep the principle of civilian control of the military strong in its mundane and often unglamorous daily practice. But the damage can be repaired. Institutional reforms have the greatest chance of success. Politicians on both sides of the aisle stand to benefit from better civilian oversight.

Congress could start by rebalancing power in the Department of Defense away from the Joint Staff and the combatant commands (the 11 military commands with specific geographic or functional

responsibilities) and toward civilians in the Office of the Secretary of Defense. Legislators can do this by resisting calls to further cut the Pentagon's civilian workforce and by eliminating duplicate efforts among the Joint Staff and the combatant commands, which together account for an estimated 40,000 positions. A parallel program to train, retrain, and prepare a civilian workforce would help deepen the Pentagon's civilian bench.

Congress should also rethink efforts to give the chairman of the Joint Chiefs of Staff the mission of "global integration" of U.S. military capabilities—an initiative that took root when Joseph Dunford filled the role, from 2015 to 2019. The idea was that the Joint Chiefs could adjudicate the military's competing geographic requirements, curb the power of the combatant commands, and prioritize resources. But that role is best played by civilians in the defense secretary's office, not by a sprawling military staff.

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*Politicians must stop propagating the myth that serving in the military is a prerequisite for overseeing it.*

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The uniformed military must also address its role in undermining civilian control. A hallmark of any profession is its ability to enforce standards of conduct, and yet the military has at times struggled to ensure that its members refrain from partisan activity. To address this, active-duty officers should publicly disavow retired senior officers who damage the military's nonpartisan ethic through campaign endorsements and other political pronouncements. Retired officers should also use peer pressure to curb partisan campaign endorsements among their colleagues. If that fails, Congress should consider instituting a four-year cooling-off period that would prohibit generals and admirals from making partisan endorsements immediately after retiring—similar to what it did with lobbying efforts.

Finally, military leaders must do a better job of educating service members about the importance of nonpartisanship, including on social media. This will require clear regulations and consistent enforcement. The same leaders should also rethink their view of military professionalism, abandoning the notion that they have an exclusive domain and embracing an approach that accepts the need for civilian oversight.

Other areas in need of reform, including among civilian elected leaders, are less likely to see change. Politicians today face few reper-

cussions for politicizing the military, and they have considerable incentives to continue to do so. Still, elected leaders could start to deal with the problem by ending the practice of soliciting endorsements from retired generals. They could also stop using the uniformed military as a backdrop for partisan political speeches and stop running campaign advertisements that insinuate that they enjoy more military support than their opponents. Veterans and active reservists or members of the National Guard should also stop weaponizing their service for electoral gain. That would mean an end to cashing in on public support for the military through campaign ads that suggest their military service makes them superior citizens.

Politicians should also stop propagating the myth that serving in the military is a prerequisite for overseeing it. This belief not only diminishes the important role civilians play but also symbolically raises the military above its civilian superiors in the minds of service members and the public. Instituting a ten-year waiting period—or at least adhering to the existing seven-year requirement—before a retired officer can serve as secretary of defense is a necessary step. So is valuing and investing in the contributions of civilian expertise at all echelons in the Pentagon.

Finally, those who continue to mythologize the military in popular culture should rebalance their portrayals. A little more *M\*A\*S\*H*—the darkly comedic 1970s television series about a U.S. Army medical unit during the Korean War—and a little less righteous soldiering might humanize military personnel and chip away at the public's distorted view of the armed services. Bringing the military back down to earth and a bit closer to the society it serves would help politicians in their effort to scrutinize military affairs and encourage Americans to see accountability as a healthy practice in a democratic society.

If Americans do not recognize the rot lurking beneath their idyllic vision of civilian control, the United States' civil-military crisis will only get worse. More than most citizens realize, the country's democratic traditions and national security both depend on this delicate relationship. Without robust civilian oversight of the military, the United States will not remain a democracy or a global power for long. 🌐

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# America's Military Risks Losing Its Edge

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## How to Transform the Pentagon for a Competitive Era

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*Michèle A. Flournoy*

**F**or almost a decade, U.S. defense officials have deemed the return of great-power competition to be the most consequential challenge to U.S. national security. In 2012, during the Obama administration, the Defense Department announced that “U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations,” such as those in Afghanistan and Iraq, marking a sharp departure from the United States’ post-9/11 defense strategy. In 2016, Secretary of Defense Ashton Carter highlighted a “return to great-power of competition.” And in 2018, the Trump administration’s National Defense Strategy crystallized this shift: “Inter-state strategic competition, not terrorism, is now the primary concern in U.S. national security,” it declared, with a particular focus on China as the pacing threat.

Yet despite such a widespread and bipartisan acknowledgment of the challenge, the U.S. military has changed far too little to meet it. Although strategy has shifted at a high level, much about the way the Pentagon operates continues to reflect business as usual, which is inadequate to meet the growing threats posed by a rising China and a revisionist Russia. That disconnect is evident in everything from the military’s ongoing struggle to reorient its concepts of operations (that is, how it would actually fight in the future) to its training, technology acquisition, talent management, and overseas posture. Some important steps have been taken to foster defense innovation,

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but bureaucratic inertia has prevented new capabilities and practices from being adopted with speed and at scale.

The Biden administration has inherited a U.S. military at an inflection point. The Pentagon's own war games reportedly show that current force plans would leave the military unable to deter and defeat Chinese aggression in the future. The Defense Department's leadership, accordingly, must take much bigger and bolder steps to maintain the United States' military and technological edge over great-power competitors. Otherwise, the U.S. military risks losing that edge within a decade, with profound and unsettling implications for the United States, for its allies and partners, and for the world. At stake is the United States' ability to deter coercion, aggression, and even war in the coming decades.

Averting such an outcome will require fundamental reforms in how the Pentagon operates. But changing organizational cultures is far harder than revising defense strategy—necessitating not just a clear and compelling vision but also realigned incentive structures and greater accountability. Ultimately, the strategy will fail unless these operational changes succeed.

The imperative is clear: the U.S. military must reimagine how it fights and must make the technological and operational investments necessary to secure its edge. It's not about spending more money; it's about spending smarter, prioritizing investments to sharpen the military's edge. Time is no longer on the United States' side in this competition, and the stakes could not be higher. The Defense Department's actions—or inaction—in the next four years will determine whether the United States is able to defend its interests and its allies against great-power threats for the next four decades.

## **THE WARS OF THE FUTURE**

In the months and years after 9/11, the U.S. armed forces prioritized counterterrorism operations against al Qaeda and its affiliates around the globe, especially in Afghanistan and Pakistan. After the 2003 invasion of Iraq, counterinsurgency operations consumed even more U.S. forces and more of the attention of the Defense Department's leadership. For a decade, the wars being fought in the present left little capacity to prepare for the wars of the future.

By 2012, a small but growing chorus of defense experts began sounding the alarm that greater challenges were looming on the horizon and that the United States needed a new strategy to meet them. The shift

was driven in large part by China's more assertive behavior and new capabilities. Since the Gulf War, the Chinese military has gone to school on the American way of war. It developed an expanding set of asymmetric approaches to undermine U.S. military strengths and exploit U.S. vulnerabilities, including robust "anti-access/area-denial" (A2/AD) capabilities. These new capabilities—cyber and electronic weapons, air defenses, arsenals of precision missiles such as antiship weapons—are designed to disrupt and destroy U.S. command-and-control networks and thwart U.S.

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*The imperative is clear: the U.S. military must reimagine how it fights.*

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power projection into the Indo-Pacific. As a result, the U.S. military can no longer assume that it will have the freedom of action in a conflict that it could have had in the past by gaining early superiority in the air, space, cyberspace, and maritime domains. In any future conflict, U.S. forces will need to fight for advantage across these domains—and then continue fighting to keep it—in the face of continuous Chinese efforts to disrupt and degrade U.S. battle-management networks.

One necessary shift is rethinking where U.S. military forces are deployed—with a reduced focus on the greater Middle East, which, even now, accounts for about one-third of U.S. forces deployed or stationed outside the United States. An ongoing global force posture review, initiated earlier this year at the direction of the president, aims to give greater priority to deterring China, which is likely to mean drawing down forces in the Middle East in order to make more available in the Indo-Pacific. To succeed, however, this change in strategy must be matched by more than a shift in global posture; it will require a wholesale realignment of concepts, culture, service programs, and budgets. Otherwise, there will be a gradual erosion of U.S. military superiority in the face of competition from other great powers. As a consequence, the United States could no longer be confident in its ability to deter Chinese aggression or protect its interests and allies in Asia. And in the event of conflict, it would pay a far higher price in both blood and treasure. The costs of inertia and inaction are unacceptably high.

Although the Pentagon has made some progress in stimulating innovation, it has not been at the pace or magnitude required. A number of new organizations within the Defense Department have become





*Wired for war: U.S. Air Force members at Al Udeid Air Base, Qatar, September 2020*

quite effective at surveying the technology landscape, identifying promising solutions to priority problems, and then rapidly prototyping new capabilities. The Defense Innovation Unit scouts innovation hubs such as Silicon Valley, Austin, and Route 128 in Massachusetts to partner with commercial technology companies. AFWERX and SOFWERX play a similar role for the U.S. Air Force and U.S. Special Operations Command, respectively, acting as early-stage investors to accelerate the adoption of commercial technologies for military missions. In late 2020, Will Roper, then the assistant secretary of the air force for acquisition, technology, and logistics, estimated that over the previous three years, AFWERX brought 2,300 companies into partnership with the U.S. Air Force and the U.S. Space Force, most of which had never worked with the U.S. military before. But few of these efforts have been able to cross the “valley of death,” the gap between developing a successful prototype and being able to produce a system and field it at scale.

Similarly, in the last few years, the military services and the Joint Staff have belatedly begun to develop and experiment with new concepts of operations for dealing with great-power rivals. These efforts so far include ways of gaining the information advantage, coordinating long-range strikes, and providing logistical support to geographi-

cally distributed forces in a contested battle space. But they remain nascent. The Defense Department has yet to field new concepts and capabilities, rapidly and at scale, that would deter great-power rivals.

When Chinese officials or strategists look at the U.S. military today, they see key systems—those used to detect threats, to communi-

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*Fundamentally reforming how U.S. forces fight requires a wholesale shift in mindset.*

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cate and navigate, and to target enemy forces—that are vulnerable to attack. What's more, U.S. forces will be at a growing disadvantage, both quantitatively and qualitatively, in the face of expanding Chinese military forces and Chinese investments in capabilities designed to prevent the U.S. military from getting within range of China's

shores. If Beijing believes it could thwart an effective U.S. military response, it might be tempted to use force against Taiwan or to seize additional disputed territories in the South China Sea. Such a crisis could quickly escalate into a military conflict between two nuclear-armed powers. Hence the imperative of ensuring that Chinese military action would be unsuccessful and costly—and that Chinese leaders are convinced of that fact.

So why the resistance to change? Driving change in large bureaucratic organizations is notoriously hard. In the Pentagon, it can seem nearly impossible. The prevailing bureaucratic culture remains risk averse: avoid making mistakes, don't rock the boat, stick to existing ways of doing business. In addition, top officials face a wide variety of urgent challenges, from overseeing current operations (many of them counterterrorism in the greater Middle East and Africa) to dealing with sexual assault in the forces and extremist groups recruiting members of the military. Moreover, the most senior Defense Department leaders generally rotate through every two to three years, making it difficult for them to impel a workforce of more than 730,000 civilians and 1.3 million men and women on active duty to embrace new behaviors and hold them accountable for results. Too often, the Defense Department has also failed to bring Congress along as a partner, leaving a backdoor wide open for those who want to oppose reform (since members of Congress often protect the status quo by funding established priorities that create jobs in their districts, leaving little room in the budget for anything new).

## **HOW CHANGE HAPPENS**

To overcome this inertia, the new Pentagon leadership must do more than make great-power competition a top priority in the Biden administration's first National Defense Strategy, likely to be released later this year or early next year. Even more important, great-power competition must be a top priority when it comes to the way senior officials and officers spend their time and political capital. Change of the necessary magnitude simply will not happen without senior Defense Department leaders clearing the way and driving it forward every single day.

The first step must be developing new concepts of operations for deterring and defeating great-power aggression in more contested and lethal environments—a task just as important as that of equipping U.S. forces with new capabilities. History shows that new concepts can be even more powerful than new technologies alone. For example, although tanks were introduced during World War I by the British, they did not have a major impact until World War II, when the Germans married this new capability with the concept of blitzkrieg, using tanks with mechanized infantry and close air support to break through Allied lines.

Fundamentally reforming how U.S. forces fight will require a wholesale shift in mindset. The U.S. military is used to having the upper hand in any conventional military situation. It expects to be able to rapidly gain superiority in any domain—in the air, on the land, at sea. In the near future, however, this is unlikely to be the case when the United States is up against another great power. Both Beijing and Moscow have invested in cyber, electronic, and kinetic weapons designed to disrupt the ability of U.S. forces to deploy, navigate, communicate, and strike, as well as layer upon layer of defenses to shoot down U.S. aircraft and sink U.S. ships before they can get within range of their targets.

Given these new capabilities, U.S. planners and commanders must think about how to asymmetrically counter an adversary's advantages—including the fact that U.S. forces are likely to be outnumbered and under persistent attack in any conflict. Rather than being confident that they can destroy the adversary's defenses upfront and then operate with relative impunity, U.S. forces must expect to remain under attack throughout their operations. Under such conditions, U.S. warfighting concepts can no longer rely on attrition-based warfare—the notion that the side that can inflict the greater losses in personnel and materiel will prevail, which has long shaped U.S. war planning.

Instead, they must shift to more creative approaches to deterring an adversary, by disrupting its ability to see and target U.S. forces while also putting its critical forces at risk. That could mean, for example, using cyberattacks; electronic warfare, such as signals jamming; and swarms of unmanned aerial vehicles to confuse or blind an adversary's surveillance and targeting systems.

The good news is that all the military services and the Joint Chiefs of Staff have been working to develop new ways of fighting. The bad news is that these concepts are still mostly in a Power-Point stage. Defense Department and

military leaders must put considerably more resources—both financial and intellectual—into accelerating the development, testing, and refinement of new concepts for both deterrence and operations.

Conceptual innovation needs four key ingredients: a mandate from the top to break with current doctrine, a genuine competition of ideas, an approach that engages as many of the brightest people with as diverse a range of experiences and perspectives as possible, and a willingness to check rank and position at the door, to allow for the possibility that the best ideas may come from the most junior participants. Both the military services and the Joint Staff must alter their approaches to include these ingredients.

The secretary of defense should also establish a forum of senior leaders to review and debate alternative proposals, in order to identify gaps and to support the development of the most promising concepts. Such support must involve considerably more analysis, war-gaming, and experimentation in the field. Creating a virtuous cycle—from concept development to war-gaming to experimentation—would help turn promising ideas into usable new concepts. It would generate a clear demand signal, build buy-in from senior leaders who must make difficult but necessary tradeoffs, and begin to shift the culture of and approaches to warfighting in the military services themselves.

Investing in training will also be essential. Consider the Navy SEALs, which since 9/11 have been heavily used in land-based counterterrorism and counterinsurgency operations. In the future, the SEALs' role should be very different, centered more on maritime and clandestine operations, which will be critical to deterring China across the

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*In the wake of the pandemic, defense budgets are likely to be constrained, which will require hard choices.*

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Indo-Pacific. Making this shift will require investments not only in equipping the force with new, cutting-edge capabilities but also in giving them the time and space to reorient their training and development. Similar modifications will be necessary across the entire force.

In addition, defense leaders will have to institute a more disciplined approach to force management—that is, where and when U.S. forces are deployed for routine operations around the world. The regional combatant commands all naturally want resources for their respective areas. The secretary of defense must curb their appetite for force deployments in places where a degree of risk can and should be managed. The chairman of the Joint Chiefs of Staff should play a key role here, providing concrete recommendations on where the United States should be willing to accept more risk in order to shift more resources to the places that matter most.

This assessment should be accompanied by a review of contingency plans relevant to China and Russia, where new concepts and capabilities are needed especially urgently, as well as an appraisal of how basing arrangements and security-assistance programs can be strengthened. The Strategic Capabilities Office—which tests the use of existing capabilities in novel ways to give commanders new options in the near term—has been underutilized in recent years. It should be empowered to identify new ways of using current U.S. capabilities to strengthen deterrence against China and Russia—be it putting the U.S. Navy’s long-range antiship munitions on U.S. Air Force bombers or enabling U.S. fighters to disperse hundreds of microdrones to conduct surveillance or overwhelm an adversary’s air defenses.

## **HARD CHOICES**

The Pentagon leadership also needs to rethink how it decides what to buy. In the wake of the pandemic, defense budgets are likely to be constrained, which will require hard choices and smarter spending. Today, the Defense Department is investing too much in legacy platforms and weapons systems already enshrined in the budget—such as tactical fighter aircraft and large surface ships—at the expense of the new technologies that will determine whether such platforms can survive and succeed in a more contested future. Too frequently, major acquisition decisions are framed in terms of replacing one aging platform with another more modern version of the same thing (such as replacing fourth-generation fighters with fifth-generation fighters),

instead of asking the more fundamental question of how a given mission (such as achieving air superiority) can be performed most effectively and affordably. Consequently, the discussion narrows to focus on platform replacements rather than considering how to use new technologies and capabilities to solve problems in new ways.

The Pentagon must change its basic approach, adopting a portfolio-management strategy: for each mission, it should identify the mix of capabilities that would produce the best outcomes at an acceptable cost and risk. That would allow decision-makers to make informed tradeoffs between competing procurement priorities. Based on these priorities, the Pentagon could send clearer signals to industry, in order to stimulate private-sector investment in the technologies most critical to sharpening the U.S. military's edge.

In recent years, Defense Department spending in such areas as artificial intelligence (AI), autonomy, unmanned systems, and high-powered computing has been unpredictable and uneven. Spending varies year by year and is spread across multiple, not clearly visible accounts, weakening the signal being sent to industry to invest alongside the government in priority areas. To send a more powerful message to industry, including venture-backed cutting-edge technology companies, and to attract capital to augment public R & D investment, the secretary of defense should announce a set of "big bets"—areas in which the Defense Department intends to invest billions of dollars in emerging technologies over the next five years. Such areas could include developing a secure and resilient "network of networks" for what is known as C4ISR—command, control, communications, computers, intelligence, surveillance, and reconnaissance—which enables U.S. forces to continue to operate effectively even in the face of enemy attacks; using AI to help warfighters make better decisions faster or to deploy fleets of autonomous systems teamed with human operators; developing logistical solutions to support a more distributed force; and strengthening cyber-capabilities to protect legacy weapons in the face of China's A2/AD capabilities.

One of the biggest obstacles to fielding emerging capabilities quickly is the traditional requirements process—the painstaking procedure the military uses to define the performance specifications for every major weapons system it buys. Designed to ensure that the Defense Department has fully specified its needs when purchasing complex weapons systems, this rigid, sequential, years-long process is antithetical to the agile, iterative development necessary for making progress on new capabilities.

A better acquisition process would be differentiated, distinguishing between major hardware platforms, such as a new bomber or aircraft carrier, and emerging technologies, such as AI, 5G, robotics, biotechnology, quantum computing, and directed-energy weapons (such as lasers and rail guns). Rather than setting requirements in stone upfront, agile development methods allow for iterative design and testing, with ample opportunities for interaction and feedback among engineers, operators, and program managers. This approach has begun to be used in pockets across the services (especially in the air force), Special Operations Command, and the Joint Artificial Intelligence Center. And last year, the Department of Defense published a new “adaptive acquisition framework,” which aims to enable the more rapid and agile procurement of software systems. But much more is required. A good start would be adopting the recommendations of the National Security Commission on Artificial Intelligence, an independent federal commission, including its advice on training and educating the defense workforce and investing in digital technologies. Although focused on AI, these recommendations would accelerate the adoption of other new technologies, as well.

The Defense Department also needs a better way of helping promising prototypes cross the so-called valley of death and make it to production—one of the biggest hurdles to fielding emerging capabilities at scale. Part of the problem is the disconnect between the officials sponsoring the prototypes and the officials responsible for acquisition. A technology company may win a prototype competition, only to be told that it must wait 12 to 18 months to compete for a production contract. Unless this valley of death is bridged, many investors will counsel their companies to stay away from the defense market.

That will require new types of funding to help companies transition from a prototype to production. One approach would be to ask Congress to authorize bridge funds, managed and allocated by the Defense Department’s undersecretary for research and engineering, for which each service could compete. More fundamentally, it will require altering the training and incentives of acquisition officials, who must be given the tools and encouragement to use flexible authorities and agile develop-

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ment for emerging technologies. A sub-cadre of officials—Pentagon “product managers,” with tailored training, performance metrics, rewards, and career paths—could focus on integrating best practices for agile development from the commercial sector. Over time, these product managers would become the Green Berets of technology acquisition.

The Defense Department will also need to update its digital infrastructure—everything from cloud computing to AI development tools to data storage and management systems—to support more rapid innovation. There have been ongoing delays in upgrading and investing in software development and digital design, with a corresponding gap in physical science and technology infrastructure spending, impeding the Defense Department’s ability to keep up with testing and development in areas such as AI. According to a 2017 study by the Defense Science Board, a committee of experts who advise the Department of Defense on scientific matters, the average army lab is 50 years old.

### **PEOPLE ARE POLICY**

The final obstacle is the shortage of technology talent across the Defense Department’s workforce, both civilian and military—a “digital readiness crisis,” in the words of a March 2020 report by the Defense Innovation Board. Existing recruitment programs are both too small and too narrowly focused on cybersecurity, and the existing tools for “nontraditional” hiring are hardly used. The barriers to recruiting technology talent—a security clearance process that can take years and an opaque, antiquated, and painfully slow hiring process that averages 150 days—are considerable. And the relatively limited pay, professional-development opportunities, and career paths for technologists make it difficult to retain the small pool of technology talent that the Defense Department does manage to recruit.

Although most coding and engineering will continue to be done by private industry, the Pentagon needs a skilled technology workforce of its own. It should assess its talent needs across its innovation network and throughout the product lifecycle and start fully using the hiring authorities it has, while also creating new career paths for STEM graduates from the service academies and the Reserve Officer Training Corps. A new Defense Department digital corps would also help, as would partnerships with nonprofits and the private sector to allow highly skilled personnel to do a tour of duty working on national security without making a permanent career change. Technology com-



panies could also do much more to help, by encouraging their own employees to take up such opportunities and by offering public servants more technology training and exposure to the private sector.

Efforts by the new Defense Department leadership team, under Secretary of Defense Lloyd Austin, to increase diversity and inclusiveness will also enhance the Pentagon's performance. Developing a military force and a civilian defense cadre that look more like the American people they are sworn to protect is not just a social good; it will lead to teams that are likely to make better decisions and drive progress toward an even higher-performing military.

Strategy can be changed with the stroke of a pen, but changing culture means altering how human beings actually behave, which is considerably more complicated. It requires a clearly communicated vision from the top, sustained leadership engagement, buy-in from managers at multiple levels, revised incentives to realign behavior toward desired outcomes, and a greater emphasis on holding people accountable for results. Consider a simple example. When I served as undersecretary of defense for policy, I sought to prioritize training and professional development in order to improve staff morale and performance. For starters, every employee would receive two weeks of training per year. Supervisors nodded their heads in agreement. But in the weeks that followed, few training requests came in, just excuses about why it couldn't be done. Only when I clarified that no supervisor could receive the highest performance-evaluation rating unless his or her office met the new requirement did behavior change: I received hundreds of training requests in a matter of weeks. Sharpening the military's edge requires a whole host of these kinds of behavior changes. They will succeed only if incentives are aligned to reward and promote the changes required for success and people are held accountable for delivering results at all levels.

## **THE DANGERS OF DECLINE**

If the Pentagon maintains its inherited course, the United States' ability to deter coercion and aggression will atrophy over the coming decade. That is especially dangerous as it relates to China: given Beijing's persistent assumption that the United States is in decline, Chinese leaders could become increasingly aggressive, using their growing political, economic, and military might to pursue their claims in the East China and South China Seas or with Taiwan. The risk of miscalculation—and conflict—will rise sharply as a result.

A decline in relative military power would also undermine U.S. credibility with allies and partners across the Indo-Pacific, making it difficult to reassure them of the United States' ability to deliver on commitments to their security. Some smaller countries would likely bend to Chinese coercion and influence in ways that could affect not only regional stability but also trade and economic relationships critical to U.S. economic recovery and future growth. Larger countries might pursue more independent security policies that could range from appeasing Beijing to acquiring their own nuclear weapons as a deterrent, neither of which would be in U.S. interests. Overall, U.S. influence would diminish in the very region on which the future prosperity and security of Americans most depends, lowering perceptions of U.S. power and leadership globally.

Averting this deterioration would not only have security benefits; it would also help reverse the narrative of U.S. decline and bolster American confidence at home. Changing the Pentagon is just one part of a larger effort to reinvest in the domestic drivers of U.S. competitiveness—from innovation and infrastructure to education and immigration. This moment offers a chance to do more than strengthen the military. It is a chance to strengthen the country. 🌐

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# The Home Front

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## Why an Internationalist Foreign Policy Needs a Stronger Domestic Foundation

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*Charles A. Kupchan and Peter L. Trubowitz*

**U**.S. President Joe Biden has declared that under his leadership, “America is back” and once again “ready to lead the world.” Biden wants to return the country to its traditional role of catalyzing international cooperation and staunchly defending liberal values abroad. His challenge, however, is primarily one of politics, not policy. Despite Biden’s victory in last year’s presidential election, his internationalist vision faces a deeply skeptical American public. The political foundations of U.S. internationalism have collapsed. The domestic consensus that long supported U.S. engagement abroad has come apart in the face of mounting partisan discord and a deepening rift between urban and rural Americans.

An inward turn has accompanied these growing divides. President Donald Trump’s unilateralism, neo-isolationism, protectionism, and nativism were anathema to most of the U.S. foreign policy establishment. But Trump’s approach to statecraft tapped into public misgivings about American overreach, contributing to his victory in 2016 and helping him win the backing of 74 million voters in 2020. An “America first” approach to the world sells well when many Americans experience economic insecurity and feel that they have been on the losing end of globalization. A recent survey by the Pew Research Center revealed that roughly half the U.S. public believes that the country should pay less attention to problems overseas and concentrate more on fixing problems at home.

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Redressing the hardships facing many working Americans is essential to inoculating the country against “America first” and Trump’s illiberal politics of grievance. That task begins with economic renewal. Restoring popular support for the country’s internationalist calling will entail sustained investment in pandemic recovery, health care, infrastructure, green technology and jobs, and other domestic programs. Those steps will require structural political reforms to ease gridlock and ensure that U.S. foreign policy serves the interests of working Americans.

What Biden needs is an “inside out” approach that will link imperatives at home to objectives abroad. Much will depend on his willingness and ability to take bold action to rebuild broad popular support for internationalism from the ground up. Success would significantly reduce the chances that the president who follows Biden, even if he or she is a Republican, would return to Trump’s self-defeating foreign policy. Such future-proofing is critical to restoring international confidence in the United States. In light of the dysfunction and polarization plaguing U.S. politics, leaders and people around the world are justifiably questioning whether Biden represents a new normal or just a fleeting reprieve from “America first.”

### **WILL IT PLAY IN PEORIA?**

U.S. presidents who have overlooked the challenge of mobilizing and maintaining domestic support for their efforts to redefine the country’s international ambitions have often paid a price for their political malpractice: their foreign policies ran aground at home. Having won the election of 1844 in part by embracing an expansionist platform, President James Polk, a Democrat from Tennessee and a protégé of President Andrew Jackson, took a divided country to war against Mexico in 1846. The United States handily won the war, and the deal to end it extended the border of Texas southward and led to the U.S. acquisition of a major swath of Mexican territory. But this expansion fueled the intensifying sectional rivalry over slavery between the North and the South, contributing to the defeat of the Democrats in 1848 and pushing the country toward civil war. Manifest Destiny overran its domestic foundations.

President Woodrow Wilson’s foreign policy ambitions met a similar fate. Wilson’s turn to internationalism began smoothly enough, with Congress overwhelmingly backing his decision in 1917 to abandon neutrality and enter World War I in response to a number of German provocations. But the story ended badly despite Germany’s defeat:

Wilson failed to secure Senate approval of U.S. participation in the League of Nations. Wilson believed that entering a pact for peace would afford the United States the “infinite privilege of fulfilling her destiny and saving the world.” His lofty internationalism, however, represented a radical departure for the country, far outstripping what domestic politics would allow. Wilson’s idealistic vision of a new U.S. role in the world collapsed in a paroxysm of partisanship. The Senate on three separate occasions rejected the league, and the Democrats were then pummeled in the election of 1920.

Expansionist and internationalist presidents are not alone in having stumbled over domestic obstacles. Trump’s “America first” slogan initially sounded good to many voters, but it failed to sustain its appeal, particularly among political moderates. Trump imposed slapdash tariffs, broke international commitments, ignored human rights, and shunned allies. His hardcore supporters stood by him, but many Americans turned against him—and it is easy to see why. Trump’s trade policies ended up doing more harm than good for American workers. He blamed China for the COVID-19 pandemic but largely idled as the disease ravaged the United States. He left the United States estranged from its allies and made a hash of his top strategic priorities, such as reining in nuclear programs in Iran and North Korea. These failures contributed to his defeat last year.

In contrast, Franklin Roosevelt provides perhaps the best example of a president who deftly navigated the domestic politics of foreign policy. He overturned the isolationist consensus that had handcuffed U.S. foreign policy during the interwar period and built a broad bipartisan coalition behind his wartime response to the threats posed by Nazi Germany and imperial Japan—and, later, behind his plans for the postwar world. The success of the New Deal and the wartime boom helped him convince Americans that U.S. engagement abroad and an open world economy would enhance the country’s security and yield postwar prosperity. Roosevelt’s foreign policy emphasized American values as well as interests. It appealed to idealists and realists alike and paid dividends for Americans from every region of the country and all walks of life (despite Roosevelt’s less-than-stellar record on civil rights). More than any other president, Roosevelt helped cement liberal internationalism as the guiding ethos of U.S. statecraft in the twentieth century.

Biden has made clear that he wants to model his presidency on Roosevelt’s and has even hung a portrait of Roosevelt in the Oval Office.



*Come fly with me: Biden boarding Air Force One, February 2021*

But Biden faces a political moment even more challenging than the one his hero confronted. When Roosevelt took office in 1933, the Democrats enjoyed a 196-seat majority in the House of Representatives and a 23-seat majority in the Senate, whereas Biden has thin Democratic margins in both chambers. By the time Roosevelt set out to sell internationalism to the electorate after the outbreak of World War II, he had delivered on much of the New Deal; the effects of Biden's ambitious domestic agenda mostly remain to be seen. The United States is today more politically divided, economically unequal, and demographically diverse than it was during Roosevelt's era. Indeed, the political hurdles to governing in Washington have become so high that it is now nearly impossible for the majority party to win the minority party's support for even hugely popular legislation, such as the COVID-19 relief bill approved in March. If Biden hopes to build a new internationalism, he must transform the American political ecosystem.

### **TRADER JOE?**

Biden can start reconnecting what the United States does abroad to the economic and social needs of working-class voters at home by opening up the making of foreign policy to new voices. For far too long, Democratic as well as Republican administrations have pursued policies that have fueled popular mistrust by serving the interests of

the few at the expense of the many. The process of making foreign policy, although open to big corporations, largely ignores the interests of American workers. Normally, the concerns of ordinary Americans, if they figure in at all, come into play only after a foreign policy is set—especially when it comes to trade. By the time Congress gets involved in a trade deal, it is too late to build in a workers' rights or jobs agenda.

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*If Biden hopes to build a new internationalism, he must transform the American political ecosystem.*

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A case in point is President Barack Obama's approach to the negotiations that led to the massive trade agreement known as the Trans-Pacific Partnership. Prior to striking the deal, the Obama administration did not adequately address elements of the pact that disadvantaged blue-collar workers, such as a dispute-

resolution system that favored corporate interests and loopholes that made it possible for China to enjoy duty-free exports of parts and components to the U.S. market via other TPP members. During the 2016 presidential campaign, Trump slammed the accord for benefiting special interests at the expense of workers. His opponent, Hillary Clinton, had helped negotiate the TPP while serving as Obama's first secretary of state, but she distanced herself from the deal during the campaign, as did many down-ballot Democratic candidates. The TPP was already on life support by the time Trump pulled the plug on it days after taking office.

To put the interests of working families at the table, Biden should make the U.S. secretary of labor a permanent member of the National Security Council, like the secretary of the treasury. Doing so would give factory workers, farm hands, and service workers a stronger voice in White House deliberations over foreign policy. Biden should also create senior deputy positions on the NSC and in the Department of State, the Department of Defense, the Office of the U.S. Trade Representative, and other foreign policy agencies to ensure that the needs of American workers are considered early and often in the policymaking process. The Biden administration should also deepen the institutional links among the NSC and the offices dealing with the home front, such as the National Economic Council and the Domestic Policy Council. The administration could establish a weekly meeting of an interagency policy committee on economic security, co-chaired by the NSC, the NEC, and the DPC.

Washington also needs a new approach to trade adjustment—that is, the steps the government takes to mitigate the negative effects (reduced wages, lost jobs) that trade deals inevitably have on many workers. Currently, Washington offers displaced workers counseling, retraining, tuition, and other forms of support through a program known as Trade Adjustment Assistance. The program is too reactive, however, since it helps workers only after companies have shuttered factories or laid off employees. Moreover, TAA fails to address labor-market disruptions caused not by trade or globalization but rather by technological change. By training workers in new skill sets and making public investments in health care, education, and government services, Biden can create more jobs that are less susceptible to displacement through automation or trade. The administration also needs to redress the community-level effects of job loss, which include economic stagnation, population decline, substance abuse, and increased crime and violence. One possible model is the Pentagon’s Defense Economic Adjustment Program, which supports economic diversification in communities adversely affected by military base closures or defense program cancellations.

These reforms would pay off for years to come, making it more likely that Washington would aggressively enforce U.S. domestic trade laws, use existing international forums such as the World Trade Organization to ensure fairer trade, and pursue policies on taxes, procurement, the environment, infrastructure, and worker development that would make American businesses and workers more resilient and competitive. Implementing these improvements now, early in the administration, would increase the chances that Biden’s successor would keep them in place, regardless of which party holds the White House. In an age of populism, the next president will see little political advantage in rolling back reforms that promote the interests of American workers.

## **FIX THE SENATE**

Biden can further shore up the domestic foundations of U.S. statecraft by bringing strategic priorities back into alignment with political means. The Biden administration should reduce U.S. commitments in the Middle East by continuing to downsize the American military footprint in the region; the “forever wars” in Afghanistan and Iraq have produced little good. In the meantime, Biden should return to the time-tested touchstone of U.S. statecraft: working with allies to



defend democracy and promote stability in Asia and Europe. To that traditional agenda, Biden should add a new focus on combating and adjusting to climate change, promoting global health, and maintaining the U.S. edge in technological innovation.

This strategic realignment is not only good policy—it is also good politics. Roughly three-quarters of American voters want U.S. troops to leave Afghanistan and Iraq. In contrast, staying put in Asia and Europe alongside democratic allies enjoys strong public support. NATO wins solid backing from voters of both major U.S. political parties. Democrats and Republicans also agree on the need to take a firm line toward China, and the Biden administration is on solid political footing in strengthening ties to partners in the Indo-Pacific, affirming the U.S. commitment to Taiwan's security, and encouraging the world's democracies to “decouple” from China when it comes to sensitive technologies. The American public also prioritizes addressing climate change and global health.

Biden can build further support for a new internationalist consensus by making significant investments in the domestic economy that raise living standards, reduce inequality, and restore the social contract. In taking on that task, Biden cannot afford to wait for bipartisan agreement in Congress, which is unlikely to emerge in an intensely polarized Washington. Biden's agenda will require ambitious and expensive legislation the likes of which the United States has not seen since the New Deal. To get it through, Biden and his allies in Congress will need to overhaul the archaic filibuster rules in the U.S. Senate. Many observers claim that the filibuster promotes consensus by forcing the two parties to find common ground. In truth, however, the filibuster rarely has that effect: often, it simply serves to kill legislation passed by the House. By forcing the majority party to assemble a supermajority of 60 votes to pass most laws, the filibuster allows the minority to block bills, including those that enjoy broad popular support. To liberate policy from the grips of this manufactured gridlock, Biden should urge Senate Democrats to ditch the filibuster outright or significantly reform it so that Congress can get back to the business of passing needed laws.

Republicans will cry foul. But they scrapped the filibuster in 2017 when it came to pushing through the confirmation of Supreme Court nominees. If doing away with the filibuster makes sense when it comes to the justice system, surely it also makes sense for rebuilding the economy and guaranteeing the nation's security. Moreover, scrapping the current supermajority requirement might actually increase bipar-

tisanship in the long run. By advancing policies that are popular with the broader electorate, presidents would, over time, be able to once again garner support from the minority party. Consider, for example, Roosevelt's success in securing bipartisan backing. He was able to win over numerous Republican members of Congress because they hailed from states that found much to like in the New Deal and the economic benefits of liberal internationalism.

Following Roosevelt's lead, Biden can reawaken bipartisanship through strategic public investment, using the \$2 trillion "Build Back Better" infrastructure proposal he campaigned on to bridge the urban-rural divide that reinforces political paralysis and widens partisan divisions. Extending broadband networks to rural areas would promote more equitable economic growth and wider civic engagement. Repairing the nation's ailing bridges, roads, and mass transit systems would spur growth in metropolitan areas. Transitioning from fossil fuels to renewable energy would create millions of new jobs and boost U.S. competitiveness in lagging sectors. By targeting infrastructure and climate investments, Biden can spark private-sector engagement in the right places and help reduce economic inequality. Strategic investments at home will also yield payoffs abroad by spurring high-tech innovation as geopolitical competition plays out over climate change, cybersecurity, and artificial intelligence.

### **WALK THE WALK**

Another way to shore up support for internationalism is to repair the American brand by standing up for democracy and human rights around the world. Partners abroad join most Americans in welcoming Biden's efforts to put the United States back on the right side of history. But to make good on that goal, the United States must exhibit at home the values it seeks to promote abroad.

During the 1950s, segregation and racial discrimination eroded U.S. credibility abroad, especially in the developing world. The passage of the watershed 1964 Civil Rights Act did not silence the United States' most vocal foreign critics, but it did make it easier for Washington to promote social justice beyond its borders. The Trump era, in contrast, seriously compromised American moral authority. Trump's nativistic appeals exacerbated racial tensions, and his refusal to accept the outcome of the 2020 election constituted an assault on the institutions and norms of American democracy. By the time hun-

dreds of Trump's supporters launched a violent attack on the U.S. Capitol on January 6, the country's image among foreign partners had already sunk to historic lows.

In the aftermath of these events, Biden will have to couple his defense of democracy abroad with political reform at home if he is to avoid charges of hypocrisy. House Speaker Nancy Pelosi's proposal to establish a bipartisan, independent commission to probe the attack on the

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*The United States must exhibit at home the values it seeks to promote abroad.*

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Capitol is a strong step in the right direction and one that Biden has sensibly endorsed. The commission's charge should include getting to the bottom of what led to the insurrection and why security provisions at the Capitol were so inadequate. In addition, it should ad-

dress how to prevent bogus challenges to the certification of future elections and propose wide-ranging reforms to strengthen the country's electoral procedures, including the management of the transfer of power.

The United States should also begin repairing its increasingly unrepresentative electoral system. Passing the John Lewis Voting Rights Advancement Act would reverse years of federal and state efforts to restrict access to voting for minority, elderly, and disabled citizens. That bill should move forward alongside the omnibus legislation known as the For the People Act, which has passed the House and would make it harder for lawmakers to gerrymander voting districts in ways that reduce the representation of growing nonwhite populations. In the near term, the passage of those bills would clearly favor Democrats. Over the longer term, however, such legislation would strengthen U.S. democracy by incentivizing both parties to compete for the votes of all Americans.

Finally, Biden should encourage state-level initiatives to reform the way voters elect their representatives. Currently, most states hold separate, party-only primary elections. Amid today's intense polarization, this system punishes moderates; to secure nomination, candidates cater to their ideological flanks instead of the political center. Alaska, following the lead of many established democracies around the world, is demonstrating how to reverse this dynamic. It has eliminated party primaries in favor of a single, open primary. The four candidates who receive the most votes will then move on to a general election in which voters will use a ranked-choice system to list the candidates from all parties, from most preferred to least preferred. If no candidate wins 50 percent of the

first-choice votes, the candidate with the fewest first-place votes is eliminated, and the second choices of voters for that candidate are then awarded those votes. The process is repeated until one candidate wins a majority. Ranked-choice voting is not a magic bullet. But because it incentivizes candidates to reach out to the largest possible number of voters, it could help detoxify the country's political ecosystem.

### **THE ROOSEVELT MODEL**

Senator Arthur Vandenberg of Michigan, the leading Republican voice on foreign policy during the Roosevelt and Truman presidencies, is perhaps best remembered for claiming that "politics stops at the water's edge." Politicians from both parties have invoked Vandenberg's line ever since. Yet the phrase, if catchy, is misleading. When it comes to the conduct of foreign policy, the most successful presidents are those who master not just the art of statecraft but also the politics of the moment.

Roosevelt may have been particularly adept at diplomacy and wielding U.S. power abroad, correctly reading the geopolitical landscape as he distinguished vital from peripheral interests, friend from foe, and capabilities from intentions. But what made Roosevelt a truly great statesman was his ability to read the domestic political terrain: to know where the redlines were, how to speak to people's needs and aspirations, and how to build lasting political support for an internationalist agenda during a time of crisis.

Biden can learn from Roosevelt's experience to overcome the domestic obstacles that contribute to today's crises: a policymaking process that does not adequately represent the interests of ordinary Americans, dysfunctional political practices that block bipartisanship and exacerbate divisions, and an electoral system that seems more dedicated to disenfranchising voters than ensuring that their voices are heard. Biden's challenge is not just to bring the United States back to the global stage through tactical and temporary adjustments—he must also reimagine what is politically possible. By reforming and strengthening the country's institutions and making its domestic and foreign policies more economically inclusive, Biden can build back better in a way that outlasts his presidency and restores the country's commitment to a steady and purposeful brand of American internationalism. 🌐

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# The Resurgence of the Rest

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## Can Emerging Markets Find New Paths to Growth?

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*Ruchir Sharma*

**A**fter the turn of the millennium, it became commonplace to hear pundits say that the future belonged to the developing world. These countries were enjoying a run of spectacular growth. Between 2000 and the early 2010s, their share of global GDP more than doubled, from 17 percent to 35 percent. Their average incomes were rapidly catching up to those of developed nations. The share of the global population living on less than \$2 a day was cut nearly in half, from 28 percent to 16 percent. Assuming the boom could last indefinitely, writers began to speak of the coming “emerging markets century,” but the phrase that best captured the Zeitgeist was “the rise of the rest.” This vision of a leveled planet, with poor countries growing faster than rich ones and catching up in terms of average income, appealed to anyone rooting for the underdog.

On Wall Street, analysts marketed Brazil, Russia, India, and China as the “BRICs,” suggesting rock-solid growth prospects. Copycats followed with acronyms such as “MINT” (Mexico, Indonesia, Nigeria, and Turkey) or nicknames such as “the tiger cubs” of Southeast Asia. Each label captured clusters of smaller and smaller emerging markets, all supposedly destined for prosperity. Some warned that it made no sense to lump together random countries this way. Brazil, for example, is a major exporter of iron ore and other commodities, whereas India is a major importer of commodities; they are developing on entirely different paths, and economic conditions

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*Making it: a worker in Gurgaon, India, May 2007*

that favor one can undermine the other. But it was a time of giddy optimism, and questions were out of style.

Then came the global financial crisis, which exposed the developing world's boom as a freak event driven by a perfect storm of forces, including surging trade and capital flows and rising commodity prices. In the years that followed, many nations turned inward, nursing their own wounds and raising barriers to foreign money and imports. Trade and capital flows slowed. Commodity prices plunged. At the same time, the end of the postwar baby boom was starting to shrink the labor force in more and more countries.

Instead of booming again in the 2010s, half of all emerging economies grew more slowly than the United States and fell behind in average income. Their share of global GDP stagnated at around 35 percent. The biggest emerging economies, so recently hyped as future stars, began to fade. Skeptics spoofed the BRICS as a “Bloody

Ridiculous Investment Concept.” By the time the COVID-19 pandemic hit, many developing countries were nearly broke. In 2020, more than 80 of them were forced to seek financial help from the International Monetary Fund (IMF).

For the most part, emerging economies had fallen off people’s radar, written off as lost causes by the global media and investors. But forecasters who mistakenly assumed a decade ago that the entire developing world could stay hot indefinitely were equally ill advised to assume it would stay cold forever. “The rest” were never likely to rise as a pack—or stagnate as a pack.

The 2020s now appear likely to unfold as a typical postwar decade, with some emerging economies falling, others rising, and a few standing out as genuine stars. A few will continue to rise to prosperity through the tried-and-true method of export manufacturing. But more are likely to be energized by forces unleashed during or accelerated by the pandemic: rising commodity prices, new economic reforms, and, most unexpectedly, the digital revolution.

Most emerging economies depend on commodity exports for growth, and global prices for those exports have already begun to rebound after declining throughout the 2010s. Financial distress caused by the pandemic is generating a widely overlooked wave of reform, which could boost growth in some developing countries. Finally, Internet businesses built with digital technology are spreading faster in developing nations than developed ones, which could also propel developing nations to grow faster in the future. None of these forces can boost growth indefinitely, or in all developing countries. But in various combinations, they are likely to put at least a few of these forgotten economies on a new miracle path.

## **THE END OF AN ERA**

There was always reason to believe that emerging economies’ wildly successful run after 2000 would come to an end. In most decades after World War II, economic growth rates were similar in developed and developing nations. And since the population was growing faster in the developing world, the per capita income of most developing countries was falling behind that of the United States much of the time. Individual countries might leap forward for a decade or two, moving up one income class, but more often than not, they hit a crisis that set them back to where they started. Many developing countries have

been following this pattern since record keeping began. Long-term success stories are celebrated as “miracles” because they are that rare.

Only a handful of countries have bucked these dominant trends. The IMF tracks 195 economies but counts only 39 as advanced. Most of these are Western countries that were already considered advanced at the end of World War II. But a few big economies did manage to sustain strong growth for decades, rising out of poverty and into the wealthy class, including Japan, Singapore, South Korea, and Taiwan.

These Asian miracles all used the same strategy to catch up to the West: they built themselves into export-manufacturing powerhouses. By bringing in revenue from all over the world, exports boosted growth to rates that would have been impossible to sustain in a domestic market alone. The problem today is that it is increasingly difficult for developing countries to rise the way the Asian miracles did.

The role of manufacturing in the global economy is shrinking. As robots replace humans on the factory floor, fewer assembly lines can produce the same amount of goods. Simultaneously, consumers sated with household goods are shifting to spending on more services. Exports have also begun to play less of a part in the global economy, as the free-market impulses of globalization give way to the protectionist instincts of deglobalization. This is the root of the pessimism engulfing the developing world. Where will the growth come from?

Those doubts are, like the hype that preceded them, overdone. Just because the most successful of the old growth models—export manufacturing—is fading doesn't mean developing countries won't find ways to rise from the ashes of the global pandemic.

## **MANUFACTURING MARVELS**

Although manufacturing has historically been the surest path to prosperity, it is an increasingly narrow one. These days, only a few countries benefit, as producers, seeking lower wages and shorter supply lines, move their factories out of China. For now, the handful of winners are concentrated in eastern Europe and Southeast Asia.

The IMF has a complex and partly subjective definition of “advanced economies,” but one thing those economies have in common today is an average annual income of at least \$17,000. The last large economies to break that barrier were the manufacturing giants South Korea and Taiwan, back in the late 1990s. And the next major country to make that leap is likely to be another export manufacturer: Poland.



In recent years, Poland has gotten a lot of attention for the right-wing populist drift of its political culture but little for its extraordinarily steady economic success. After completing its transition from communism to democracy in 1991, Poland embarked on more than a quarter

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*Just because export manufacturing is fading doesn't mean developing countries won't find ways to rise from the ashes of the global pandemic.*

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century of rapid growth, averaging more than four percent per year, unbroken by even a single year of negative growth. By the eve of the pandemic, that unusually long run had increased the average Polish income tenfold, to nearly \$16,000—close to the threshold of the advanced class.

The secret to Poland's success has been manufacturing. New export producers have risen all along its western border, including in Gdansk and Krakow, which are less populous than Warsaw but geographically well positioned to serve richer European markets. Many of those producers began as startups launched by Polish entrepreneurs who openly admire U.S. capitalism and were animated by disdain for their Soviet communist past. Others are manufacturing plants established by foreign multinationals, producing everything from light bulbs to car parts.

Poland is the biggest player in the widening manufacturing hot zone of eastern Europe, but not the only one. Today, Hungary and Romania are also within striking distance of the advanced income level. Candidates are also rising in Southeast Asia, including Indonesia, Thailand, and Vietnam. The Asian contenders tend to be a bit behind the eastern European countries, with average incomes below \$10,000, but they also tend to be growing faster.

The most impressive case is Vietnam. Analysts first began speaking of Vietnam as “the next China” during the boom that began around 2000, and the country is now mobilizing for manufacturing-led growth as perhaps only a one-party, authoritarian state can. With the government urging the population of 96 million to follow COVID-19 protocols over loudspeakers and through mass texts, Vietnam has achieved one of the world's lowest death rates. Following brief and mild lockdowns, it was the fastest-growing economy of 2020.

Vietnam's breakout has been a long time in the making. During their boom years, the original Asian miracles produced annual export

growth close to 20 percent—nearly double the average for other emerging economies. Vietnam has sustained a similar pace for three decades. Even as global trade slumped in the 2010s, Vietnam's exports grew by 16 percent a year, by far the fastest rate in the world and three times as fast as the average for emerging economies. Over the last five years, no country has increased its share of global exports more than Vietnam has. Like all Asian miracles in their early years did, Vietnam invests heavily in new roads, ports, and railways; it now gets higher World Bank grades for the quality of its infrastructure than any other developing nation at a similar stage of development.

Perhaps the greatest achievement of the original Asian miracles was that they managed to grow the pie while sharing it more broadly, reducing inequality. Vietnam is starting to draw attention for the same reason. The average income in Vietnam is nearly 30 times as high as it was in 1990 and has risen to almost \$3,000 per person. Vietnam's workforce is unusually healthy, well educated, and well nourished for a low-income country. A 2020 IMF study praised Vietnam for investing heavily in the economy while reducing poverty and "leaving no one behind."

## **HOT COMMODITIES**

Unfortunately, most emerging economies depend greatly not on exporting manufactured goods but on exporting oil, soybeans, metals, and other raw materials. And so their fortunes are whipsawed by the rise and fall of global prices for these commodities. Historically, commodity prices have followed a predictable cycle of long booms and long busts, which have left prices essentially flat in inflation-adjusted terms since records began in 1850.

No wonder so many emerging economies get stuck in the developing stage. "The rise of the rest" was a writerly translation of "mass convergence," jargon for the period when virtually all emerging economies were growing fast enough to see their average incomes catch up to, or converge with, that of the leading developed nation, the United States. The average incomes of converging nations have tracked commodity prices for decades, rising rapidly together in the 1970s, falling together in the 1980s and 1990s, rising together again after 2000, and then slipping backward in the 2010s.

So, like commodity prices, the fortunes of major commodity exporters tend to go nowhere in the long run. The average income of

Brazil, a diverse exporter of oil, soybeans, and other commodities, is no higher today relative to the United States' average income than it was in 1850. South Africa, another diverse exporter, has fallen behind in relative terms over the same period. Of the 18 largest oil-

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*A silver lining of COVID-19 is that it represents the biggest incentive to reform in decades.*

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exporting countries for which data are available, 17 are no richer today in relative terms than they were in the year they discovered oil. (Only Oman has managed to break out.)

Why are commodities a less reliable path to growth than manufacturing? The export revenue is less steady. Digging stuff out of the ground requires less innovation than manufacturing goods and

therefore generates little or no gains in productivity, which is the real key to durable increases in prosperity. And the so-called curse of commodities is real: commodity price booms often breed corruption, as officials vie for a piece of the windfall profits rather than focusing on long-term budget and investment discipline. Thus, commodity-driven economies tend to not only grow erratically but also suffer from high levels of corruption and its equally destructive companion, high levels of wealth inequality.

Nonetheless, after falling in the 2010s, global commodity prices started to turn upward late last year, and there are many reasons to believe this revival can endure. One is the weakening dollar. Prices for commodities such as oil and steel are denominated in dollars, so a weakening dollar leads, almost by definition, to a rise in commodity prices. And the U.S. Federal Reserve's massive printing of dollars, aimed at easing the economic pain of the pandemic, is already weakening the dollar. More than 20 percent of the U.S. dollars in circulation were printed in 2020.

The political winds also favor commodity exporters. With China recently having committed to net-zero emissions by 2060 and the United States under the Biden administration likely to follow suit, countries representing more than half of global GDP will have made this pledge. This campaign will lift economies that export metals necessary for green electrification programs. Among the main beneficiaries will be platinum exporters, such as South Africa and Russia, and copper producers, such as Chile and Peru. A sunny and unusually windy climate also makes Chile a potentially major sup-

plier of renewable power and of green hydrogen fuel—the kind produced using renewable power.

With more infusions of stimulus already in the pipeline everywhere from China to the United States, government spending will keep fueling demand, including demand for commodities. Much of China's COVID-19-induced stimulus spending is going to new infrastructure projects, boosting demand for building materials. Record-low mortgage rates are driving housing booms from Germany to the United States, with a similar effect on demand for construction materials. Many countries are also sharply increasing social benefits, which go to lower-income families—those most likely to spend the additional income, further lifting consumer demand and prices of raw materials.

At the same time, weak prices over the last decade greatly reduced new investment, leaving supplies of commodities tight. Whether the post-pandemic recovery lasts or not, rising demand will collide with low supply to push prices up—and not only for environmentally friendly commodities. Oil could get a similar lift, following a period when low prices forced many oil fields to shut down.

To be clear, rising prices will not be enough to generate rapid, sustained growth for all commodity exporters. Many will be held back by incompetent or corrupt leaders, bloated bureaucracies, or other factors. Still, some will enjoy a good run. A diversified exporter such as Brazil is likely to benefit from the general rise in prices. And its growth could last at least as long as the revival of commodity prices does.

## **RADICAL REFORMS**

As the United States and other developed countries spend massively on stimulus to ease the pain of failing businesses and shelter-at-home orders, they are ignoring or explaining away the likely consequences of their spending. Rising deficits and debt will drag down productivity and therefore economic growth. But developing countries are moving in the opposite direction: unable or unwilling to borrow and spend, they are encouraging painful productivity-boosting reforms, which will spur growth.

This is a familiar pattern. Many developing countries push for economic reforms only when forced to in a crisis. They then fritter away the gains during the ensuing boom and fall back into financial trouble. The bigger the crisis, the greater the incentive to reform. A silver

lining of COVID-19, then, is that it represents the biggest incentive to reform in decades.

China is a classic case. In 2008 and 2009, Beijing spent so heavily that its massive stimulus program was praised for supposedly saving the world. But China's growth slowed in subsequent years, weighed down by debt. This time, facing the COVID-19 pandemic and a sluggish economy, China has spent less heavily, particularly relative to the United States, as have many others in its class. On average, big emerging economies are spending nine percent of GDP—roughly one-fourth the median of developed countries—on stimulus to fight the pandemic.

Instead, they are pushing for reform. Much attention has been paid to Beijing's new focus on self-reliance and its efforts to build its own technology supply chain, invulnerable to U.S. sanctions. Yet last summer, the Chinese leadership also announced plans to strengthen property rights, facilitate the free flow of capital and labor, allow flexible price adjustments, and encourage competition in ways that would let productive companies thrive and unproductive ones fail. Less dead wood could boost growth.

Reform is also in the offing in India. When Prime Minister Narendra Modi came to power, in 2014, he was touted as a radical reformer, but for the most part, he has only tinkered at the edges. Lately, however, Modi's government has started to take decisive steps to address lagging economic growth, including cutting corporate taxes. After the pandemic hit last year, it took controversial actions to open up the labor and agricultural markets, and it is now battling in the Supreme Court to see those changes through.

It's hard to know which types of reforms will have the biggest economic impact, or any impact at all. But anyone who has traveled to certain developing countries has seen how even a single reform-minded leader with ambition can fire up consumer confidence—and it has been years since reform plans looked this ambitious. Consider Indonesia. In recent years, the country streamlined the paperwork for hiring foreign workers and set up a one-stop shop that processes new business licenses in three hours. In 2020, it topped all of that when its parliament, over the protests of unions, passed a bill to boost investment and create jobs through a sweeping reduction in red tape, labor laws, and corporate taxes.

It is striking to see other change-averse states sticking to reforms that were controversial before the pandemic and are even more so now. Brazil, for example, is pushing ahead with an overhaul of its crip-

plingly expensive pension system. It aims to cut spending by more than \$140 billion over ten years, in part by raising the retirement age for both men and women. And in traditionally insular Saudi Arabia, the government is granting new rights to foreigners, including the right to own 100 percent of publicly traded companies in a variety of sectors, including health and education, and the right to obtain (for a hefty fee) permanent residency permits, which include the legal authority to purchase property.

For all the recent focus on the U.S. election, politics matters more in emerging economies, where relatively weak institutions mean that a single leader can have a much greater impact on policies and growth. The reforms that China, India, Indonesia, Brazil, and Saudi Arabia are undertaking represent attempts to solidify national finances and open the economy to market forces. So far, all these campaigns are being pushed by incumbent leaders. What happens next depends on how long the pandemic lasts and how many governments it topples.

After the financial crises that hit emerging markets in the late 1990s, new leaders rose to power with a strong popular mandate for change. In Brazil, Russia, South Korea, and Turkey, those leaders at least initially proved to be reformers: they lowered debt and deficits, welcomed foreign investors, and helped set the stage for the developing world's boom. South Korean President Kim Dae-jung, who served from 1998 to 2003, implemented the most far-reaching reforms, which is one reason South Korea has continued to advance more steadily than the other members of this group and most other emerging economies. If the pandemic brings to power a new generation of reformers, some with a transformative impact, it would not be the first time.

## **THE DIGITAL REVOLUTION**

So far, only export manufacturing has demonstrated the capacity to sustain almost double-digit rates of economic growth, at least in an elite few countries. But the digital revolution, by rapidly widening the reach of online shopping, banking, entertainment, and new business services to previously unserved markets, offers the promise of a new development miracle. It is not likely to generate growth as fast as manufacturing could, because in most countries, digital services are rising as local industries, with no added boost from exports. But it can simultaneously and sustainably transform domestic economies across the developing world, not just in a handful of countries.

Digital services can grow explosively across the greenfield that is the developing world. Many consumers there have little access or attachment to an old fixed-line world of brick-and-mortar shops, banks, and theaters, and they are thus quick to adopt the latest digital services. In China, the prototypical case, the new digital economy is already growing fast enough to compensate for the decline of aging rust-belt industries.

In fact, the spectacular rise of a parallel Internet universe, dominated not by U.S. search and social media giants but by Chinese rivals such as Alibaba and Tencent, is perhaps the main reason China is still growing faster than—and on track to catch up with—the United States. Already, China is a leader, if not the leader, in digital technologies from robotics to artificial intelligence.

Already, copycats of U.S. and Chinese Internet companies are providing search, shopping, and other services, and gaining momentum, everywhere from Asia to South America and Africa. Catering to local tastes and languages, these regional Internet giants are rapidly expanding consumer access to finance, shopping, travel, and other services, while also greatly increasing productivity.

According to the World Bank, the average cost of starting a business has not changed since 2003 in developed economies, whereas in developing economies, it has fallen from 50 percent more than the average annual income to 60 percent less. Much of this improvement stems from the fact that entrepreneurs in developing countries can now launch a business—from landing a loan to taking payments from customers—on the increasingly ubiquitous smartphone.

Surprisingly, the digital revolution is as advanced in developing countries as in developed ones, or even more so—and it is spreading faster. Although no large developing countries are among the world's 30 richest countries in terms of per capita income, 15 are in the top 30 in terms of the share of economic output that comes from digital revenue (which includes revenue from e-commerce, e-media, and e-services of all kinds). China, Indonesia, Colombia, Chile, and India are all near the top. These economies are already more digitized than most of their developed rivals.

And in all of them, digital revenue is growing much faster than the overall economy—in Colombia, Indonesia, and Turkey, more than

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*Digital services can grow explosively across the greenfield that is the developing world.*

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seven percentage points faster than GDP. In Southeast Asia, digital technology is outrunning both the forecasts and the hype. Since 2016, Google has teamed up with Singapore's sovereign wealth fund to report on the digital economy in Southeast Asia. The first report expected digital revenue to quadruple, to \$200 billion, by 2025, but the latest one has upped the 2025 forecast to \$300 billion.

No developed economy is getting nearly as large a lift from digital industries. Robotic waiters, drone delivery services, and digital cash are already far more common in China than in the United States. A homegrown version of Amazon is rapidly becoming the dominant e-commerce platform in Poland. Google is building the newest models of its Pixel smartphone in Vietnam, where e-commerce is growing at an annual rate of 40 percent. Lagos and Nairobi are rising fast as the financial-technology capitals of Africa, and some of their leading entrepreneurs are explicitly aiming to raise the region's "digital GDP" by widening access to Internet financing.

### **A NEW MIRACLE**

The celebration and hype that just a decade ago swirled around hot emerging markets are not likely to return. Shrinking populations, rising debt, and declining trade and capital flows are slowing growth in all economies, developed and developing. As late as 2010, the hottest emerging economies were still growing at a rate close to ten percent a year, a pace that will be all but impossible to sustain in a world burdened by depopulation, debt, and deglobalization. But emerging economies also won't need to grow that fast to catch up with the West, whose economies are slowing as well. Even five percent growth could generate new miracles when the average growth rate in developed countries has fallen to two percent or less.

The idea of mass convergence captured so many imaginations because it sketched a new arc for humanity, with fewer failing economies, less poverty and suffering, and more investment opportunities in emerging economies. From socialists at Berkeley to capitalists on Wall Street, everyone could buy into this vision of the future.

Instead, the U.S. economy's rise in the 2010s, led by a small group of giant technology firms, left a world more grossly out of balance and arguably more unfair than ever. Today, the United States accounts for about a quarter of global GDP, and after sucking up the lion's share of investment dollars for the last ten years, it also accounts for 57



percent of the value of global stock markets. The leading emerging markets account for more than a third of global GDP but only nearly 14 percent of the value of global stock markets.

But money tends to follow economic growth, and gaps this extreme between economic output and financial gains tend to rebalance themselves over time. In fact, since late 2020, investors from around the world have been returning to emerging markets, which is another reason to believe that the coming decade could be a good one for some of these countries. And if those investments help boost the average growth rate of emerging economies by even one percentage point over the next decade, that would lift an additional 200 million people, now surviving on less than \$2 a day, above the poverty line. The 2020s may not offer a new arc for humanity, but it will still be a good decade for the underdogs. 🌍

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# Russia's Weak Strongman

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## The Perilous Bargains That Keep Putin in Power

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*Timothy Frye*

**F**or 21 years, Vladimir Putin has reigned supreme over Russian politics. A skillful manipulator of public opinion, he wields the blunt force of repression against opponents at home and the sharp power of cyber-operations and espionage campaigns against enemies abroad. Increasingly, Western analysts and officials portray him as all-powerful, a ruthless former KGB man who imposes his will on Russia from behind dark sunglasses. This narrative, which the Kremlin goes out of its way to reinforce, is tempting to believe. Putin has jailed the closest thing he has to a political rival—the opposition leader Alexei Navalny—and crushed a wave of protests by Navalny's supporters. Putin's intelligence agencies brazenly hacked the U.S. government, and his troops are gradually eroding U.S. influence everywhere from Libya to Syria to Ukraine.

But if Putin is unrivaled at home, he is not omnipotent. Like all autocrats, he faces the dual threats of a coup from elites around him and a popular revolt from below. And because of the compromises he has had to make to consolidate his personal control over the state, Putin's tools for balancing the competing goals of rewarding elites who might otherwise conspire against him and appeasing the public are becoming less and less effective. He has weakened institutions such as courts, bureaucracies, elections, parties, and legislatures so that they cannot constrain him, meaning that he cannot rely on them to generate economic growth, resolve social conflicts, or even facilitate his peaceful exit from office. This leaves Putin dependent on the fleeting commodity of personal popularity and the hazardous methods of repression and propaganda.

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Those who acknowledge these vulnerabilities frequently note that Putin is “playing a weak hand well.” But Putin has dealt his own hand, and it is weak primarily because of the tradeoffs inherent to regimes like the one he has built. Eventually, he will have to decide whether to continue the same balancing act, skillfully playing his weak hand even as it gradually diminishes his power, or try to strengthen his hand by introducing economic reforms that will threaten his core constituencies in the security services, the bureaucracy, and the private sector.

Putin was buoyed by an oil-fueled economic boom that sharply raised living standards in his first decade in office and a wave of nationalist sentiment following the annexation of Crimea in his second. As the sheen on these achievements has begun to wear off, however, Putin in his third decade in office has increasingly come to rely on repression to neutralize opponents both big and small. This trend will likely intensify as Russia's problems mount, accelerating a cycle of political violence and economic malaise that could stymie Putin's great-power ambitions and test his political skill.

### **THE PERILS OF PUTINOLOGY**

The narrative of Putin as all-powerful is sustained in part by analysts who believe that to understand autocracy, one must understand the autocrat. Putinologists scour the Russian leader's background, his career path, and even his reading choices for clues to his policies. Their analysis makes for a compelling story of Putin's Russia, but it does not explain all that much. After all, Putin was just as much an ex-KGB man in the early years of this century, when he favored liberal economic policies and better relations with the West, as he is today, with his strident anti-Western stance. More important, Russian politics follow patterns common to a subset of authoritarian regimes that political scientists call “personalist autocracies.” Studying this type of system, rather than studying the man himself, is the best way to understand Putin's Russia.

Personalist autocracies are, as the name suggests, run by lone individuals. They frequently have political parties, legislatures, and influential militaries, but power over important personnel or policy decisions always resides with one person at the top. Contemporary examples of this kind of regime include Viktor Orban's in Hungary, Rodrigo Duterte's in the Philippines, Recep Tayyip Erdogan's in Turkey, and Nicolás Maduro's in Venezuela. The former Soviet space has proved especially hospitable to personalist autocrats: such leaders

currently rule Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. Globally, personalist autocracies are now the most common type of autocracy, outnumbering both one-party regimes, such as those in Singapore and Vietnam, and military regimes, such as Myanmar's.

Personalist autocracies exhibit a host of pathologies that are familiar to Russia watchers. They have higher levels of corruption than one-

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*Like all autocrats, Putin faces the dual threats of a coup from elites around him and a popular revolt from below.*

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party or military autocracies and slower economic growth, greater repression, and less stable policies. Rulers in personalist autocracies also have a common toolkit: they stoke anti-Western sentiment to rally their base, distort the economy to benefit cronies, target political opponents using the legal system, and expand executive power at the expense of other institutions. Often, they

rely on an informal inner circle of decision-makers that narrows over time and appoint loyalists or family members to critical positions in government. They create new security organizations that report directly to them and appeal to popular support rather than free and fair elections to legitimate their authority.

These tendencies are readily explicable when one considers what personalist autocrats stand to lose if they leave office. The leaders of military dictatorships can retreat to the barracks, and the heads of one-party dictatorships can retire to plumb posts in the party, but personalist dictators enjoy their wealth and influence only as long as they stay in power. And once they relinquish it, they are at the mercy of their successors, who rarely want once formidable rivals waiting in the wings. Over the last 70 years, personalist autocrats who lost power have tended to end up in exile, in jail, or dead.

Although he may not show it, Putin is surely aware of this danger. As Gleb Pavlovsky, a former adviser to the Russian leader and now a critic, put it in a 2012 interview:

In the Kremlin establishment . . . there has been an absolute conviction that as soon as the power center shifts, or if there is mass pressure, or the appearance of a popular leader, then everybody will be annihilated. It's a feeling of great vulnerability. As soon as someone is given

the chance—not necessarily the people, maybe the governors, maybe some other faction—they will physically destroy the establishment, or we'll have to fight to destroy them instead.

The similarities between Putin and other personalist dictators do not end with his worries about removal. Like his Filipino, Hungarian, Turkish, Venezuelan, and Central Asian counterparts, he has gradually eroded the powers of the legislature, subdued independent media, subverted elections, and usurped authority from previously powerful regional officials. Last year, Putin pushed through changes to Russia's constitution that will allow him to run for office in 2024 and 2030. Given the potential downsides of leaving office as a personalist autocrat, this effort to prolong his rule came as little surprise. Faced with similar term limits, every personalist autocrat in the former Soviet Union has made the same choice.

But by undercutting the kinds of political institutions that constrain executive power, Putin has reduced certainty about policy and increased the vulnerability of elites. As a result, investors prefer to park their capital in safe havens outside Russia, and many young Russians have taken their significant human capital abroad. Even superrich Russians feel vulnerable: they hold far more of their wealth in cash and have more volatile incomes than do their peers in other countries, and they have resisted the Kremlin's calls to bring their capital home.

Without strong formal institutions to legitimate his rule, Putin relies on great personal popularity to deter challenges from elites and keep protesters off the street. Over the last 20 years, Putin's approval ratings have averaged a remarkable 74 percent, and there is little reason to believe that Russians are lying to pollsters in large numbers. But these high approval ratings were largely driven by the economic boom that doubled the size of Russia's economy between 1998 and 2008 and the unique foreign policy success of annexing Crimea in 2014. Since 2018, Putin's popularity has wavered. His approval ratings remain in the mid-60s, but Russians express far less trust in him than they have in the past. In a November 2017 poll, when asked to name five politicians they trusted, 59 percent of respondents named Putin; in February 2021, just 32 percent did so. During the same interval, support for a fifth Putin term fell from 70 percent to 48 percent, with 41 percent of Russians surveyed now saying that they would prefer he step down.

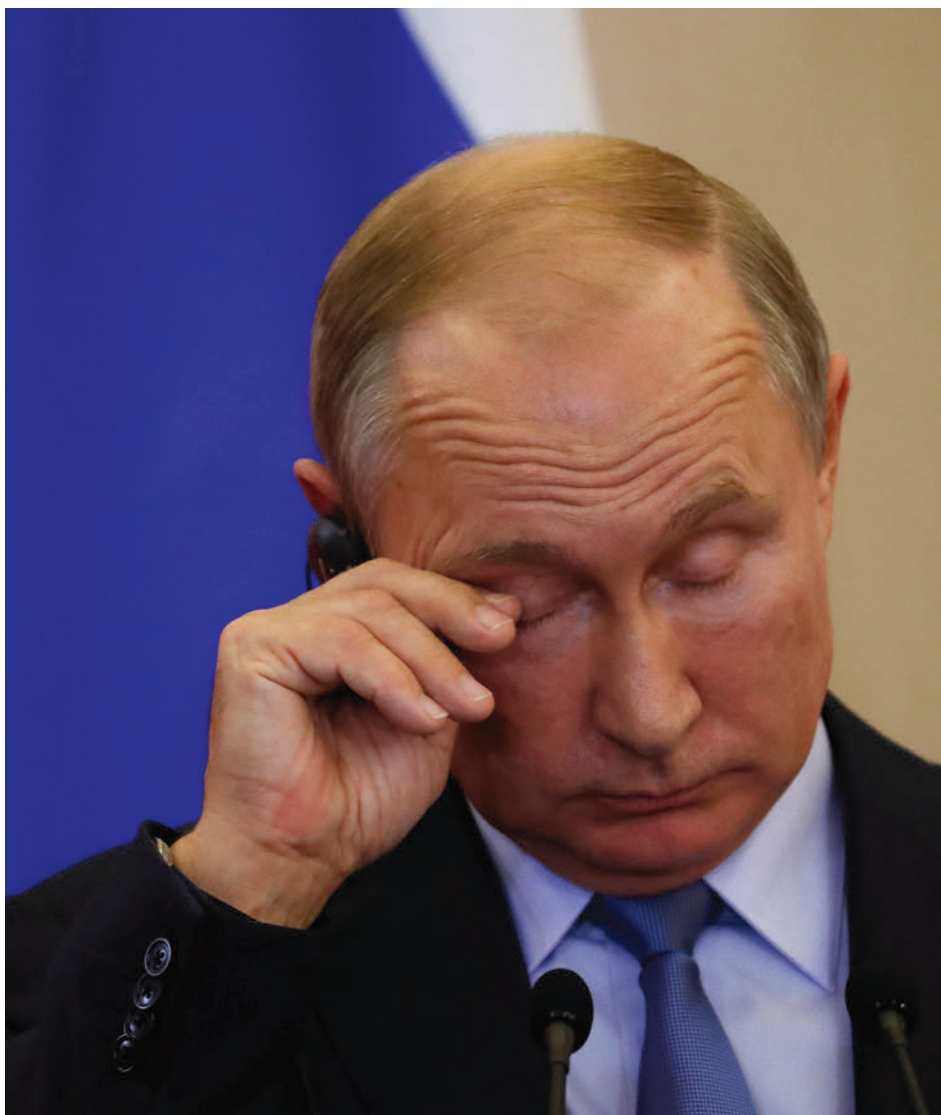
## THE IMPOTENCE OF OMNIPOTENCE

Putin is constrained not just by his need for high approval ratings but also by the challenges of governing a modern society with an unwieldy bureaucracy. In *Khrushchev: The Man and His Era*, the political scientist William Taubman recounts how Nikita Khrushchev, who led the Soviet Union from 1953 to 1964 and controlled a Communist Party and a bureaucratic apparatus with far greater influence over society than Putin has, complained to the Cuban leader Fidel Castro about the limits of his power:

You'd think I could change anything in this country. Like hell I can. No matter what changes I propose and carry out, everything stays the same. Russia is like a tub full of dough, you put your hand down in it, down to the bottom, and think you're master of the situation. When you first pull out your hand, a little hole remains, but then, before your very eyes, the dough expands into a spongy, puffy mass. That's what Russia is like.

Russia's enormous size and bureaucratic complexity mean that Putin inevitably must delegate some decision-making authority to lower-level officials, all of whom have their own interests. And because Russia's state institutions are weak, Putin must also work with powerful businesspeople who are more keen to make money than to serve the state. As Putin's authority is channeled down through this chain of bureaucrats, businesspeople, and spies who may or may not share his preferences, slippage inevitably occurs, and policies do not always get implemented the way he would have preferred.

The problem gets worse when the Kremlin seeks to maintain plausible deniability. To covertly supply rebels in eastern Ukraine, for instance, Putin partnered with Konstantin Malofeev, a Russian oligarch who allegedly funded a band of private mercenaries that maintained indirect ties to the Russian military. In July 2014, however, these rebels appear to have inadvertently shot down a Malaysian commercial airliner, killing almost 300 passengers and crew members. In order to camouflage its cyberattacks, the Kremlin similarly relies on hackers who work for private-sector front companies but who answer to the Russian security services. In 2016, it was the sloppiness of these hackers that allowed the United States to identify Russia as the source of the Democratic National Committee hack. The Russia analyst Mark Galeotti has dubbed the Kremlin's outsourcing of dirty work to groups with murky ties to



*Uneasy lies the head that wears a crown: Putin in Sochi, Russia, October 2019*

the state “adhocracy.” This method of statecraft hides Moscow’s hand, but it also loosens its grip on policy.

The Kremlin struggles with more mundane tasks, as well. In 2012, Putin issued a detailed set of targets to increase economic growth, improve bureaucratic efficiency, and support social programs. That these decrees were poorly formulated was one indication of the bureaucracy’s weakness (among other flaws, they optimistically assumed an annual growth rate of seven percent). But even more telling was the lack of follow-through. On the five-year anniversary of these decrees, Sergei Mironov, then the head of the Kremlin-friendly party A Just Russia,

SERGEI CHIRIKOV / POOL / REUTERS

reported that the bureaucracy had implemented just 35 of the 179 decrees monitored by his committee in parliament. Autocrats have long struggled to elicit honest information from their subordinates and make sure their policies have taken hold, and Putin is no exception.

## DUAL THREATS

Imperiled and constrained by the very compromises that enable them to amass power, personalist autocrats struggle to balance defending against the two main threats to their rule: coups by the political elite and protests by the public. Those in the leader's inner circle typically have a stake in the regime's survival. This is true of Putin's cronies, who have become rich beyond their dreams. But these elites also pose a potential threat. Cronies can capture personalist autocrats who lean too heavily on them for support. Moreover, rare is the political insider who thinks he could not do a better job than his boss if given the chance. According to the political scientists Barbara Geddes, Joseph Wright, and Erica Frantz, between 1945 and 2012, leaders of nondemocracies were more than twice as likely to be replaced by an elite coup as by a popular revolt.

Autocrats also face threats from below in the form of protests. The "color revolutions" toppled rulers in Georgia in 2003, Ukraine in 2004, and Kyrgyzstan in 2005. Few worries animate the Kremlin more than the possibility of a popular uprising, and many analysts argue that it was the large protests against corruption and electoral fraud in 2011 and 2012 that prompted the Kremlin to sharply increase the penalties for attending and organizing protests.

These dual threats put Putin in a bind, because steps that might reduce the risk of a coup by elites can increase the risk of a popular revolt, and vice versa. Investment in the security services that buys the loyalty of elites may necessitate cuts to social services that stoke popular anger and risk igniting protests. Conversely, generous social programs that placate the public and forestall a revolt may require cuts to state spending that anger regime insiders and make a palace coup more likely. In general, Putin must walk a narrow line between allowing his cronies to engage in enough corruption and self-dealing to keep them loyal and promoting sufficiently broad-based economic growth to keep the public from protesting.

In his first decade in office, high energy prices and sound macroeconomic policy obscured this tradeoff, allowing Putin to reward both elites and the masses with spectacular increases in income. But



the days of \$100-a-barrel oil and surging living standards are behind him, and Putin must now choose between rewarding his cronies and reforming the economy. Infighting among elites, although always hard to measure, appears to be on the rise as the regime's economic largess falls. The last four years have seen a sitting minister of economics jailed for bribery, a senator arrested on the floor of the Federal Assembly for murder, and a prominent American businessman detained for almost two years. Arrests for economic crimes, which are often a rough proxy for violent corporate raids, increased by a third in 2019. And spats among Russia's security services surged in 2018 and 2019, until the coronavirus pandemic hit.

The public, too, is restless. Real household income fell every year between 2013 and 2019. Pension reforms shaved 15 percentage points off of Putin's approval rating over the course of 2018, and Russians routinely cite economic difficulties as their most pressing problem. The protests in January in support of Navalny, which occurred in more than 100 cities, were rooted as much in economic dissatisfaction as in opposition to Putin.

Putin faces a similar dilemma in foreign policy. The policies needed to generate economic dynamism—opening the economy to foreign trade, reducing corruption, strengthening the rule of law, increasing competition, and attracting foreign investment—are difficult to square with his assertive foreign policy, which has benefited hard-liners in the security agencies and firms in import-competing sectors. The Kremlin's more confrontational foreign policy toward the West has brought Moscow back as a global force and secured Putin's place in Russian history, but it has also impeded much-needed economic reforms that would strengthen the country's position abroad over the longer term and satisfy Russian citizens, most of whom, according to opinion polls, care more about their own living standards than their country's great-power status.

Moscow's annexation of Crimea and intervention in eastern Ukraine led to U.S. and European sanctions that have further slowed the economy. These measures have scared off foreign investors and reduced Russian access to foreign technology and financing. That

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*Putin has increasingly come to rely on repression to neutralize opponents both big and small.*

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Kremlin elites frequently call for these sanctions to be removed as evidence of the considerable, if intermittent, pain they have caused some oligarchs in particular.

Putin likely knows that he could boost economic growth by charting a less assertive foreign policy. His longtime adviser Alexei Kudrin, who served as Russia's finance minister from 2000 to 2011 and is now the government's chief auditor, told the St. Petersburg International Economic Forum in 2018 that the success of Russia's economic policy depends on reducing tensions with the West—a comment that brought a swift rebuke from Russia's Ministry of Foreign Affairs. Putin continues to challenge the West, and the United States in particular, to boost his popularity among nationalist voters. But as with all of Putin's strategies for managing threats to his rule, stoking patriotic sentiments comes at a cost—in this case, broad-based economic growth.

### **RISKS OF REPRESSION**

Like all personalist autocrats, Putin has relatively blunt tools for managing the tradeoffs inherent to his position. He has succeeded in exerting control over the media, but he is no master manipulator. If he were, public opinion would more closely mirror the Kremlin's line on foreign policy. Putin's annexation of Crimea was wildly popular, but support for using Russian troops in eastern Ukraine and Syria has always been quite modest. Despite the Kremlin's harsh anti-Kyiv rhetoric, most Russians have a positive view of Ukraine, and just 15 percent support unification with the country. The Kremlin has also conducted a noisy anti-American campaign in recent years, but Russians are about as likely to hold a positive view of the United States as they are to hold a negative view. According to a January 2020 opinion poll, two-thirds of Russians believe their government should view the West as a partner rather than a rival or an enemy. Attempts by the Kremlin to shift blame for Russia's economic malaise to foreign countries have largely fallen flat, and few Russians believe that their government is capable of improving their economic situation. In what Russians call "the battle between the television and the refrigerator," the latter is winning.

Part of the Kremlin's problem is that manipulating information sometimes backfires. If people believe that the information they receive is being spun, they will lose confidence in the source. As Russian television became more politicized over the last decade, Russian viewers became more skeptical. According to public opinion polls,

viewers' trust in what they saw on television fell from 79 percent in 2009 to just 48 percent in 2018. Meanwhile, the share of Russians who cited television as their chief source of news dropped from 94 percent to 69 percent between 2009 and 2020.

Putin retains the trump card of force, a card he has played with increasing frequency as the economy has stagnated and the warm glow of the annexation of Crimea has faded.

Since 2018, the Kremlin has dealt with political opposition far more harshly than in the past, making it harder for independent candidates to run for even local office and using force against protesters as a rule rather than an exception. In late 2020 and early 2021, the Kremlin further restricted protest activity, sharply increased penalties for

unsanctioned protests, expanded the definition of "foreign agents," and made slander on the Internet punishable by up to two years in jail. The arrest of Navalny, his sentencing to almost three years in prison, and the brutal treatment of those protesting on his behalf are the logical extension of this repressive trend.

Putin's increased reliance on repression is a sign that his other tools are failing. The danger for the Kremlin is that repression takes on a self-reinforcing momentum. As the political scientist Christian Davenport has argued, authoritarian regimes that resort to repression typically come to rely on it more and more because of its tendency to perpetuate the problems that generate opposition in the first place. Crackdowns on protests rooted in declining living standards only heighten popular grievances among the economically disadvantaged and further entrench those who benefit from the status quo. Repression also increases a ruler's dependence on the security services and crowds out other means of dealing with the opposition.

Skillful repression has helped keep Putin in office and pushed the political opposition to the margins, but it has done little to resolve the underlying problems that threaten his power. It has not promoted economic growth, strengthened property rights, or reduced corruption. On the contrary, it has made the problems worse by empowering the security services and the corrupt government officials who benefit most from them, and it has encouraged the flight of human and economic

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*The expectation that Putin will stay on as president past 2024 will only reinforce Russia's economic stagnation.*

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capital, which are essential to economic growth and good governance. Emblematic of this issue is the fact that in 2018, Russia spent more on prisons and less on prisoners than any other country in Europe.

A future spike in energy prices that increased rent streams to the elite and delivered prosperity to the broader public would offer Putin some respite. If energy prices stay where they are, however, his future looks rocky. Given the diminishing returns of media manipulation, further repression and additional limits on political rights seem like a good bet. Having already tilted the electoral playing field against the opposition and drastically increased the punishment for protesting, the Kremlin has begun to move against the social media platforms that Putin's opponents have used to gain traction. In March, the Kremlin announced charges against Facebook, Twitter, YouTube, TikTok, and the homegrown outlets VK and Odnoklassniki on the pretext that they failed to remove material harmful to children. Such actions will do little to endear Putin to young Russians, who are already the most likely to oppose his rule.

The parliamentary elections slated for September are likely to be fraught. Approval ratings for the ruling United Russia party are lower than ever, and so the Kremlin will need to clamp down on the opposition while also keeping the regime-friendly Communist Party and Liberal Democratic Party in the fold. And relying on excessive voter fraud would be risky. After a stolen election last year, neighboring Belarus saw months of protests, a fate the Kremlin would like to avoid.

Looking further down the road, the expectation that Putin will stay on as president past 2024 will only reinforce Russia's economic stagnation and heighten popular frustration over the Kremlin's inability to raise living standards or improve governance. The result will most likely be a steady increase in pressure on the regime and in repression against its opponents.

### **GREAT BUT DIMINISHED**

Russia remains a great power, albeit a diminished one. Although Leonid Brezhnev, who led the Soviet Union at the height of its global power, would be appalled by the country's current military capabilities and geopolitical status, Boris Yeltsin, who inherited a country in collapse, would view them with envy. Russia's nuclear might, geography, and seat on the UN Security Council ensure that it ranks among the great powers—as do its educational, scientific, and energy prowess.

The country has more college graduates as a proportion of its population than almost any member of the Organization for Economic Cooperation and Development. It produced an effective COVID-19 vaccine in less than a year, and it will provide Europe with low-cost energy for years to come and remain a major player in global energy markets. Those who dismiss Russia as a regional power are mistaken.

Putin faces no immediate threat to his rule. He is a deft tactician with considerable financial resources facing a disorganized opposition. Yet no amount of shrewdness can overcome the agonizing tradeoffs of running Russia the way he does. Cheat enough in elections so that you don't risk losing, but not so much that it signals weakness. Rile up the base with anti-Western moves, but not to the extent that it provokes an actual conflict with the West. Reward cronies through corruption, but not so much that the economy collapses. Manipulate the news, but not to the point where people distrust the media. Repress political opponents, but not enough to spark a popular backlash. Strengthen the security services, but not so much that they can turn on you. How the Kremlin balances these tradeoffs will determine Russia's immediate future. But the trend toward greater repression over the last four years, and its likely continuation, does not bode well for Russia or its leader. 🌐

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# The Vaccine Revolution

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## How mRNA Can Stop the Next Pandemic Before It Starts

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*Nicole Lurie, Jakob P. Cramer,  
and Richard J. Hatchett*

**T**he novel coronavirus—SARS-CoV-2—exploded onto the world stage about a year and a half ago, infecting hundreds of millions of people, killing millions, and causing immense social and economic disruption. But just under a year after the deadly virus emerged in China, governments were able to authorize the use of vaccines against COVID-19, the disease caused by the virus. Vaccines that rely on messenger RNA, or mRNA, were among the first across the finish line, progressing from the genetic sequencing of the virus to human trials in less than three months. Last December, the U.S. Food and Drug Administration (FDA) granted emergency-use authorization to an mRNA vaccine produced via a partnership between the U.S. company Pfizer and the German firm BioNTech and to another developed by the U.S. company Moderna, after clinical trials demonstrated that both were about 95 percent effective in preventing COVID-19. The public marveled at the speed of the vaccines' development, but in truth, these vaccines—and the breakthroughs in their underlying technology—were more than a decade in the making. They represent an astonishing scientific and public health achievement.

Technology based on mRNA is transforming how the world confronts current and future pandemic threats. Messenger RNA is a

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molecule that shuttles genetic information contained in a cell's DNA from its nucleus to its plasma, where it is then translated into proteins. Scientists have long dreamed of harnessing this mRNA in such a way that it could be injected into humans, triggering cells to produce specific proteins for therapeutic or preventive purposes. The mRNA vaccines developed for COVID-19 work by instructing the human body to produce the so-called spike protein located on the virus's surface (but not the virus itself), which then triggers an immune response that creates antibodies capable of fending off the coronavirus that causes COVID-19.

These vaccines don't just offer a way out of the current pandemic. Messenger RNA technology could also give researchers ways to fight off future COVID-19-like outbreaks and prepare for a hypothetical "Disease X"—a still unknown pathogen that will prove to be at least as contagious as SARS-CoV-2 but could lead to an even more lethal pandemic. What is more, mRNA could help create better routine vaccines, such as more efficacious flu shots. But vaccine technology is only as good as the infrastructure around it. None of the potential of mRNA technology will be truly realized unless international institutions, national governments, and private companies work collectively to ensure that the resources and capacity exist to take full advantage of this medical miracle.

## **THE BREAKTHROUGH**

A series of breakthroughs over the past 60 years made mRNA vaccines possible, beginning with the discovery of DNA in the 1950s and the subsequent unraveling of how the genetic code works. Early attempts to harness mRNA were unsuccessful, largely because mRNA is relatively unstable. But scientists made a breakthrough in the last decade. Using nanotechnology, they placed mRNA into a small lipid particle—essentially, a tiny bubble of fatty acids—and crafted a version of that nanoparticle that could safely be injected into humans. And through innovations in synthetic biology, they found ways to rapidly manufacture mRNA-based vaccines.

These scientific and technological advances coincided with greater public interest in devising vaccines against future pandemic pathogens. Following the H1N1 influenza pandemic in 2009, the U.S. government, among others, pledged to speed the development of vaccines and make more versatile vaccine platforms that could swap out one

pathogen for another using the same underlying technology. This resolve drew researchers to mRNA-based platforms. Unlike conventional vaccines, mRNA vaccines do not require strains of a virus to be grown in either eggs or cell culture; they rely instead on a dependable and quicker process of chemical synthesis.

At the same time, mRNA technology won further financial and institutional backing from U.S. government agencies and other investors. In 2017, a group of governments and philanthropic organizations,

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*Vaccines using mRNA technology represent an astonishing scientific and public health achievement.*

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including the Wellcome Trust and the Bill & Melinda Gates Foundation, launched the Coalition for Epidemic Preparedness Innovations, where we work, to support the development of vaccines against pathogens that could cause epidemics or pandemics, including Disease X. Guided by a list of pathogens with epidemic potential

compiled by the World Health Organization (WHO), CEPI selected the MERS virus, a coronavirus that first appeared in 2012, as one of its priority pathogens, allocating around \$125 million to support the development of vaccines against it. That investment paid off following the emergence of the COVID-19 pandemic. Scientists and vaccine developers were able to rapidly respond to the new threat by drawing on prior work on coronavirus vaccines, such as those for MERS, and on earlier research on mRNA and other vaccine technologies.

Researchers released the genetic sequence of SARS-CoV-2 in January 2020, roughly two weeks after the outbreak was first reported to the WHO. That sparked a furious scramble to develop vaccines. Unsurprisingly, mRNA vaccine candidates were among the first to enter human trials, with the Moderna vaccine reaching that stage in March and the Pfizer-BioNTech one in May. In late July, the two mRNA candidates began Phase 3 trials involving tens of thousands of participants; by November, results showed that they were both extraordinarily effective. The entire process took roughly 300 days—an incredibly quick turnaround in the development of a vaccine.

Subsequently, multiple countries have licensed and authorized both mRNA vaccines, and at the time of this writing, 44 million people have completed a full immunization, with two doses, in the United States (around 13 percent of the population). Approximately 60 percent of the



entire population of Israel has received at least one dose of the Pfizer-BioNTech vaccine, and early data indicate an epidemiologically significant reduction in both COVID-19 illness and the transmission of the virus.

Despite this good news, challenges remain for the first generation of mRNA vaccines. Both the COVID-19 pathogen and the vaccines are new, and researchers do not yet fully understand the nature of the immunity produced by either natural infection or vaccination; it is unclear, for example, how long the immunity that prevents COVID-19 lasts. The vaccines also produce some side effects (sore arm, fever, chills, fatigue, and muscle aches) that, although short-lived, make some people hesitant to get the shots. The capacity to manufacture these mRNA vaccines is still limited, and they require cold storage—at extremely low temperatures in the case of the Pfizer-BioNTech vaccine—both of which cause logistical headaches in devising mass vaccination campaigns.

Most concerning, new SARS-CoV-2 variants emerged late last year in Brazil, South Africa, the United Kingdom, and elsewhere. These new virus variants are more transmissible and have quickly spread around the world. Researchers are trying to determine whether they are also more lethal and whether they render existing vaccines less effective in real-world settings, as laboratory studies suggest. Scientists must prepare for the likelihood that new variants of the virus will require new or adapted vaccines. Like other vaccine producers, mRNA vaccine developers have begun to ready their platforms to respond to these new strains; Moderna, Pfizer, and BioNTech are already creating booster shots for their vaccines, in the event that they are needed. This represents a further test of how quickly a new mRNA vaccine can be developed and manufactured.

### **NEED FOR SPEED**

The emergence of variants of the virus means that scientists and vaccine manufacturers must work more quickly to devise new vaccines. When CEPI launched, it hoped to radically shorten the time it takes to develop vaccines, moving from the genetic sequencing of a virus to clinical trials within 16 weeks. But such a timeline is too slow for highly transmissible and lethal diseases. The initial COVID-19 outbreak in a Chinese province became a full-fledged pandemic in less than 12 weeks. CEPI's view is that to combat newly emerging variants of concern, governments and companies should aspire to make a vaccine within 100 days, and the United Kingdom urged other G-7 countries in February to adopt this goal.

But even with sophisticated technology, governments will struggle to develop vaccines quickly without first hurdling some logistical challenges. They need to ensure that the goods necessary to make vaccines at a large scale are readily available. Currently, many of the raw materials and critical components required to make a vaccine against a new strain—including filters, tubes, and the lipids to make nanoparticles—are in very short supply. Ramping up raw material and manufacturing capacity will demand further financing. There is no global entity responsible for this task, and relying solely on market forces would likely exacerbate the emerging inequalities in vaccine access between wealthy and low- and middle-income countries.

As they address these challenges, vaccine manufacturers can fine-tune the vaccine production process to make it faster and more efficient. When it comes to tackling SARS-CoV-2 variants, vaccine developers and the relevant regulatory bodies should agree to a streamlined approach for clinical trials that uses evidence about the performance of already authorized COVID-19 vaccines (to avoid needless repetition) and ensures that vaccines are safe and effective but avoids redoing lengthy Phase 3 trials. The goal of having a platform in which one pathogen can be swapped out for another is becoming closer to reality with the technological advances that have risen to the challenge of the current crisis. Already, the FDA and the European Medicines Agency have issued initial regulatory guidance on how to quickly adapt COVID-19 vaccines to new variant strains.

Experts at CEPI now believe that a vaccine against an entirely new pathogen—not just a new variant of the virus that causes COVID-19—also needs to be produced in 100 days to adequately respond to a future epidemic with pandemic potential. Given the devastation brought about by COVID-19, a year is simply too long to wait for a vaccine. Vaccines using mRNA technology have proved to be effective and quick to develop; they will inevitably play a major role in fighting future pandemics.

Developing new mRNA vaccines might not take that much time, but they still need to be tested, and they can be delivered only as fast as they can be manufactured and distributed. Once a vaccine is manufactured, it must be shipped, often across the world, to be put in its final form and vial. Since most mRNA vaccine manufacturing occurs in wealthy countries, various built-in delays slow the vaccines' arrival to poorer countries. Pandemic preparedness efforts must therefore include the innovation needed to craft and deploy trans-



*Shot in the arm: receiving a COVID-19 vaccine in Boston, December 2020*

portable, modular manufacturing systems that can be used to fabricate such vaccines and also carry out the final “fill and finish” steps of the process. New technologies hold promise in that regard, as evidenced by a joint project between the German biotechnology firm CureVac and Tesla Grohmann Automation, an automotive manufacturing company owned by Elon Musk, with the aim to build mobile mRNA vaccine production units that could eventually be shipped to the site of an outbreak and rapidly make targeted vaccines locally.

Messenger RNA vaccines have revolutionary global health potential beyond combating pandemics. Take, for example, influenza, an infection of the respiratory tract that kills between 12,000 and 61,000 Americans annually and, like COVID-19, disproportionately affects certain sectors of the population, especially older adults. Every year, experts and manufacturers attempt to predict the strains of the influenza virus that will most likely be circulating in the subsequent flu season. It then takes roughly six months for them to formulate, manufacture, and release a vaccine. But occasionally, the circulating influenza viruses evolve between the time that vaccine makers get started working with the season’s vaccine strains and the time they begin to produce the vaccines, with the process of manufacturing too far along to make another change. When

CRAIG F. WALKER / POOL / REUTERS

such a vaccine mismatch occurs, populations receive a reduced benefit from the flu shot, often resulting in a more severe and deadly flu season.

That risk of a mismatch can potentially be mitigated with mRNA manufacturing. A new seasonal influenza vaccine could, at least in theory, be produced in large quantities in weeks rather than months. That speed would give researchers more time to decide the composition of the seasonal vaccine, resulting in a better match between the flu shot and the circulating influenza strains. The technology might also open up new opportunities to develop vaccines against other constantly changing viruses, such as norovirus, which causes acute gastrointestinal illness.

Messenger RNA technology could also address the suboptimal performance of certain existing vaccines. For example, mRNA vaccines might offer a safer way to inoculate immunocompromised people and pregnant women, who are often advised to avoid traditional vaccines that contain attenuated versions of the viruses they target. And judging from the success of the Moderna and Pfizer-BioNTech vaccines in protecting older people from COVID-19, other mRNA vaccines might prove to work well for older people, who tend to have less robust immune systems.

### **A NEW DAWN IN DARK TIMES**

Scientists are only just beginning to unlock the full potential of mRNA vaccines. To ensure that more people can have access to them, researchers need to find ways to make mRNA vaccines less expensive by, for example, making essential goods more readily available and making production processes more efficient. And to overcome the understandable wariness with which many people view this new technology, additional evidence from clinical research and from the vaccines' performance in real life after they have been approved should be made public to clearly demonstrate their levels of safety and effectiveness.

The vaccine rollout during this pandemic has been hampered by a lack of financing and resources, limiting the early, necessary purchases of raw materials and investments in manufacturing capacity. Being prepared for the future will require not just honing the development of vaccines but also ensuring the ready availability of financing. The launch of a vaccine-financing commission recently formed under the auspices of the G-20 is a promising start and a sign that governments recognize the need for collective action.

One final fundamental challenge remains. Scientists can develop a vaccine only when they have detected a new pathogen and determined

its gene sequence. This requires a better, faster system of surveillance and international data sharing—and a good precedent already exists for building one. Since 1952, the WHO's Global Influenza Surveillance and Response System has continuously monitored circulating influenza viruses across the globe and released recommendations on the composition of influenza vaccines twice a year. This coordinated monitoring and decision-making effort has worked well and could readily form the basis for monitoring newly emerging variants of SARS-CoV-2 and other pathogens, as well. Such a system would work only with close communication and collaboration among international institutions such as the WHO, private vaccine developers, national regulatory authorities, and the global scientific community. The COVAX Facility, which seeks to distribute COVID-19 vaccines more broadly to people in low-income countries, is a good example of such a collective enterprise, as it is chaired by CEPI, the WHO, and the public-private partnership Gavi, the Vaccine Alliance.

A new era in vaccinology has arrived. The year 2020 will be remembered not only for the pandemic but also for the fact that it witnessed the culmination of nearly a decade's worth of technological breakthroughs in a mere 12 months. The world will emerge from the pandemic with a new arsenal of vaccine technologies at its disposal, with mRNA at the forefront. These successes in dark times provide much-needed grounds for optimism that in the future, societies will be able to respond much more rapidly, effectively, and equitably to emerging pandemic threats. 🌐

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# Competition With China Can Save the Planet

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Pressure, Not Partnership, Will Spur Progress on Climate Change

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*Andrew S. Erickson and Gabriel Collins*

**L**ate last year, Chinese President Xi Jinping pledged that his country would reach “carbon neutrality” by 2060, meaning that by that time, it would remove every year from the atmosphere as much carbon dioxide as it emitted. China is currently the world’s largest greenhouse gas emitter, responsible for nearly 30 percent of global carbon dioxide emissions. Targeting net-zero emissions by 2060 is an ambitious goal, meant to signal Beijing’s commitment both to turning its enormous economy away from fossil fuels and to backing broader international efforts to combat climate change.

But this rhetorical posturing masks a very different reality: China remains addicted to coal, the dirtiest fossil fuel. It burns over four billion metric tons per year and accounts for half of the world’s total consumption. Roughly 65 percent of China’s electricity supply comes from coal, a proportion far greater than that of the United States (24 percent) or Europe (18 percent). Finnish and U.S. researchers revealed in February that China dramatically expanded its use of coal-fired power plants in 2020. China’s net coal-fired power generation capacity grew by about 30 gigawatts over the course of the year, as opposed to a net decline of 17 gigawatts elsewhere in the world. China also has nearly 200 gigawatts’ worth of coal power projects under con-

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struction, approved for construction, or seeking permits, a sum that on its own could power all of Germany—the world’s fourth-largest industrial economy. Given that coal power plants often operate for 40 years or more, these ongoing investments suggest the strong possibility that China will remain reliant on coal for decades to come.

Here’s the inconvenient truth: the social contract that the Chinese Communist Party (CCP) has forged with the Chinese people—growth and stability in exchange for curtailed liberties and one-party rule—has incentivized overinvestment across the board, including in the coal that powers most of China’s economy. China may be shuttering some coal plants and investing in renewable energy, but serious decarbonization remains a distant prospect.

Xi’s bullish talk of combating climate change is a smokescreen for a more calculated agenda. Chinese policymakers know their country is critical to any comprehensive international effort to curb greenhouse gas emissions, and they are trying to use that leverage to advance Chinese interests in other areas. Policymakers in the United States have hoped to compartmentalize climate change as a challenge on which Beijing and Washington can meaningfully cooperate, even as the two countries compete elsewhere. John Kerry, the United States’ senior climate diplomat, has insisted that climate change is a “standalone issue” in U.S.-Chinese relations. Yet Beijing does not see it that way.

After U.S. Secretary of State Antony Blinken declared in late January that Washington intended to “pursue the climate agenda” with China while simultaneously putting pressure on Beijing regarding human rights and other contentious policy issues, Zhao Lijian, the Chinese Foreign Ministry’s spokesperson, warned the Biden administration that cooperation on climate change “is closely linked with bilateral relations as a whole.” In other words, China will not compartmentalize climate cooperation; its participation in efforts to slow global warming will be contingent on the positions and actions that its foreign interlocutors take in other areas.

Zhao’s conspicuously sharp-tongued riposte is already inducing key U.S. partners to pull their punches in climate interactions with China. For instance, in a February video call with Han Zheng, China’s top vice premier, Frans Timmermans, the executive vice president of the European Commission and the EU’s “Green Deal chief,” reportedly steered clear of discussing human rights and the EU’s plans for a carbon border tax, issues China finds contentious. Beijing will likely con-

tinue using negotiations on climate issues to shield its domestic human rights record and regional aggression. Worse still, it will probably demand economic, technological, and security compromises from the United States and its allies—such as their agreeing not to challenge China’s coercive activities in the South China Sea—for which those countries would receive little, if anything, in return.

As a result, U.S. officials seem to face a stark choice. If they make concessions to win China’s cooperation in tackling climate change, Beijing will offer only those climate promises that it would outright fail to fulfill, find itself unable to fulfill amid opposition from powerful domestic interests, or, less likely, fulfill merely by default if its economic growth slows more rapidly than widely expected. But if they refuse to deal with China, they may imperil efforts to slow global warming. There is another option, however. When it comes to climate change, the United States should compete, not cooperate, with its rival.

### **COAL TRUTHS**

For a quarter century, the United States and other major powers have sought to cooperate with China on climate change. Saving the world from climate change, the argument runs, requires broad international agreement, and no substantive settlement can exclude the two biggest players—China and the United States. This multilateral effort has taken shape under the UN Framework Convention on Climate Change (UNFCCC), which reached its apogee in 2015 with the signing of the Paris climate agreement. The deal hinged on China and the United States—the two biggest emitters—coming to terms.

The two countries’ bilateral negotiations in advance of the Paris meeting culminated in China committing to the following key items: reducing its carbon dioxide emissions per unit of GDP by 60 to 65 percent from its 2005 level by 2030; starting a national system by 2017 to cap carbon emissions in key energy-intensive heavy industrial sectors and to incentivize emission reductions by forcing companies to buy and sell permits to emit; prioritizing the development of renewable energy sources; and aiming to reach peak carbon dioxide emissions by “around 2030,” after which those emissions would decline. These targets were not especially ambitious, and yet Beijing has still generally fallen short of them—for instance, it launched a national emission-trading scheme on only a limited basis and about four years behind schedule. Tellingly, the government





*Clouded vision: in Xinjiang, China, January 2018*

work report delivered by Premier Li Keqiang at the 13th National People's Congress in March makes no bold commitments and says only that China will meet targets for “intended nationally determined contributions” by 2030.

Current climate diplomacy, as embodied by the Conference of the Parties process, under the auspices of the UNFCCC, treats China as indispensable due to the scale of its greenhouse gas emissions. But in the roughly six years that have elapsed since Beijing signed the Paris agreement, the country's actions have only exposed the agreement's fundamental weakness: its inability to enforce true accountability in the face of obdurate national interests. Data from the nongovernmental organization Global Energy Monitor show that between 2015 and 2020, Chinese firms added approximately 275 gigawatts of gross coal-fired power generation capacity—larger than the entire coal-fired fleet of the United States, the world's third-largest coal consumer. More than 85 percent of this recently installed capacity uses modern supercritical and ultra-supercritical boiler technology—an expensive investment meant to last a long time—locking in demand for decades to come and underlining the renewal of China's long-term vows with coal.

As multiple UNFCCC participants now contemplate stricter emission targets, Chinese leaders will not do the same. Instead, they will cater to domestic economic interests and immediate energy security concerns and reject emission-reduction commitments that require significant deviation from China's present course. Beijing insists that its enormous

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*When it comes to climate change, the United States should compete, not cooperate, with China.*

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population and relatively modest average income classify China as a less developed country for the purpose of climate negotiations and thus that Chinese leaders should not be expected to curb emissions at the same rate as developed countries. It is true that China emits less per capita than many wealthy countries. But its per capita emissions

are already higher than those of some industrialized countries, such as Italy and the United Kingdom. Moreover, the absolute quantity of China's emissions—which, at the end of the day, is the number that actually matters to the earth's atmosphere—is staggering. Between 2009 and 2019, China emitted nearly twice as much total carbon dioxide as did the United States. That gap will only widen as policy incentives in Beijing preserve coal as a core energy source for decades to come, with dire consequences for the global atmospheric and oceanic commons.

It will be incredibly hard to wean China off its overdependence on coal. Leaders at both the national and the local level are bound to the cheap fuel, which spurs the economic growth that ensures their political survival. Local officials hungrily tap into coal to boost growth figures just long enough to win promotion to higher assignments elsewhere. They think in the short term and typically prefer to invest in projects under their jurisdiction, rather than crafting more climate-friendly systems that cross provincial lines and optimize the use of energy but require political negotiations and the possible surrender of control. Consequently, China is littered with irrational energy-intensive investments, including unnecessary coal plants.

A core pillar of China's economy remains its tremendous capacity to build infrastructure, which is dependent on emission-intensive industries. To escape the economic downturn that has accompanied the COVID-19 pandemic, China has relied on coal-fired heavy industry to boost GDP growth. In 2020, Chinese blast furnaces and mills produced over one billion metric tons of crude steel—a historic high. Aluminum

smelters also produced record volumes during 2020, as did cement plants, with China's production of each commodity accounting for nearly 60 percent of the global total.

All of this will likely get worse, since construction appears poised to expand. Excavator sales, one of the best leading indicators of economic activity in China, hit a record high in 2020. Heavy-equipment buying sprees suggest that local contractors, the people outside government best positioned to anticipate future construction projects, see major new work on the horizon. This, in turn, portends the substantial continued production of steel, cement, and other high-emission commodities in the coming years. China may ultimately adhere to its pledged goal of ensuring that its carbon emissions peak by 2030. But even if China's emissions in 2031 turn out to be lower than those of 2030, the high-carbon mark it is on pace to set will make Beijing's supposed victory a loss for the global climate overall, not to mention a Pyrrhic victory for China itself.

The costs of China's stubborn coal habit will be severe. The country's own coal users and the plants being built abroad as part of the Belt and Road Initiative could burn 100 billion metric tons of coal between now and 2060. This estimate is conservative, factoring in existing coal-fired power plants, coal power stations under construction, coal-to-chemicals facilities, and industrial boilers, while also taking into consideration the meaningful expansion of renewable and nuclear energy in the country. One hundred billion metric tons of coal would bury all five boroughs of New York City under a 340-foot-tall pile. Burning it would likely raise atmospheric carbon dioxide levels by nearly ten percent from their current levels.

## **A GREEN FAÇADE**

China's climate diplomacy stands at a great remove from this carbonaceous industrial reality. Chinese leaders insist that their country is committed to fighting climate change, pointing to its considerable investments in renewable energy and its efforts to boost power generation through nuclear, natural gas, wind, and solar sources. China's power generation investments on their face suggest that coal might be yielding to these renewables. Between 2014 and 2020, the country added 235 gigawatts of solar power capacity and 205 gigawatts of wind power capacity, according to China's National Energy Administration, a combined sum nearly twice as large as the roughly 225 net gigawatts of coal power station capacity added during that time.

But intermittent electricity sources, including many forms of renewable energy, require backup power generation to maintain the stability of the grid. The CCP cannot risk blackouts, which would cripple economic activity and undermine the party's standing. A significant

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*China's climate diplomacy stands at a great remove from the country's coal-hungry industrial reality.*

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electricity supply crisis—or crises over time—could morph into a fundamental crisis of political legitimacy. As a result, China remains committed to coal. In 2020, coal-fired plants ran at an average utilization rate—a measure of what percentage of time in a given year a facility actually produces electricity—of about 50 percent, far higher

than sources of wind (24 percent) and solar (15 percent) energy. China also surges physical supplies of coal to maintain the stability of the electric grid during cold spells and heat waves. The Chinese rail system handled a record volume of coal bound for power plants during a cold snap in December 2020.

Challenges to the stability of the electric grid will proliferate if invariably intermittent renewable energy makes up a greater share of China's power supply. The United States uses natural gas to back up renewable energy, but China's attempts to replicate the U.S. shale boom have failed, and the country already imports more than 40 percent of the natural gas it consumes. Herein arises an underappreciated national security concern. China's gas imports used to come primarily through pipelines from Myanmar, Russia, and Central Asia, but to satisfy future demand, China will have to rely increasingly on seaborne imports of liquefied natural gas. If gas-fired plants become a larger part of China's electricity portfolio, maritime supply lines will become all the more sensitive for Beijing; a rival power could block seaborne gas shipments and thereby destabilize China's electric grid. That strategic consideration is yet another factor favoring the persistence of coal in China.

Chinese officials proclaim that they are shuttering coal plants. Indeed, by one count, China closed 46 gigawatts of coal power capacity between 2015 and 2020. But a deeper look at the retirement of these facilities reveals that China remains as committed to coal as before. Authorities have mostly closed coal plants in wealthy coastal provinces such as Guangdong to clear up local air and open real estate for more revenue-boosting projects. But they have then simply shifted

such facilities to poorer, inland provinces, from where coal-powered electricity is effectively exported by wire to coastal industrial hubs.

Moving smokestacks from Shanghai or Guangdong to Anhui, Hunan, Inner Mongolia, or Xinjiang is a form of policy triage. It removes pollutants from the air in wealthier cities and prevents bouts of unrest, such as the 2016 protests in the municipality of Chengdu prompted by wintry smog. Yet massive net emissions of carbon dioxide continue mostly unabated. Furthermore, the coal power stations built over the past decade and being built today in China are expensive, cutting-edge facilities that replace older, cheaper plants. These new plants have equipment that better controls pollution from sulfur dioxide and particulates, although not carbon dioxide emissions. They occupy real estate with few alternatives for more profitable applications. As a result, these plants are more likely to remain in operation through the common service life of 40 years and are less likely to be retired prematurely.

The provinces most aggressively closing their coal plants tend to be those such as Guangdong, Jiangsu, and Zhejiang, which do not boast large coal-mining operations and where coal power stations employ a tiny fraction of the workforce compared with other industries. For poorer parts of China, such as Inner Mongolia, where coal forms a bigger part of the local economy, the political calculus will likely prove different: local officials will be more reluctant to withdraw from coal.

China's coal sector and related industries collectively employ tens of millions of people and control infrastructure worth trillions of dollars. Outsiders often assume that the Chinese state can easily execute an ambitious energy policy, such as a transition away from coal. But the state is not a monolith. A tangle of more particular and parochial interests can thwart all but the highest-priority directives from the center, which will almost certainly not include meaningful climate reform. Efforts to change China's colossal energy system in an acceptable timeframe will work only if the interests of power brokers at the local, provincial, and national levels are broadly aligned.

These interests remain deeply divided when it comes to energy. Shuttering—or even just partially idling—coal plants and the mines supplying them could mean the loss of vast sums of invested capital and many jobs. Green energy projects most likely could not proportionally offset these losses. In the United States, each megawatt-hour of electricity generated from coal has been estimated to support five times as

many jobs as a megawatt-hour of wind power does, and in China's more labor-intensive economy, the ratio could be even more unfavorable.

Xi had formative experiences in China's countryside. He and other senior leaders steeped in CCP history presumably take rural economic interests seriously. The concerns of powerful coal barons and the local officials who welcomed coal plants 15 years ago (and more recently) will likely hinder China's current green push as authorities negotiate political and socioeconomic compromises. Compounded over time, this dynamic will make coal more enduring than presently expected, with a commensurate impact on the trajectory of China's carbon dioxide emissions.

China's avowed commitment to the transition away from fossil fuels raises an ironic but serious concern: the country's role as the workshop of the global green energy revolution, making everything from solar panels to electric-vehicle batteries, relies heavily on a coal-fired supply chain. Activities including rare-earth smelting (to produce the materials necessary for much green technology) and electric-vehicle-battery production liberally utilize carbon fuels.

For instance, the production of a 100-kilowatt-hour battery—the same size as the one powering the Tesla Model S—requires the amount of energy from approximately seven metric tons of coal. And the emissions behind electric vehicles don't end with the making of batteries: without major shifts in how China makes its electricity, electric vehicles driven in China will be effectively charged with coal. One million plug-in electric cars using China's power grid could, in many parts of the country, emit roughly as much carbon dioxide as one million gasoline-powered passenger sedans.

Some Chinese officials and influential advisers—such as Xie Zhenhua, the country's special climate envoy—do recognize that reducing emissions and remedying the CCP's decades-long legacy of environmental destruction are important goals in themselves. But the combination of a foreign backlash against China's increasingly aggressive behavior and pushback from domestic interest groups troubled by China's 2060 carbon-neutrality pledge will likely strengthen those officials who adhere to what the Peking University scholar Zha Daojiong calls the “nationalist school” of energy security thought. Energy policy decision-making in China is likely to become increasingly entangled in questions of security, as exemplified by Li's October 2019 remarks in which he described coal as a core national security re-

source. In the meantime, China's climate diplomats will continue to engage in greenwashing when it comes to their country's coal use and to subordinate the imperatives of climate cooperation to the CCP's domestic and geopolitical objectives.

The implications for U.S. policy in the coming years are stark. The earth's atmosphere transcends national borders, and China—primarily through coal use—is by far the world's single largest emitter of many key greenhouse gases. A more sustainable emission path requires Beijing's participation in international negotiations. But proactively seeking this cooperation makes the United States and other countries supplicants—and China has already clearly signaled that its participation in climate discussions is contingent on concessions in other domains. Accordingly, any bilateral political or security accommodations made to coax China into discussing climate issues would in fact make the United States, the Indo-Pacific region, and the world lose twice. Washington would forfeit its ability to effectively confront, for example, China's coercive efforts in the Indo-Pacific as Chinese interlocutors stalled at the negotiating table by offering illusory climate commitments.

Beijing has won concessions while relentlessly pursuing its narrow self-interest in other arenas. For instance, at the 2015 Association of Southeast Asian Nations summit, Li called for the resolution of ongoing territorial disputes in the South China Sea “through negotiation and consultation.” But even as he made those comments, the People's Liberation Army was rapidly militarizing those very waters despite assurances from Xi two months prior that China would not do so. In the case of climate negotiations, Chinese officials will offer rosy rhetoric even as coal-fired plants in China and those being built by Chinese firms abroad continue to emit millions of metric tons of greenhouse gases per day. The interests of the CCP would win in a parochial sense, but all parties would ultimately lose from the degradation of the shared biosphere. Only competition, not supplication, will induce Beijing to reframe its approach to emissions and climate change.

### **TIME TO COMPETE**

China's strong structural incentives to continue using coal on a massive scale imperil the prospects of climate negotiations. A more successful path runs not to a negotiating table but through the arena of competition. The need for this shift is now acute: a cooperation-first approach in which Beijing sets the fundamental terms is doomed to

fail. Countries seeking cooperation with China are supplicants and, under a best-case scenario, will be forced to make concessions first, after which Beijing might finally deign to engage. A strategy that leads with competition will turn the diplomatic tables on China. Washington should not abandon the Paris agreement and the UNFCCC process. Rather, it should seize the initiative before the next session of the Conference of the Parties, scheduled to take place in November 2021 in Glasgow, by taking several bold steps.

Washington should build a coalition of like-minded partners—largely drawn from the industrialized member states of the Organization for Economic Cooperation and Development—to pressure China into sourcing its energy supplies more sustainably. In 2019, the OECD countries commanded nearly 75 percent of global GDP and accounted for about 35 percent of the world’s carbon dioxide emissions. Such a coalition, incorporating key players among this group, including Australia, Canada, France, Germany, Italy, Japan, South Korea, and the United Kingdom, has a good chance of establishing the critical mass needed to pressure Beijing to cut emissions. Together with the United States, those countries boasted an aggregate GDP of nearly \$43 trillion in 2019—approximately half of total global GDP, according to the World Bank.

An assembled coalition should seek to use carbon taxation—a levy on goods or services corresponding to their carbon footprint, or the emissions required to make them—to change Chinese behavior. Led by the United States, the key industrial democracies that collectively account for the world’s largest market bloc should institute domestic carbon taxes, preferably benchmarked to a negotiated standard and with provisions that would allow the rate to be increased on an annual or biannual basis, if necessary. These countries should then institute carbon border adjustment mechanisms: a tax on imported goods based on their assessed carbon footprints if they come from a place with no or lower carbon pricing.

Much of the data required to assess the carbon footprints of imported goods already exist commercially, particularly for large-volume goods such as steel, aluminum, cement, ceramics, automobiles, and other such highly energy-intensive products often made in China. Objective, publicly available carbon footprint audits would help defuse accusations from Beijing that Chinese firms were being unfairly singled out and provide a basis for the resolution of any disputes at



the World Trade Organization in the event that Beijing retaliated with punitive tariffs or other measures against goods from a country participating in the carbon alliance.

Such a coordinated system would make carbon-intensive Chinese goods less competitive and reduce the disadvantages that manufacturers in the United States face from coal-fired Chinese competitors. But more important, it would force China to take decarbonization seriously. Even as China tries to reorient its economy to domestic consumption, Chinese firms still crave access to global export markets. With carbon border adjustment mechanisms in place, Chinese firms would have to change the way they source energy to remain economically viable in key foreign markets.

Carbon taxation now attracts serious attention on both sides of the Atlantic, and the world's democracies are generally significantly ahead of China when it comes to both meaningfully pricing carbon and having the industrial and energy-sourcing preconditions in place to make the transition to a future of net-zero carbon emissions viable. Sixteen European countries already tax carbon to varying degrees, and the European Commission is considering a carbon border tax as part of the European Green Deal. Meanwhile, bills proposing carbon taxation have been sponsored by both Democratic and Republican lawmakers in the U.S. Congress.

Equally important, big companies—including those with an existential interest in fossil fuels—also appear to accept the inevitability of carbon taxation. Court filings have revealed that in 2017, business planners at ExxonMobil—the doyen of international oil and gas firms—were already assuming a tax on carbon dioxide emissions in the OECD countries of \$60 per metric ton by 2030. For perspective, consider that a carbon tax of \$60 per metric ton would increase gasoline pump prices by about 54 cents per gallon, adding an average of roughly \$245 to each American's annual fuel bill. Most people would not welcome the additional cost, but it is bearable. Carbon taxation would be more palatable if part of the revenue raised went to a national innovation fund, with the remainder returned to households through direct payments via so-called carbon dividends, as has been advocated by former U.S. Secretaries of State James Baker and George Shultz. Carbon dividends could be means-tested, with proportionally larger payments going to lower-income individuals and households to compensate for the inherently regressive nature of

what is, in effect, a tax on energy inputs. Other countries in the carbon alliance could adopt a similar approach to convince their respective societies of the merits of carbon taxation.

The implications for Chinese firms would be more severe. To remain competitive, Chinese industrial players would be incentivized to invest in new energy sources and cleaner, greener manufacturing processes. This would, in turn, push China toward a less carbon-intensive economic model. At that point, the United States and its allies would already have a mechanism in place to make sure that Beijing remained committed to decarbonization—the ability to increase carbon tax rates to counter Chinese backsliding. And for its part, China would be far less able to weaponize climate change negotiations at the expense of the global commons.

A climate competition strategy of this kind would also suit the Biden administration's domestic priorities. A carbon tax with border adjustment provisions would bring manufacturing jobs back to the United States and boost the various other industries that support production activities. It would encourage the deployment of technologies that seek to prevent emissions from reaching the atmosphere—direct air capture; soil-based sequestration; and other carbon capture, utilization, and storage practices and technologies—which would keep domestic oil and gas production viable in an emission-constrained world. Carbon taxation would also stimulate the greater development of wind and solar energy and of small modular nuclear reactors, and potentially even the development of geothermal energy. As such, it would help strengthen and even expand the abundance of U.S. domestic energy sources needed to fuel the manufacturing renaissance the Biden administration clearly seeks. Together, these advantageous effects would help ensure the domestic support necessary to sustain carbon taxation over the long term and reassure other countries that the United States can remain a committed partner for the decades that will likely be needed to make a lasting transition to a lower-emission world.

### **COMPETITION FOR THE GREATER GOOD**

In Chinese foreign policy, climate change does not hold the same environmental and moral importance that it does for many American policymakers. Beijing's fundamental goal remains promoting the CCP's rule, image, and influence. It can further this goal through participating in the global green economy: selling electric vehicles and batteries, rare-earth minerals, and wind turbine components. Or it

can use climate negotiations to demand that the United States and others accommodate Chinese economic, political, and security imperatives in exchange for promises that will likely remain unfulfilled.

To force meaningful change, the United States must build a climate coalition to put pressure on China and its exporters. Such action could bolster reformers in China by allowing them to advocate deeper and faster decarbonization on the grounds that it would increase China's national competitiveness. The pressure created by a carbon taxation regime among industrialized democracies would help empower China's domestic energy-transition advocates against opponents who seek to keep the country's energy sources rooted in near-term local imperatives that foster continued dependence on coal.

Climate competition will allow the United States to win twice, thwarting both Chinese coercion and potentially irreversible ecological damage. Negotiating proactively with China cannot curtail climate change; Beijing would impose unacceptable costs while failing to deliver on its end of any bargain. Only a united climate coalition has the potential to bring China to the table for productive negotiations, rather than the extractive ones it currently pursues. And only the bottom line—not moral exhortations—will convince China to mend its ways and seriously cut its emissions. 🌍

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# Practice What You Preach

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## Global Human Rights Leadership Begins at Home

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*John Shattuck and Kathryn Sikkink*

**T**he international standing of the United States has taken a serious hit over the past four years. Former U.S. President Donald Trump's strident "America first" foreign policy is partly to blame, but so are his attacks on democracy and human rights, both internationally and domestically. Abroad, Trump set the cause of human rights back by embracing authoritarians and alienating democratic allies. At home, he launched an assault on the electoral process, encouraged a failed insurrection at the U.S. Capitol, and systematically undermined civil rights protections, leaving his successor to grapple with multiple, overlapping human rights crises. As if that were not enough, a host of other problems await, from the pandemic to increasing competition with China and the overall decline of American power.

Some pundits have argued that faced with this five-alarm fire, President Joe Biden cannot afford to focus on human rights at the expense of more pressing domestic and global matters. In fact, the reverse is true. U.S. soft power and national security have always rested in part on the country's commitment to human rights and democracy. If Washington wants to recover lost ground, it cannot afford to ignore this crucial dimension of American power.

Restoring that commitment, history has shown, will require improvements not just to U.S. foreign policy but also to the country's domestic record on human rights. During the Cold War, racial segregation in the United States outraged leaders from newly decolonized

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countries and stained the United States' global image. But the civil rights movement and the enactment of landmark legislation against discrimination later enhanced U.S. credibility in the eyes of the world. In the 1980s, a Russian dissident lawyer and an Argentine human rights activist separately told us that each had been infuriated by the Vietnam War and the Watergate crisis, only to have their admiration for the United States rekindled as they watched the American political and judicial systems respond to the Nixon administration's abuses of power and violations of civil liberties.

Today, as then, the world is watching the United States' next steps closely. And once again, the country has a moral obligation to build and restore at home the human rights values it seeks to advance abroad, as well as a national security interest in doing so, particularly when geopolitical competition between China and the United States is likely to focus increasingly on competing values, not just economic and military issues. Tackling systemic racism at home, therefore, is not only the right policy ethically; it would also give Washington more authority to speak out against genocide and human rights abuses faced by racial and religious minorities abroad, such as the Uyghurs in China and the Rohingya in Myanmar.

To regain the soft power it has squandered, the United States must first address its own human rights crisis. That means dealing with racialized police violence, unequal opportunity, voter suppression, and the disproportionate impact of the pandemic on minority and disadvantaged communities. Doing so would allow the Biden administration to develop an international human rights agenda that parallels and draws credibility from its program to advance human rights at home. If the United States can practice what it preaches, it will have a renewed opportunity to advance the cause of human rights globally, to the benefit of its interests and in line with its values.

## **THE HOME FRONT**

As citizens of a democratic nation of unprecedented racial, ethnic, religious, and cultural diversity, Americans are bound together not by a common ancestry but by a shared belief in human rights and freedom. Despite deep partisan differences, they tend to take an expansive view of human rights and what it takes to protect them. A 2020 Harvard University survey, led by one of us, John Shattuck, revealed that eight out of ten Americans think that voting, racial equality, equal opportu-

nity, freedom of speech, and privacy are all “essential American rights.” The same goes for health care, education, employment, and clean air and water. But only 20 percent of Americans believe these rights are very secure today—and a majority agree that neither the government nor citizens themselves are doing a good job upholding them. It would be unrealistic to expect that the Biden administration can undo that perception straight away, as a polarized political environment will make structural change difficult to enact. But major improvements in areas such as racial equality, equal opportunity, voting rights, criminal justice, and immigration are both urgent and possible.

Moving forward on racial justice should be a top priority. The survey found that six out of ten Americans agree that “structural racism makes it difficult to get ahead,” and a similar percentage believe that “Black people and some other racial minorities are targets of racism in policing.” To change this, the new administration must broaden federal civil rights laws and apply them aggressively. It should reinstate the “disparate impact” standard, which requires government officials and private companies to prove that their policies and practices do not have racially discriminatory effects. Through an executive order, Biden could also require public and private recipients of federal funds to demonstrate how they will prevent discrimination and guarantee equal access as a condition for receiving that money.

The criminal justice system is rife with racial discrimination at every step, from policing and arrests to bail, sentencing, and incarceration. The United States currently imprisons over two million people—who make up a shocking 22 percent of the global prison population—and 60 percent are people of color. The number one goal in this area must therefore be to reduce mass incarceration. Federal support should go to state and local government programs that emphasize crime prevention, mediation, racial fairness, and police accountability instead of aggressive, military-style policing. Biden reportedly plans to halt federal transfers of military-grade weaponry to local police departments. But his administration should push for sentencing reform, too, and move to eliminate mandatory minimum sentences for marijuana and other drug-possession offenses. It should also expand the First Step Act, a federal law enacted in 2018 with bipartisan support that takes modest steps toward sentencing and prison reform.

Other forms of discrimination should not be left out of the picture. Last year, the Supreme Court ruled that discrimination on the basis of



*Democracy promotion: voting in Washington, D.C., November 2008*

sexual orientation or gender identity is prohibited under the Civil Rights Act of 1964. The Biden administration, in an encouraging move, has already issued an executive order prohibiting any such discrimination by the executive branch and the military and has clarified that laws prohibiting gender discrimination also protect those who identify as LGBTQ.

Even in the absence of outright discrimination, many Americans feel the sting of unequal opportunity and treatment. The disparate impact of the pandemic on racial minorities and disadvantaged populations, for instance, is well documented. As the Biden administration works to control the pandemic and stabilize the economy, it should establish a new social contract to guarantee equal opportunity. An immediately achievable reform agenda would include increased federal support for afterschool and preschool programs, teacher training, and scholarships for low-income students. It would also include health insurance guarantees for frontline health-care workers and other groups disproportionately affected by the pandemic, especially racial minorities and low-income individuals and families. Other items on the agenda should be increased federal spending for low-income housing and federal protection of vulnerable communities from environmental hazards.

Any human rights push in today's United States would be incomplete without voting reform. Trump's spurious attacks on the results of the 2020 presidential election were unanimously rejected as unfounded by more than 80 federal and state judges, many of them appointed or elected by Republicans, and no evidence of voter fraud was found. In the wake of these dangerous attacks, the Biden administration and Congress

should take steps to expand and secure voting rights while fighting state-level efforts to restrict voting access.

That effort should start with universal registration. Voting is both a right and a responsibility of citizens in a democracy, but unlike most other democracies, the United States does not automatically register its citizens to vote. Nineteen states now have auto-

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*U.S. power has always rested in part on the country's commitment to human rights and democracy.*

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matic registration; Congress should require the remaining 31 to adopt the same approach. Forty states had implemented early voting and 34 allowed voting by mail before last year's election, which saw record turnout across party lines. This, too, should be the norm across all 50 states. A particularly large category of citizens currently denied the right to vote are the 5.2 million Americans with felony convictions living in states that disenfranchise people with such records. Legislation to restore their voting rights should be modeled after the laws in the 19 states where people with felony convictions are allowed to vote after they have completed their sentences.

Reforms should also target voter suppression. The Voting Rights Act should be strengthened so that state and local jurisdictions with a record of racial discrimination cannot change their voting rules without prior federal approval. Voter roll purges to remove the deceased or those who have moved must not be used to eliminate eligible voters. To that end, federal legislation should require states to prevent the automatic purging of voters from the rolls and instead adopt transparent procedures with an opportunity for voters to contest purging decisions. Congress should also prohibit partisan gerrymandering, with nonpartisan or bipartisan commissions taking on the task of drawing legislative district lines.

Finally, the Biden administration should return to an immigration policy that is centered on human rights. International and domestic



law obligate the United States to protect the rights and safety of refugees, and the Supreme Court has ruled that migrants seeking to remain in the country have a right to due process under the U.S. Constitution. In sharp contrast to the Trump administration's extreme anti-immigrant policies and practices (which violated both international and domestic refugee law), a majority of Americans in the Harvard survey agreed that "immigrants facing persecution or violence in their home countries have a right to seek asylum in the US" and that "new immigrants are good for the US."

Many of Trump's restrictive immigration policies were promulgated by executive order and can be rescinded the same way—a process that Biden has already begun. An early Biden executive order ended the forced separation of migrant children from their families. Biden also reversed Trump's ban on immigration from primarily Muslim countries and halted construction of the border wall, among other steps. Meanwhile, the Biden administration is proposing legislation to overhaul the U.S. immigration system, develop a pathway to citizenship for millions of qualifying immigrants, and address the root causes of immigration from Central America—although doing all of this while managing the current surge of migrants at the border will be challenging.

## **DAMAGE CONTROL**

Attention to human rights reform at home will boost the United States' international standing, allowing Washington to once again make human rights a central element both in its bilateral relationships and within multilateral institutions and alliances. As on the home front, a rights-centered foreign policy should start by reversing actions that turned the United States from a guardian of human rights into a violator in the eyes of the rest of the world. Trump's embrace of authoritarian leaders, from Russian President Vladimir Putin to Rodrigo Duterte of the Philippines, Viktor Orban of Hungary, and Recep Tayyip Erdogan of Turkey, was particularly damaging. So was his continued, unquestioning support of Saudi Crown Prince Mohammed bin Salman after the murder, ordered by the crown prince himself, of the journalist Jamal Khashoggi, not to mention his backing of Saudi Arabia's military intervention in the brutal civil war in Yemen. In undoing this disastrous legacy, Biden should place special emphasis on the rights of women and LGBTQ people. He has already rescinded the "global gag rule," which blocked U.S. funding for nongovernmental organizations that provide abortion counseling or referrals.

This is not to suggest that Biden should do the opposite of everything his predecessor did. In a few areas, aspects of Trump's policies are worth preserving, minus his counterproductive unilateralism. Venezuela is one such case. The Trump administration spoke out against the destruction of democracy and violations of human rights under the regime of Nicolás Maduro, but by throwing reckless threats of military intervention into the mix, Trump polarized the discussion

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*This is not the first time the United States has had to overcome domestic crises to boost its national security and international standing.*

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and alienated would-be democratic allies in Latin America. The Trump administration was also right to characterize China's severe repression of its Uyghur population as genocide. U.S. Secretary of State Antony Blinken seems intent on continuing that policy but has made clear that, unlike his predecessors, he will work to bring allies onboard. Similarly, the State Department

should maintain the Trump-issued sanctions against military leaders in Myanmar for their massive human rights violations, including genocide, against the Rohingya Muslim minority—and it should work with allies to add new sanctions in response to the killing of more than a hundred civilian protesters since February, when the country's military overthrew its democratically elected government.

Beyond these individual policies, Biden has an opportunity to recover and renew the broader framework on which U.S. human rights advocacy rests. That framework—built through legislation and through administrative efforts in the State Department—sustained heavy damage during Trump's tenure, but it is still in place and ready for use. Among its tools are legislative mandates to make U.S. aid and training conditional on certain human rights practices, sanctions against states and individuals, and annual human rights reports meant to inform U.S. foreign policy. Yet the most important resource the administration has at its disposal is its career diplomats. The Trump administration hollowed out and politicized the State Department. That approach, according to a 2020 report by the former U.S. ambassadors Nicholas Burns, Marc Grossman, and Marcie Ries, has left American diplomats “without the support, funding, training, and leadership they need to represent the American people effectively overseas and in Washington, D.C.” The first step toward re-

storing U.S. diplomatic credibility is therefore to reestablish the primacy of the U.S. Foreign Service and its career diplomats.

Some human rights policy will involve high-profile symbolic moves rather than practical measures. Invitations to foreign leaders to meet with Biden in the Oval Office will send signals about U.S. human rights priorities. Likewise, Biden's plan to host a "global summit for democracy" during his first year in office will have much symbolic weight, so the guest list needs to be planned carefully to exclude officials from what are sometimes called "semi-democracies" or "partly free" countries. Elected leaders who have hollowed out their democracies from within, such as Orban and Erdogan, should not be invited. Their seats should go instead to leaders from the many lesser-known democratic success stories around the world, such as Chile, Costa Rica, and Uruguay in Latin America; South Korea and Taiwan in Asia; Botswana, Ghana, Namibia, and Senegal in Africa; Estonia, Latvia, and Lithuania in Europe; and some small island states in the Pacific.

A new push for human rights may not produce immediate results. The current crop of authoritarians, many of them now well entrenched, is unlikely to be threatened in the short term by a change in U.S. policy. Promoting human rights is a long game, in which the weight of words and facts accumulates over time. To play that game effectively, the State Department needs to use its annual human rights reports to compile comprehensive and objective data and analysis, not to politicize issues (as the Trump administration did, for example, by omitting discussions of violence and discrimination against LGBTQ people, organizations, and activists). More important still, the Biden administration will need to speak with one voice on human rights and democracy. All parts of the State Department need to grasp that human rights commitments and practices are among the main sources of U.S. soft power. When one part of the administration speaks out for human rights while others give mixed signals on repression, foreign leaders grow cynical and indifferent. From the president on down, it must be clear that genuine concern for human rights and democracy is a top priority.

### **PHYSICIAN, HEAL THYSELF**

The Biden administration should be wary of using human rights as a justification for military intervention. No human rights treaty recommends, much less requires, that countries engage in military interven-

tion to enforce human rights abroad. In fact, war is the factor that correlates most closely with human rights violations, and the use of force is risky as a tool to advance human rights. Besides, some past interventions—above all in Iraq—have caused Americans to sour on promoting democracy and human rights through the barrel of a gun.

Instead, the United States should work to gain back lost trust by rededicating itself to the development of international human rights law. Given the current composition of the U.S. Senate, it is unlikely that the United States will soon ratify the international human rights treaties that it has already signed, such as the Convention on the Elimination of All Forms of Discrimination Against Women, the Convention on the Rights of the Child, and the Convention on the Rights of Persons With Disabilities. Nevertheless, the Biden administration should endorse their ratification and try to build bipartisan support for them by appealing to U.S. international credibility and national security. Early Senate ratification of the Rome Statute of the International Criminal Court is even less likely, but the Biden administration must rescind Trump's executive order authorizing sanctions against officials of the court, an order that is currently impeding their work.

At the UN, the United States should rejoin the Human Rights Council, the UN's main forum for political discussions on human rights. Although the council's current members include authoritarian countries and notorious human rights abusers, rejoining and supporting democratic allies is a better option than ceding the floor to China, Russia, Saudi Arabia, and other authoritarian powers that fill the void when the United States is out of the room.

The United States should also reengage with the Inter-American Human Rights System, especially the Inter-American Commission on Human Rights, which works with the Organization of American States. The commission could play an important role in addressing the repression that is a root cause of emigration from Central America and Venezuela. In recent years, however, it has come under attack from left- and right-wing governments alike: Nicaragua and Venezuela have sought to weaken the commission because they reject its criticisms of their human rights records, and the U.S. government cut its funding after nine Republican senators falsely claimed that the commission promoted the legalization of abortion. As a group of former U.S. commissioners to the IACHR argued afterward, cutting funding was "ill-advised as a matter of both law and our bipartisan national commitment to democracy and human rights."

Finally, restoring trust and credibility requires addressing the United States' own most glaring abuses of international human rights. Two moves that would combine symbolic significance and practicality could initiate this restoration. The first is closing the U.S. military prison at Guantánamo Bay, where 40 prisoners accused of terrorism remain, exacting a high reputational and continuing financial cost. Washington cannot speak with a straight face about political prisoners anywhere in the world as long as it continues to hold these men in indefinite detention—and in many cases without trial—after nearly two decades. Prisoners at Guantánamo who have been charged with crimes should be transferred to federal courts, which have a solid record of handling such cases. And those whose crimes cannot be proved should be released.

Second, the United States must establish some accountability for the CIA's use of torture during the "war on terror." Washington has long been concerned about the risk of U.S. officials being prosecuted at the International Criminal Court for the use of torture in Afghanistan. The straightforward way to avoid this is to initiate domestic legal proceedings for these crimes, since the ICC does not prosecute cases for which there has been accountability at the national level. This approach would be far more consistent with American values and law than imposing sanctions on ICC officials for doing their jobs. Before the George W. Bush administration, the United States had long accepted the prohibition on torture and cruel and unusual punishment in both domestic law and its international law commitments. Washington helped draft the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, ratified it, and implemented it through a federal statute that makes torture a felony with a penalty of up to 20 years in prison, or even the death penalty if the torture results in the victim's death. Evidence of such U.S. crimes under the Convention Against Torture and U.S. law has been exhaustively documented in reports by the Senate Intelligence Committee and the Department of Defense, which have identified cases of tortured detainees who died of unnatural causes while in U.S. custody.

The CIA's rendition, detention, and interrogation program did serious harm not only to U.S. credibility on human rights but also to the human rights records of countries that actively collaborated with the United States. A research article co-authored by one of us, Kathryn Sikkink, and Averell Schmidt found that many of the 40 countries that hosted secret U.S. prisons and helped the CIA abduct and inter-

rogate individuals later saw an increase in core human rights violations relative to countries not involved in the program. Despite this disastrous impact, the United States to this day has not permitted a full, independent investigation of its use of torture, and no high-level officials have been held accountable. If Washington is to set an example for the world, this accountability gap needs to be closed. As a first step, the Biden administration should immediately declassify and release the full report by the Senate Intelligence Committee, which contains much more detail than the unclassified summary.

### **BACK TO THE FUTURE**

Early signals from Washington are positive. A cascade of executive orders and legislative proposals on COVID-19 relief, health-care reform, racial equity, equal opportunity, women's rights, criminal justice reform, and immigration reform indicates that addressing the human rights crisis at home will be one of the new administration's top priorities as it works to end the pandemic and rebuild the economy. The massive \$1.9 trillion COVID relief package enacted in March is a major step toward promoting equal opportunity and fair treatment in the United States.

The breadth of the work that still lies ahead may seem overwhelming, and the challenges too numerous. But this is not the first time the United States has had to overcome domestic crises to boost its national security and international standing. More often than not, it has emerged victorious. In fact, the country's human rights history reveals a pattern of deep crisis followed by ambitious reform—from the abolition of slavery and the enfranchisement of Black men after the Civil War to the introduction of voting rights for women after World War I, the expansion of economic rights on the heels of the Great Depression, and the legislative push for racial equality sparked by the civil rights movement. If Americans today can bridge their political differences through a shared belief in their rights and responsibilities, they can bring about yet another period of transformation, in which the United States reimagines human rights as the values that define and secure its place in the world. 🌐

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# The Singular Chancellor

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## The Merkel Model and Its Limits

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*Constanze Stelzenmüller*

**Y**ears ago, at the Munich Security Conference, I found myself squeezed in on the steps of the grand staircase of a hotel ballroom, trying, dutifully but vainly, to follow a more than usually humdrum speech by Germany's first female chancellor. Tuning out, I recognized the one-star general hunkered down beside me, a senior staffer in the chancellery. I tapped his sleeve and said, "So what's it like to work for her?" He turned to me and grinned appreciatively. "It's like working next to a nuclear power plant. It just runs, and runs, and runs."

And how it ran. Angela Merkel is now in the final months of her fourth term in office, her last, which is set to end with national elections on September 26. Only Helmut Kohl, the chancellor who oversaw the joining of East and West Germany in 1990, held office for longer. A Pew poll last year showed Merkel to be the world's most trusted leader. *Forbes* magazine has ranked her the world's most powerful woman for ten years in a row. In 2009, the toy company Mattel even created an Angela Merkel Barbie doll. For a while, some U.S. and British commentators, dismayed by their own leaders, even took to calling her "the leader of the free world" (a title the chancellor is said to detest).

Yet at the same time, Merkel's opacity and technocratic prudence have frustrated and often infuriated those who wanted Germany to articulate a clearer vision of its role in a liberal world order, to take on greater responsibility for defending and shaping that order—or just to acknowledge and mitigate the impact of the country's decisions on its neighbors and allies. And although the 66-year-old conservative remains her country's best-liked politician, public approval

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of her government has dipped sharply as frustration with its hap-hazard pandemic management has grown.

The looming end of the Merkel era thus raises questions that should hold important lessons—not least for those who are currently seeking to succeed her. Just what was her recipe for power, and is it replicable? Has her tenure made Germany, its neighbors, and its allies better off? And has she prepared her country for the future?

### **MERKEL'S METHOD**

At the beginning of her career, nothing would have seemed less plausible than that Merkel would become Germany's eighth chancellor, the successor to a line of hard-drinking, smoking, womanizing, and generally scenery-chewing Big Men of West German politics. When the Berlin Wall came down, in 1989, Merkel was a divorced 35-year-old quantum chemist working at an academic research institute in East Berlin. She had just joined the Christian Democratic Union (CDU), when she was picked by Kohl for the most patronizing job in the chancellor's first post-reunification cabinet: minister for women and youth. She was as unmemorable there as she was in her next job, minister for the environment. Kohl, busy burnishing his legacy and weeding out rivals, referred to her as "*das Mädchen*" ("that girl").

But when Kohl found himself embroiled in a party financing scandal in 1999, it was Merkel, and not one of the half-dozen young conservatives circling the old man, who felled him with a piece on the front page of *Frankfurter Allgemeine Zeitung*, Germany's conservative daily, that called for his resignation as honorary chair of the party. This audacious patricide led to her election as head of the party. Six years later, in 2005, she became the first East German, and the first woman, to be elected chancellor.

Since then, Merkel has weathered a punishing series of domestic and external upheavals, including the 2008 financial crisis and the ensuing eurozone meltdown, Russia's 2014 annexation of Crimea and invasion of Ukraine, the 2015 refugee crisis, the subsequent meteoric rise of the far-right party Alternative for Germany, and now the COVID-19 pandemic. She has been in power longer than any of her peers in the major industrialized countries, with the sole exception of Vladimir Putin. This has enabled her to broker countless compromises at EU, G-7, and G-20 summits, as well as to hold together four coalition governments at home (three with the center-





*Her way: Merkel in Berlin, March 2021*

left Social Democrats and one with the pro-business Free Democrats). She has outmaneuvered authoritarian leaders, allies, coalition partners, and party frenemies. When necessary, she has plowed through illness, exhaustion, and even a pelvic fracture, suffered while cross-country skiing in Switzerland.

Yet outwardly, the most striking thing about the chancellor remains her determined normalcy. Merkel's clear, light voice carries the unhurried intonation of the pine-forested, sandy-soiled Brandenburg countryside northwest of Berlin, where her father was a Lutheran parson. Her working uniform consists of sensible flats, black pants, and an endless supply of hip-length jackets in every color. The chancellor and her husband, a retired chemistry professor, live in their old Berlin apartment rather than the official residence; the only visible security is a police officer in front of the building. To the approval of Berliners, Merkel is sometimes seen walking in the city center or shopping in a supermarket, trailed by her bodyguards.

Arguably, Merkel's unpretentiousness is itself a calculated expression of power. One German described her to me as a walking force field: "In conversation, you know you're being subjected to a quiet, all-encompassing scrutiny, all the time." Another person remembers

a meeting Merkel had with then U.S. Vice President Joe Biden in Berlin in 2013. The chancellor waved away his attempts to charm her and pursued her agenda points until she was satisfied that she had nailed down what she needed to know. Then she canceled her next appointment to continue the conversation. “He ended up telling her about looking into the Russian president’s eyes and saying, ‘I can look into your soul, and I don’t like it,’ which she countered with an absolutely spot-on impression of Putin.”

Merkel’s work ethic is as legendary as her wicked sense of humor, her command of her briefs, and her appetite for information and arguments. An American who witnessed some of her phone conversations with U.S. President Barack Obama told me that “they sounded like a graduate seminar.” Her ministers fear her ferociously retentive memory for the details of their portfolios—including the particulars of complex technical and scientific issues, such as trade, digital technology, and, lately, the pandemic. But what really makes Merkel stand out from her peers is her ability to hold on to power against all odds.

One of the most distinctive features of her method is her anti-oratorical speaking style, which anesthetizes commentators and diplomats alike. She can deliver devastating zingers in a parliamentary debate or an interview when she wants to. When a talk-show host once portentously asked her what qualities she associated with Germany, Merkel dryly answered, “Well-sealed windows.” But her default delivery mode is what Germans now call *merkeln*: so deadpan and convoluted that it’s impossible to pin her down. Behind the style, however, is what German strategists have called “asymmetric demobilization”: dull the issues, depoliticize conflicts, and thus keep the opponent’s voters from going to the polls. This approach has enabled Merkel to modernize her conservative party, dragging it into the political center, pushing her Social Democratic and Free Democratic coalition partners to the sidelines, and co-opting elements of their platforms, such as tax benefits for parents or a statutory minimum wage.

A second key aspect of the way Merkel manages power is that she devolves responsibility but tightly limits trust. The chancellor’s innermost circle consists of a very small team of loyalists with whom she has worked for years (in some cases decades) and in whose discretion and discipline she can place absolute confidence. Everyone else, from cabinet members to party functionaries, is kept on a long leash. Success is rewarded with approval and credit. But those who trip or

entangle themselves either come to heel with a newly sober understanding of their options or suddenly discover life outside politics.

The third element of the Merkel method is assiduously gauging and responding to her base's mood. She first nailed her national leadership ambitions to the mast with a flaming liberal economic reformist speech at a party convention in 2003. When it became clear that this was too much change for the delegates and might cost her the chancellorship, she backtracked swiftly, dropping old party allies. A few years ago, *Der Spiegel* disclosed that her chancellery was commissioning, on average, three surveys a week. Her two most daring choices—deciding to decommission Germany's nuclear power plants within a decade after the 2011 Fukushima nuclear disaster and refusing in 2015 to close Germany's borders to one million mainly Middle Eastern refugees—were fully supported by polling.

Merkel has twice sailed against the political winds. During the 2008 financial crisis, surveys showed that Germans were strictly against bailouts for EU member states. But she steadfastly opposed her party and public opinion by pushing through the rescue packages and insisting that Greece stay in the eurozone. The refugee decision, for its part, became controversial, and led to the rise of the far right. In 2015, Fiona Hill, a colleague of mine at the Brookings Institution, asked about the decision in a conversation with former Dutch Prime Minister Ruud Lubbers, who had known the chancellor through European Christian democratic circles since her earliest days in politics. Lubbers predicted that Merkel would stand her ground despite the backlash; for the steadfast Lutheran, he said, this was "a matter of deep moral conviction."

Merkel's interpreters have labored heroically to reconcile these paradoxes. The simple truth is that Merkel the level-headed empiricist has little patience for visions when there are problems to be solved. She has whipsawed on her principles for the sake of power, but she has also been willing to pay a price for standing up for her deepest convictions. Few of her peers have been able to accumulate so much political capital. Yet even her admirers concede that although she has been exquisitely adroit at riding out the currents of politics, she has been far too reluctant to shape them.

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*What really makes Merkel stand out from her peers is her ability to hold on to power against all odds.*

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### AN AMBIVALENT LEGACY

With Germany's election drawing closer, what has become of all that political capital? What will Merkel's legacy be—and will she deserve to be called a great chancellor?

Three of Germany's eight postwar chancellors deserve that title. Konrad Adenauer's claim to greatness was *Westbindung*—anchoring the young West German republic in the transatlantic alliance by joining NATO and reconciling with France and Israel. Willy Brandt's enduring legacy was *Ostpolitik*: asking forgiveness from Eastern Europe, falling to his knees in the Warsaw ghetto, and seeking détente with the Soviet Union. Helmut Kohl steered the two Germanies to reunification and gave up the deutsche mark for the sake of a common currency, the euro, rooting the reunified country in an enlarging EU.

Merkel unquestionably transformed Germany's post-Cold War politics, liberalized her party, presided over an extraordinary expansion of German economic and political power in Europe, and did much to defend the European political project. And yet her claims to greatness are inconclusive, perhaps because so many of the significant achievements of her tenure have come with a darker underside.

Prior to the COVID-19 pandemic, the Merkel era saw Germany's economy roar back from a deep malaise to become the world's fourth largest, with sharply rising living standards, near-full employment, and historic government budget surpluses. Her economic policies were notably business-friendly, but they failed to push for urgently required technological adaptation in key industries or the modernization of physical and digital infrastructure. A series of scandals—from the car industry's manipulation of emission data (“Dieselgate”) to the fraudulent insolvency of the payment processor Wirecard—have revealed a deeply flawed corporate culture and a resistance to accountability and oversight. This makes the German economy highly vulnerable to illicit financial flows, a favorite tool of organized crime, extremists, and authoritarian adversaries.

Merkel made an early bid for the title of “climate chancellor” with her strong advocacy of progressive global climate policies. But her domestic climate policies have become embroiled in the many contradictions of her energy policy: her swerve away from nuclear power in 2011 only intensified Germany's dependence on coal, and despite spending a fortune on subsidies for renewables, the country has had trouble meeting its international emission targets.

Merkel's record on Europe is even more complicated. Southern European countries resented the austerity policies imposed from Berlin during the eurozone crisis and blamed them for the rise of populists in Athens and Rome; in contrast, some frugal northern European and Baltic countries were demanding that Greece be thrown out of the eurozone in the wake of its debt crisis. Eastern Europeans were angry at her for welcoming refugees and refused to participate in an EU-wide resettlement system. Liberals across the continent have accused her of turning a blind eye to democratic backsliding in Poland and full-blown authoritarianism in Hungary. A succession of British prime ministers, from David Cameron to Boris Johnson, have been dismayed by Merkel's polite refusal to pay any price to stop them from divorcing the EU. French President Emmanuel Macron was keenly disappointed to find her unimpressed by his grand ideas for deeper European integration.

Yet on many occasions, Merkel has quietly and patiently bridged deep European divides. She fought against a no-deal Brexit. Her move to support the EU's \$826 billion pandemic recovery fund in May 2020 by allowing the bloc to raise common debt in capital markets for the first time—an option fiercely resisted by her party for decades—very likely prevented a disintegration of the union.

Merkel's decision not to close Germany's borders to a huge wave of refugees in 2015—"We can do it," she famously explained—was an act of humanism. But it was not that alone. At the time, it was the only responsible thing to do, because it took huge pressure off smaller European neighbors and the Balkan countries, where the refugees had first arrived. Most of those who stayed in Germany have by now integrated successfully into society, replenishing a workforce that has been clamoring for new labor.

Nevertheless, the domestic and external costs were immense. German cities and states struggled to cope with the influx for months, and citizens felt that the government was asking them to take on too much responsibility for helping the newcomers. Germany's neighbors objected that Merkel's decision had created an enormous incentive for additional migration. It took a tawdry multibillion-euro deal

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*Merkel's decision not to close Germany's borders to a huge wave of refugees was an act of humanism. But it was not that alone.*

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with Turkish President Recep Tayyip Erdogan to stop the flow by keeping migrants in Turkey; and indeed, Germany ended up *de facto* closing its borders to refugees.

Worst of all, the crisis fueled ethnonationalist movements across Europe. In Germany, it turned the Alternative for Germany from a small Euroskeptical party into a raging far-right, xenophobic force that entered the national legislature and became leader of the opposition in a mere four years. Rebellion was rife in the CDU, and Merkel was never closer to losing her job. She won reelection in 2017 with her party's worst postwar result (33 percent of the popular vote), and she had to negotiate for an unprecedented five months to form a government.

Charting Germany's shifting relations with the great powers has been Merkel's most vexatious challenge of all. As a European middle power that shares a continent with and imports energy from Russia, depends for exports on China (Germany's biggest trading partner outside the EU), and relies on the United States for its security umbrella, Germany has limited strategic options. Historically, this has been reflected in a deeply ingrained instinct to balance allies and adversaries alike, and Merkel has been no exception to this tradition.

Indeed, a decade ago, Berlin saw Moscow and Beijing as strategic partners in what it hoped would become a two-way bargain: Germany would help them transform not just their economies but also their political systems. This made for roaring business. The Ost-Ausschuss, Germany's chief lobbying association for companies doing business in Russia, was a powerful player in trade policy. So many German CEOs wanted to join the chancellor's annual trips to China that sometimes three planes were required for the entire delegation. (Merkel would also make sure to meet with Chinese and Russian dissidents at the German embassy, and she received the Dalai Lama in Berlin in 2007.) Today, however, a revisionist Russia and a rising China are playing offense as strategic competitors to the West, not just in their own "near abroads," and in the Middle East and Africa, but also within Europe's—and Germany's—physical and digital borders.

Russia's annexation of Crimea, its ongoing proxy war in Ukraine, its disinformation and propaganda operations in German social media, the 2015 hack of the Bundestag servers, the 2019 murder of a Chechen political refugee in Berlin, the 2020 attempted murder of the Russian opposition politician Alexei Navalny, and Moscow's support for the brutal crackdowns on mass demonstrations in Belarus—all these

developments have led the German political class to make a bleak reassessment of the relationship with Moscow. Merkel has sharply condemned the Kremlin for the assassination attempt against Navalny and had him brought to Berlin for treatment, and she has backed new EU sanctions against senior Russians in response. Yet she has refused—despite massive pressure from the Trump and Biden administrations—to wield the biggest stick in her arsenal and suspend the Gazprom pipeline project Nord Stream 2, which is intended to bring Russian natural gas to Germany, circumventing Ukrainian and Polish transit routes.

Similarly, China's ruthless authoritarianism under President Xi Jinping, persecution of the Uyghurs and of activists, drive for regional hegemony, crackdown on Hong Kong, threats toward Taiwan, and confrontational diplomacy in Europe have also hardened attitudes in Berlin. Owing to cybersecurity concerns, the German government is planning new restrictions on telecommunications providers that would effectively bar the Chinese company Huawei from the country's 5G network. In September 2020, China's foreign minister, Wang Yi, got an unusual public scolding in Berlin from his host and German counterpart, Heiko Maas, who told him, "We offer our international partners respect, and we expect the exact same from them." Growing numbers of representatives in the Bundestag have demanded a tougher line on China. Yet when Germany held the rotating EU presidency in the second half of 2020, Merkel pushed through a Chinese-EU investment agreement despite loud concern on both sides of the Atlantic.

Nothing, however, has been quite as excruciating for Merkel as having to deal with a hostile United States under President Donald Trump. As a young woman in East Germany, she dreamed of traveling to America; in 1993, she spent four weeks touring California with the man who would become her second husband. As chancellor, she became a dedicated transatlanticist, even defending President George W. Bush's war in Iraq. Obama appeared to her to be a lightweight at first, but she grew genuinely close to him; it was Obama who urged her to run for a fourth term because of the risk to Europe from Trump. Trump turned out to harbor a relentless animosity to-

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*Nothing has been quite as excruciating for Merkel as having to deal with a hostile United States under President Donald Trump.*

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ward the EU, Germany, and the chancellor. In May 2017, after Trump's first appearance at a G-7 summit, Merkel told a campaign audience in a Bavarian beer tent, "The era in which we could fully rely on others is over to some extent."

Merkel welcomed Biden's election with warmth (and palpable relief). Her defense minister, Annegret Kramp-Karrenbauer, who shares her views on the importance of the alliance with the United States, keeps pushing for greater defense spending and a more forward-leaning German military posture. But it is also true that Germany's security capabilities have been woefully underfunded for far too long. Like Merkel's dithering over standing up to Moscow and Beijing, German military weakness has undercut the security of Europe and NATO.

### **UNDERPREPARED**

The darkening geopolitical landscape and the menace of the extreme right appear to have unleashed something in Merkel. According to a *Der Spiegel* story, she spoke to her party's parliamentary group in 2018 about the bloody wars of religion that followed the Reformation. The ensuing more than six decades of peace, Merkel said, lulled Europeans into a false sense of security, making them unprepared for what came next: the Thirty Years' War (1618–48), which killed up to a third of the population in some parts of German lands. To reinforce the message, she added, "More than 70 years have also passed since the end of World War II."

When the pandemic began, Merkel was one of the first leaders to grasp that it could become a modern-day version of these early catastrophes. On March 18, 2020, the chancellor told a stunned nation in a televised address: "This is serious. You should take it seriously, too. Since German unification—no, since World War II—there has been no challenge like this one, where our common solidarity matters so much." At first, it seemed as though her country had heeded her; in the spring and summer, German policymakers acted swiftly, decisively, and in unison. While the virus raged elsewhere, caseloads in Germany stayed low, and the country began to reopen. Germany—and Merkel—was being hailed as a shining example of leadership.

But now it appears that Merkel the scientist, crisis manager, and compromise broker is facing her greatest failure at home. Warnings (including hers) of a second pandemic wave were ignored. The result was a horrific winter spike; as of March 2021, the national death toll



exceeded 70,000. The wealthy, well-ordered Germany that took on the task of integrating one million refugees in 2015 is now struggling to deliver tests and vaccines.

There are many causes for this chaos. Health policy is the business of Germany's 16 states. In a parliamentary system, the chancellor does not have a veto over policies that are state prerogatives; all she can do is persuade. In a year with six regional votes besides the national vote in September, politicians deprived of most of the options of normal retail politics are busy competing with one another as the protectors of their constituents' special interests. The country's health administration is overregulated and underorganized—a fact made all the more ironic by the fact that one internationally successful vaccine, Pfizer-BioNTech's, was co-developed by German scientists of Turkish origin.

Even Germany's friends would add that the country's internal political debates can display a complacency that seems disconcertingly at odds with its current challenges and vulnerability. They are not reassured by the fact that only months ahead of the national vote, the question of who could be Germany's next chancellor remains wide open.

Opinion surveys still suggest that the likeliest next German government will be led by a conservative chancellor, with the Greens as junior coalition partners. But a recent slump in the fortunes of Merkel's CDU does not bode well for its chances in September. Her chosen political heir, Kramp-Karrenbauer, resigned as party leader after only a year. The new party leader, Armin Laschet, the premier of Germany's most populous state, North Rhine–Westphalia, has put in a lackluster performance. In mid-March, the CDU suffered its worst-ever defeats in two bellwether regional elections. The country's febrile and angry political mood has been exacerbated by revelations that several conservative legislators profited from corrupt deals to procure face masks.

So far, none of this seems to have given the far right, paralyzed by infighting and the threat of observation by the domestic intelligence service, the boost it yearns for. But Laschet may yet find himself elbowed aside by Markus Söder, the Bavarian premier and leader of the CDU's local sister party, the Christian Social Union. Some are even speculating about the possibility in the fall of a center-left coalition of the Social Democrats, the Free Democrats, and the Greens—a “traffic light coalition,” so called for the parties' colors—with the CDU in opposition.

Merkel, meanwhile, seems increasingly frustrated and depleted, her endless patience eroded, her legendary negotiating energy

spent. Germans may someday come to appreciate that Merkel was singularly lacking in the character flaws of her three great predecessors, Adenauer, Brandt, and Kohl, each of whom left office under a shadow and against his will. Her integrity and dedication are beyond question—and she will be the first of Germany’s heads of government to relinquish power of her own accord. Nonetheless, and despite her considerable achievements, the ultimate responsibility for the state of the country, and its relations with its allies and adversaries, lies with the chancellor.

As Germany ponders whom to elect as her successor, it might heed a lesson from the 2011 Fukushima disaster. In the aftermath of the earthquake and tsunami that led to the world’s worst nuclear power accident since Chernobyl, it became clear that studies about the vulnerability of the plant’s architecture had been ignored. In other words, disaster might, with proper planning and action, have been averted or mitigated. Modern democracies, too, face a future of increasing crises and upheavals. Germany’s current state is an object lesson in the dangers of failing to prepare for and protect oneself, one’s neighbors, and one’s allies against the next disruption. 🌐

# REVIEWS & RESPONSES

*It isn't just illiberal leaders who can be blamed for democratic backsliding; they are aided by supportive publics.*  
— Pippa Norris



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# Voters Against Democracy

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## The Roots of Autocratic Resurgence

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*Pippa Norris*

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*Backsliding: Democratic Regress in the Contemporary World*

BY STEPHAN HAGGARD AND ROBERT KAUFMAN. Cambridge University Press, 2021, 102 pp.

**A**t the heart of his inaugural address, delivered just two weeks after a violent mob sacked the U.S. Capitol, President Joe Biden claimed that the transfer of power reflected American democracy's victory over the forces of insurrection, chaos, and intolerance. "At this hour, my friends, democracy has prevailed," he said in a speech that used the term "democracy" more than any of his predecessors' inaugural addresses. A month later, he revisited the theme at the Munich Security Conference, where he repudiated the "America first" policies of former President Donald Trump and committed to protecting human rights around the world. "Democracy doesn't happen by accident," he said. "We have to defend it, fight for it, strengthen it, renew it." And in the contest between

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authoritarianism and democracy, the United States was, after a brief hiatus, again on the right side of history. "America is back," Biden claimed.

But it's hard to be so optimistic about liberal democracy. The world has moved on from the heady days of the so-called third wave of democratization, which started in Greece, Portugal, and Spain in the 1970s, spread through Latin America in the 1980s, and accelerated in eastern Europe in the 1990s after the fall of the Soviet Union. Nowadays, the news is much grimmer. The Arab Spring ended in renewed repression in Egypt and Syria. During the last decade, Russian President Vladimir Putin and Chinese President Xi Jinping have tightened their grip on power. Massive street protests in Belarus, Hong Kong, Myanmar, and Russia have been met with violent repression. Illiberalism is rising in Brazil under President Jair Bolsonaro, in Hungary under Prime Minister Viktor Orban, and in the Philippines under President Rodrigo Duterte. Even in long-standing liberal democracies, including the United States, authoritarian populist leaders have risen to power.

In their new book, *Backsliding*, Stephan Haggard and Robert Kaufman aim to explain today's democratic regress. Their study makes a stimulating contribution to the growing work on backsliding, seeking to identify leading cases around the world and describe their causes. Haggard and Kaufman emphasize the role played by governing elites, arguing that backsliding commonly occurs when leaders gradually dismantle checks and balances with the complicity of legislative elites. In so doing, however, the authors

underestimate the role of broader shifts in the electorate and the failure of political institutions. It isn't just illiberal leaders who can be blamed for backsliding; they are aided by supportive publics and flawed institutions.

### **DEMOCRACIES IN DISARRAY**

Haggard and Kaufman compare 16 diverse cases of democratic backsliding, including Brazil, Greece, Nicaragua, Russia, and the United States. They selected states that had at least eight consecutive years of electoral democracy from 1974 to 2019 and a statistically significant decline in liberal democracy, as measured by data collected by the Varieties of Democracy project. The authors define backsliding precisely but narrowly. It most commonly occurs, they say, when autocrats who have been voted into executive office gradually undermine electoral integrity, curtail political rights and civil liberties, and erode horizontal checks on their power. Thus, cases in which democracies collapsed for other reasons, such as a military coup, a civil war, or a foreign military intervention, are excluded from the study, since these are less common today.

The authors sketch out a particular pathway for backsliding. First, autocrats exploit political polarization to win executive office. They heighten tensions over cultural issues, making rhetorical appeals that emphasize us-versus-them divisions between the “real people” and foreigners, immigrants, and racial, ethnic, or religious minorities, as well as powerful elites and political opponents. Then, to expand their powers, these leaders incrementally assault core democratic institutions, especially by

undermining free and fair elections and independent legislatures. Partisans holding elected office are complicit, failing to curb the leaders' attacks on the rule of law or their manipulations of electoral rules. This process, Haggard and Kaufman claim, disorients the public, who cannot see the damage to democracy until it is too late.

In Hungary, for example, the authors date backsliding back to 2010, when Orbán's party, Fidesz, won a landslide victory. Soon after taking office, Orbán revised the constitution and electoral law, which allowed him to consolidate his power in elections held in 2014 and 2018. Orbán encroached on the news media's independence, restricted the judiciary, and limited political rights and civil liberties—all the while stoking resentment against migrants. Orbán claimed that he and he alone reflected “true” democracy, responding to the will of the public by defending Hungary against the EU and what he viewed as its lax policy on immigration.

In the United States, Trump won the White House by exploiting party polarization over cultural values. Once in office, he deepened partisan divisions in Congress and among the electorate. He worsened us-versus-them rifts on a range of issues, such as immigration, race, religion, and nationalism. Trump also eroded Republican trust in the legitimate authority of democratic institutions that counterbalance the executive. He regularly attacked the media and complained about the judiciary. He largely bypassed Congress, governing instead through Twitter attacks, executive orders, and the appointment of officials in “acting” roles not confirmed by the Senate. He

also sowed mistrust of elections, culminating in the brazen attack by his supporters on the Capitol. Perhaps more disturbing, far from retreating to a quiet retirement in Mar-a-Lago, Trump signaled in a February speech at the Conservative Political Action Conference that he intends to continue to lead the GOP. He lambasted Biden's record, attacked the congressional Republicans who supported his impeachment, and hinted that he may even run for president again in 2024.

Yet this raises a question: Does the theory presented in *Backsliding* reflect a rationalization of the Orban and Trump cases, or can it indeed explain democratic decline elsewhere in the world? The Hungarian and American stories encapsulate Haggard and Kaufman's theory. Yet there's reason to doubt whether that narrative, focused as it is on supply-side factors, can provide a comprehensive explanation of democratic decline elsewhere in the world. The role of leaders may indeed be important, but if so, it is unclear why a series of leaders sharing similar illiberal values and practices should emerge during the last decade in so many diverse countries around the world. Is this just coincidence? Some contagion effects may be expected; hence, Trump's ascension through illiberal tactics may have emboldened others—such as Bolsonaro, elected in 2018—to follow a similar playbook. But most of the illiberal leaders in *Backsliding* rose to power many years before Trump, so the timing suggests that something else is at work.

The authors are careful to qualify their claims, acknowledging the high diversity in their cases. For instance, they suggest that party polarization

grew before autocrats came to power in Greece, Hungary, and Poland, but not in Nicaragua, Russia, and Turkey. In Bolivia and Zambia, the old party system broke down and new contenders filled the vacuum, whereas in Turkey and the United States, an existing party became more extreme. Immigration sharply divided several countries in Europe, but in different ways. Some, such as Greece and Turkey, were directly affected by the flood of migrants from Afghanistan and Syria that began around 2014, whereas others, such as Hungary and Poland, absorbed fewer refugees. Certain backsliders, notably Russia, also faced economic crises, whereas others, such as Poland, experienced strong economic growth before slipping. In other words, it's complicated.

#### **SUPPLY AND DEMAND**

One limitation of the book is that Haggard and Kaufman rely on just 16 cases. Had they included more, they could have overcome tricky analytic issues, giving their study more power and thus a greater ability to generalize across time and space. At the same time, the short volume contains too many dissimilar countries to allow for detailed historical case studies of backsliding. Another limitation is that the authors stretch the concept of certain key terms to fit their cases. They apply the label "autocrat" to leaders in their cases of backsliding, but this is a circular explanation. Some of their measurements are suspect, too. To gauge polarization, they rely on online surveys of experts who estimate the degree of societal polarization and the extent of antigovernment social movements. But these are vague and impres-

sionistic measurements that are as likely to be colored by the outcome being studied—backsliding—as they are to represent an objective prior condition.

An even bigger problem is that the authors treat polarization as exogenous, rather than explaining the roots of these divisions in economic or cultural cleavages in the electorate. Their explanation reflects a supply-side approach, which focuses on how illiberal leaders contribute to backsliding. Haggard and Kaufman give primacy to the capacity of illiberal leaders to corrupt democratic norms and the acquiescence of legislative elites in this process. In their words, “Backsliding . . . is ultimately the result of the actions of autocrats who gain executive office and control over the legislature.” The book essentially reflects a “great man” theory of history—tempting, given the amount of attention paid to Orban, Putin, Trump, and their ilk.

By contrast, Haggard and Kaufman treat demand-side factors, the forces that allow illiberal leaders to rise, as secondary. They assume a limited role for the public: voters provide a market for illiberal political appeals, sending illiberal leaders into office, but then are seen as passively accepting the consequences. At that point, the autocratic leaders are thought to take over, duping ordinary citizens into gradually giving up their democratic rights and freedoms, especially when the leaders control the flow of information. Haggard and Kaufman assume that ordinary citizens are committed to liberal democracy but disengaged, allowing power-hungry elites to corrupt the process. The theory thereby echoes populist notions that elites are deeply

corrupt and legitimate authority lies with the virtuous people. Just as a fish rots from the head, the argument runs, so democracy collapses under pressure from the top.

Yet this theory does not allow that large swaths of the public may hold authoritarian values. Sometimes, people really do want leaders who prioritize order and security from outside threats, adhere to traditional norms, and promise to defend the tribe. That is why hate groups and extremists have risen across Europe and why Trump’s supporters managed to take over the Republican Party.

An alternative account emphasizes demand-side forces, as well as institutional factors. Illiberal leaders usually arise where there are deep social divisions combined with winner-take-all majoritarian institutions that fail to reflect minority views. From this viewpoint, loosely derived from the classic work of the political scientist Arend Lijphart, leaders are the product, as much as the driver, of the mismatch between social cleavages and political institutions. As Lijphart has argued, homogeneous societies with few major cleavages—such as the United Kingdom in the 1950s and 1960s—can sustain flourishing liberal democracies despite majoritarian rules. But in states riven by deep cultural or social divisions, he warned, democratic instability and conflict arise when leaders attempt to govern through majoritarian institutions, including winner-take-all elections for legislative and executive office.

#### **DIVIDED WE FALL**

The United States exemplifies the problem well. Since the 1980s, societal polarization has grown between liberals

and conservatives over such issues as racial justice, immigration, abortion, and gay rights, with growing progressive values among the left catalyzing a cultural backlash on the right. Meanwhile, the country's majoritarian institutions have become more dysfunctional. The Senate vastly overrepresents rural states. Gerrymandered districts, primaries, and winner-take-all elections provide incentives for candidates to appeal mainly to the party faithful. The Electoral College allows candidates to win the White House with less than 50 percent of the popular vote. Partisan polarization plus outdated institutions is a fatal combination. It undermines social tolerance, bipartisan cooperation, and democratic norms. Republican legislators—in thrall to a white, rural base that feels threatened by demographic and ideological shifts—remain powerful enough to seek to bend the rules in their favor. Since the 2020 election, 33 state legislatures have introduced more than 250 bills to make voting less convenient, restrict voter registration, and purge electoral rolls, all attempts to suppress voting rights among communities of color.

The same pattern has repeated itself elsewhere. In the United Kingdom, the battle over Brexit revealed bitter divisions between the Leave and the Remain camps. In Hungary, Orbán's government used the issue of migration to stoke xenophobic fears and challenge the EU, even though the country has relatively few immigrants. In France, debates over the role of Islam and French identity have fueled support for the far-right party the National Rally. Hindu nationalism in India has exacerbated mob violence against Muslim minorities and

led the Parliament to pass a citizenship law that discriminates against Muslims. In each case, the tensions cannot be resolved through compromise; instead, majoritarian electoral institutions empower authoritarian populist leaders to threaten minority rights.

Such divisions do not account for every case of backsliding. The regression in Venezuela is probably best explained by the lasting influence of Hugo Chávez, Ukraine's slippage is partly a product of Russian interference, and Egypt and Myanmar have their powerful militaries to blame. But generally speaking, the countries at the highest risk of backsliding are those where societies and parties are polarized over liberal-conservative cultural values and where the institutions do not accommodate these rifts.

What can be done? Cultural polarization is extremely difficult to overcome, particularly in the short term. The most effective strategy for reform is to strengthen liberal democratic institutions and thereby increase the incentives for politicians to follow democratic norms. Of course, the dilemma is that in many places, the authoritarian populists have already taken power and can use it to veto democratic reforms. In this regard, the prospects for reform do not seem rosy. 🌍



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# A Prison Called Tibet

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How China Controls Its  
Restive Regions

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*Howard W. French*

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*Eat the Buddha: Life and Death in a  
Tibetan Town*

BY BARBARA DEMICK. Random  
House, 2020, 352 pp.

**I**n the early twentieth century, during a period when Tibet was effectively self-governed, it was known as “the hermit kingdom.” This moniker reflected the general remoteness of the place, reinforced by the altitude of its habitable plateaus, the forbidding mountain ranges (including the Himalayas) that hem Tibet in, and the supposedly insular character of its people, whose abiding wish, it was said, was to be left alone.

In more recent times, Tibet’s isolation has been shaped by altogether different forces, some of which have reduced it and some of which have heightened it. After the Chinese Communist Party emerged victorious from the Chinese Civil War, in 1949, among its earliest priorities was placing Tibet under Beijing’s control and integrating the mountainous region into the country. This was achieved at

gunpoint, after the senior CCP leader, Deng Xiaoping, and other commanders led thousands of People’s Liberation Army troops into Tibet to establish Chinese authority. Tibet’s traditional leaders bridled at the encroachment and at the violation of Beijing’s earlier promises of autonomy, and in 1959, the most important of them, the Buddhist monk known as the Dalai Lama, fled overland into exile in India, where he has remained ever since. Since then, in its approach to Tibet, China has oscillated between periods of oppression and stretches of relative tolerance. But the forced marriage has never been a happy or stable one.

By the early years of this century, Beijing was working hard to roll out impressive modern infrastructure in Tibet, including rail lines that passed over large stretches of delicate permafrost at three miles of elevation. The trains they carried were meant to facilitate a mass migration to Tibet of members of the Han Chinese majority from elsewhere in the country, reflecting the CCP’s belief that a Tibet whose cities and towns were populated in large part by non-Tibetans would be easier to control.

At the same time, the CCP had begun making it nearly impossible for international journalists and independent researchers to freely enter the territory. Even ordinary foreign tourists required special permits. This, one could only surmise, was meant to conceal an accelerating project to bring the area more firmly to heel and impose on it political conformity and obedience—or “modernization” and “harmony,” in the official language of Beijing—whether the Tibetans liked it or not.

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Many did not like it one bit. In 2008, a wave of major protests broke out in the buildup to the 50th anniversary of the young Dalai Lama's flight. The protests reflected not just anger over Chinese efforts to dilute local culture and weaken the hold of Tibetan Buddhism but also fears that the revered Dalai Lama would die in exile and Beijing would seek outright control of the religion by naming his successor. Despite the CCP's efforts to tamp down dissent in Tibet, the unrest caught Beijing by surprise and spread with remarkable speed. Soon, large portions of neighboring Sichuan Province were also engulfed by demonstrations, led by saffron-robed monks and nuns who filed out of their monasteries to launch sit-down protests in the center of the region's cities and towns. In perhaps the most radical form of nonviolent protest imaginable, others performed spectacular acts of self-immolation, lighting themselves on fire in public squares.

At the time, I was a China-based foreign correspondent for *The New York Times*. As I watched the uprising spread, I did everything I could to get to Lhasa, the Tibetan capital, where the unrest had started. I flew to Chengdu, the booming capital of Sichuan, and hired a car with the idea of driving northwest into heavily Tibetan areas. From the reports of other colleagues, I knew this wouldn't be simple. Chinese police had set up checkpoints on the major highways leading into Sichuan's Tibetan heartland and were turning foreign reporters back. For one long night, I rode with a Chinese colleague and my driver. We passed through a few road-

blocks as I slumped in the back seat, hiding my face by pretending to be asleep and bundled up against the cold.

But it soon became clear that it would only be a matter of time before we would get stopped or arrested, so we diverted to circuitous and mountainous secondary roads, only to discover that such routes would take immeasurably longer to traverse. We finally turned back after learning that authorities had detained a few foreign reporters who had found their way through the lockdown, making it clear how unlikely it would be for us to gain access to any place where the protests or self-immolations were occurring. Elsewhere, I was able to collect plenty of accounts of Tibetan disaffection and disgruntlement toward the Chinese government. But there was no denying that Beijing had succeeded in keeping people like me away from the frontlines.

Memories of this struggle for access came flooding back to me as I read Barbara Demick's recent book, *Eat the Buddha*. (The title refers to desperately hungry Red Army troops in Tibet who, during the civil war, sometimes looted Buddhist monasteries and ate religious statues made of flour and butter.) More than any other non-Chinese journalist of this generation, Demick has managed to overcome Beijing's restrictions and penetrate the Tibetan world, to linger in it and to bring its people vividly to life on the page. Demick has made a special vocation of such feats, including as chronicled in her 2009 book, *Nothing to Envy*, one of the most deeply reported studies of North Korea, a place even more closely guarded and closed off to foreigners than Tibet.

As resourceful and inspired as her reporting is, her book's overall message is



*Highly charged: a Tibetan Buddhist monk in China's Sichuan Province, October 2015*

a quietly dispiriting one: because of China's size, wealth, and power, and the state of interdependence that prevails between it and the United States, there is little the outside world can do to halt Beijing's deliberate and systematic erosion of its territory's distinctive cultures and religious traditions, despite their ancient roots and long records of autonomous rule that predates modern China. In Demick's view, Buddhist Tibet is destined to be marched toward an imposed assimilation with the largely atheistic ethnic Han majority—much as Xinjiang is experiencing: Xinjiang borders Tibet to the north and is currently in the news owing to evidence that the CCP is using concentration camps and forced labor to bring the Muslim Uyghur population there to heel.

#### **BURNING MAN**

Long after the smoke had cleared from the 2008 protests in Tibet and Sichuan, Demick made three reporting forays into Ngaba, a county in Sichuan whose population has traditionally been dominated by ethnic Tibetans and where Beijing's heavy hand is visible in the ubiquitous police presence on the streets and the army garrisons guarding towns. To avoid scrutiny, she adopted the style of a certain kind of plucky Western traveler, deliberately eschewing the look of a seasoned correspondent. "I didn't want to wear a ridiculous disguise like [the] nineteenth-century explorers [who traveled to Tibet], but I did buy a floppy hat with polka dots and one of those pollution masks so common in Asia," she writes. "I wore

long, dusty coats and flat lace-up shoes. The fact that it was frequently raining allowed me to add an umbrella to hide behind.” This got her past roadblocks and other snares the authorities had set up to keep out foreign reporters. Many journalists consider proficiency in Chinese a prerequisite for successful reporting from China, but Demick turned her limited command of Mandarin to her advantage, often staying silent or playing uncomprehending when vehicles she rode in were stopped for police checks.

Ngaba’s unhappy contemporary life under Beijing’s thumb and its long history of run-ins with China’s Marxist-Leninist authorities place it at the center of Demick’s narrative: it is a town with a single stoplight that became “the world capital of self-immolations,” she writes. Most of the people from Ngaba she interviewed, however, had already left. Some had gone to less heavily policed parts of Sichuan; others had fled into exile, mostly to the northern Indian city of Dharamsala, a kind of unofficial capital of ethnic Tibet, which hosts the Dalai Lama and many thousands of other Tibetan exiles, along with an elaborate quasi-governmental bureaucracy.

In a book that abounds with striking characters, two are particularly vivid, and they both ended up in Dharamsala. The first is a woman named Gonpo, the daughter of a Tibetan king who gradually fell afoul of Beijing during the radical ideological warfare and political tumult of the Cultural Revolution in the 1960s. Her father acquiesced in China’s efforts to enforce its writ throughout western Sichuan, but he quietly bristled and eventually commit-

ted suicide by jumping off a bridge after his wife disappeared under suspicious circumstances.

Gonpo, then in high school, went into internal exile in Xinjiang. There, the former Tibetan princess milked cows and worked the fields. She eventually met and married a man from China’s ethnic Han majority and went on to work for the government for several years in the eastern Chinese city of Nanjing, winning commendations for her performance.

In 1988, a desire to rediscover Tibetan culture and history led Gonpo to take a pilgrimage with her young daughter to Dharamsala, leaving her husband behind temporarily, or so she thought. While she was away, the CCP carried out a bloody crackdown on pro-democracy demonstrators in Beijing’s Tiananmen Square, resulting in an abrupt shift in the political climate in China. Suddenly, a country that had spent the past decade opening itself up to the world turned inward-looking, and people with foreign ties were treated with suspicion.

Gonpo concluded that it was safer for her to stay in India, where she began putting her language skills to use for the Tibetan government in exile, translating its constitution and election law into Chinese at the request of the Dalai Lama. She eventually served in the exile movement’s legislature, as well. In Demick’s nuanced portrait, a woman who would seem to have many reasons for bitterness—having been forced out of her country and perhaps permanently separated from her family—instead embodies the complexity of the Tibetan dilemma. Gonpo is remarkably free of anti-Chinese passions and even admires much of what China has accomplished.

Indeed, as Demick notes, in her willfully frugal ways, Gonpo is more of a socialist in lifestyle than most Chinese. “I usually try not to talk about the past,” Gonpo tells Demick. “It makes me sad.” Vocal activists who resist Chinese encroachments on Tibetan life represent a small minority. Many Tibetans can be assumed to quietly harbor deep resentment toward Beijing, but they stay silent for fear of punishment. The feeling one gets from Gonpo, among other characters Demick profiles, is of something quieter still: a stoic resignation.

### **THE RESISTANCE**

Many Tibetans, however, have risked everything by more forcefully confronting Chinese authorities. One such character who resonates powerfully in Demick’s book is a man named Tsegyam, who also works for the Dalai Lama. As a young man in Ngaba, Tsegyam was a precocious student whose bookishness helped him land a relatively cushy job teaching students barely younger than him at the county’s first Tibetan-language middle school when it opened in 1983. Before long, he found himself on a path toward ever-bolder subversion. The teaching of Tibetan history was strictly banned in the school, so Tsegyam began slyly inserting readings about Buddhist philosophy and the origins of the Tibetan calendar. His Han Chinese supervisors didn’t understand the language and therefore were none the wiser. Demick writes that “he wanted to counter what students had been taught in Chinese schools—that Chinese was the language of literacy and that Tibetan was merely a folk language used by old people and monks.”

Later, Tsegyam received the Dalai Lama’s 1962 memoir, *My Land and My People*, as a gift. The spiritual leader’s message that “Tibet is a distinct and ancient nation, which for many centuries enjoyed a relationship of mutual respect with China” reinforced many of Tsegyam’s own ideas. Emboldened, he eventually began taking bigger risks, such as making calligraphy posters with messages saying, “Free Tibet. Chinese out of Tibet. Bring back His Holiness the Dalai Lama.” Under the cover of darkness, his students helped him hang them in prominent places.

As one might expect, this led to Tsegyam’s arrest in 1989, after authorities tortured one of his accomplices, forcing the man to confess and name others. In court, Tsegyam defiantly acknowledged his guilt and was sentenced to a year in prison—a mark of far more lenient times. Not long after his release, Tsegyam fled to India with a former student who became his wife. Settling in Dharamsala, his politics, fluency in Mandarin, and studiousness positioned him to become the personal secretary of the Dalai Lama, with whom he travels. His private passion, however, is writing essays that record and celebrate the culture and history of Ngaba. His hope seems to be that, with Lhasa under Beijing’s suffocating lockdown, just enough oxygen will remain in areas such as Ngaba to allow the culture to survive until another time, when perhaps an era of greater tolerance might return to China.

### **NO WAY OUT**

Most of Demick’s characters are not politically involved at all; they are far more ordinary in their motivations. They were

moved to leave Ngaba, and its region, as much for its economic backwardness as for its political repression. And some of them are frankly generous in their estimation of China's overall progress.

Ultimately, however, this is a book about enclosure. The Tibetans who remain in Ngaba live in a garrison town surveilled by huge numbers of Chinese security forces. I saw other towns in similar situations when I visited western Sichuan as a tourist in 2012. Descending through high mountain passes, I would round a bend only to discover enormous, recently built military and police citadels in the distance below.

Meanwhile, the Chinese authorities have increasingly limited access to Tibet proper, even for ethnic Tibetans in Sichuan. And China has made it virtually impossible to travel legally from Tibet to India; the only way to escape is through a harrowing mountain trek, dodging police and bounty hunters. Passports have become difficult to obtain for Tibetans. And in other parts of China, they are treated as colorful outsiders, when not regarded with outright suspicion or resentment.

In an attempt to lower tensions and ease an atmosphere of repression, the Dalai Lama has repeatedly renounced the idea of Tibet separating from China. This has won him no concessions from Beijing, however, which continues to hurl epithets at him and constantly warn of "splittism." "No matter what the Dalai Lama says, the Chinese government never tires of denouncing him," Demick writes.

Their hatred of him appears boundless. We journalists used to joke that he was like Lord Voldemort—the antagonist of the Harry Potter series,

he whose name cannot be mentioned and (in many parts of Tibet) whose image cannot be seen. . . .

To purge the memory of the Dalai Lama, however, is impossible. Tibetans content themselves in places where the photograph is banned by worshipping instead Avalokitesvara, the thousand-armed bodhisattva of compassion whose likeness graces Tibetan monasteries. The Dalai Lama is considered the reincarnation of the Avalokitesvara, who stands in for the missing spiritual leader.

A Tibetan in Lhasa tells her: "It doesn't matter if we don't have the photo. We know where he is."

The situation in Tibet may come to a head again before long. At 85 years old, the Dalai Lama is likely approaching the end of his life—and Beijing has a plan to prevent the rise of another figure of his stature. Rather than allowing his sect's normal succession process to play out, the CCP has announced that it will oversee the naming of the next Dalai Lama. It would not be unreasonable to suspect that in taking this extraordinary step, Beijing will be lighting the long, slow fuse of the next Tibetan uprising. 🌍

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# The Two Rwandas

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## Development and Dissent Under Kagame

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*Phil Clark*

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*Do Not Disturb: The Story of a Political Murder and an African Regime Gone Bad*  
BY MICHELA WRONG. PublicAffairs, 2021, 512 pp.

On New Year's Day 2014, Patrick Karegeya, once a top Rwandan intelligence official, was found dead in Room 905 of the up-market Michelangelo Towers hotel, in Johannesburg, South Africa. According to the police report, Karegeya's neck was swollen, and a rope and a bloody towel were found in the hotel room's safe, indicating that he had been strangled. As news of his murder spread, fingers pointed immediately to his childhood friend and former boss Rwandan President Paul Kagame. Karegeya had fallen out with Kagame and fled to South Africa, where he had helped start an opposition party in exile. Kagame denied any involvement in Karegeya's killing, but several days later, at a national prayer breakfast in Kigali, Rwanda's capital, he hinted that he wasn't bothered by the assassination. "Whoever is against our country will not escape our wrath," he said. "The person will face consequences. Even those who are still alive—they will face them."

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Who did it? In 2019, South African investigators declared that Karegeya's murder was "directly linked to the involvement of the Rwandan government." In *Do Not Disturb*, the British journalist Michela Wrong describes in chilling detail the buildup to Karegeya's killing and leaves the reader little reason to doubt this conclusion. But her book is about much more than one man's murder. Wrong situates Karegeya's death in the longer history of the Rwandan Patriotic Front, the Tutsi-dominated rebel movement that invaded Rwanda in 1990 and defeated the genocidal regime of Juvénal Habyarimana in 1994. In power, the rebels turned politicians built Rwanda into one of Africa's most dynamic states, achieving impressive rates of economic growth and poverty reduction. Yet alongside those successes, the RPF has also forced numerous senior members into exile and been accused of killing dissidents at home and abroad, raising questions about the state of human rights in and the long-term stability of Rwanda.

Among Wrong's principal audiences are the Western policymakers who have supported the RPF for the past three decades because it halted the 1994 genocide against the Tutsis and, from the ashes, built a peaceful and prosperous state. She draws parallels between Karegeya's murder and Russia's poisoning of the double agent Sergei Skripal in the United Kingdom and Saudi Arabia's murder of the *Washington Post* columnist Jamal Khashoggi in Turkey, arguing that when states cozy up to authoritarian regimes, they shouldn't be surprised when those regimes commit crimes on their territory. Wrong believes that international donors have ignored

ample evidence of Rwanda's growing authoritarianism. What she hopes will now rouse global attention—and lead to criminal sanctions and a reduction in foreign aid—are Rwanda's extraterritorial, extrajudicial activities in the back streets and hotel rooms of London, Brussels, and Johannesburg. But in making this case, Wrong dismisses Rwanda's substantial socioeconomic gains since the genocide. Those, too, are part of the Rwandan story, and as outsiders grapple with how to deal with Kagame, they must consider the country's tangible progress, as well as these worrying cases of violence.

#### PRESENT AT THE CREATION

At the heart of Wrong's story are the complex entanglements of Karegeya, Kagame, and another former high-ranking member of the RPF, Faustin Kayumba Nyamwasa. After decades of Belgian colonial favoritism toward Tutsis, in the early 1960s, Hutu parties rose to power in independent Rwanda, sparking mass violence and a Tutsi exodus. Karegeya, Kagame, and Kayumba grew up together in exile in Uganda, where many Tutsi families such as theirs had fled. The three men all became senior figures in Yoweri Museveni's National Resistance Army as it fought its way to power in Uganda and, later, leaders of the RPF as it came to rule Rwanda (with Kayumba becoming chief of staff of the Rwandan army). Whether fighting together or falling out, these comrades irrevocably shaped the politics of the Great Lakes region.

A former Africa correspondent for Reuters, the BBC, and the *Financial Times*, Wrong first traveled to Rwanda after the 1994 genocide. In *Do Not*

*Disturb*, she makes good use of her long list of contacts, built up over decades in the region, as she crisscrosses central Africa interviewing those who knew the trio at every stage of their tumultuous journey. Switching constantly from the personal to the geopolitical, Wrong makes her intentions clear: to challenge the perception of Kagame and the RPF as the architects of a model postconflict state worthy of substantial foreign aid. "Kagame's regime, whose deplorable record on human rights abuses at home is beyond debate, has also been caught red-handed attempting the most lurid of assassinations on the soil of foreign allies, not once but many times," she writes. "Western funding for his aid-dependent country has not suffered, the admiring articles by foreign journalists have not ceased, sanctions have not been applied, and the invitations to Davos have not dried up."

The RPF, she argues, may have started with a laudable vision of building a Rwandan society in which Hutus and Tutsis (and members of another ethnic group, the Twas) would share equally in the country's development. Wrong ascribes this aspiration to the RPF's first leader, the handsome, charismatic Fred Rwigyema, who was killed days into the invasion of Rwanda. She counts him among a group of African nationalists who were killed in their 30s, including Patrice Lumumba of Congo, Steve Biko of South Africa, and Thomas Sankara of Burkina Faso—men who will be "forever bathed in a James Dean glow of What Might Have Been." It was Kagame who succeeded Rwigyema as the head of the RPF and, Wrong contends, turned Rwanda into a dictatorship. First, his regime eradicated any





*The once and future president: Kagame in Brussels, Belgium, April 2014*

form of Hutu political opposition, and then it turned on its internal Tutsi critics, such as Karegeya, pursuing them at home and abroad.

Close observers of central Africa will find little new in Wrong's historical sweep through the RPF's lifespan. What she adds, however, is the intimate biographical dimension of this volatile period, which helps explain Karegeya's murder and its significance. Wrong knew Karegeya before and after his exile and spoke to him regularly. He describes growing up in southwestern Uganda, caught between his strong Ugandan identity and the lure of the Rwandan homeland, where the Hutu government repeatedly blocked the return of the Tutsi refugees. Even once he had reached the top of the Rwandan security apparatus, Karegeya continued to visit his home village in Uganda.

"Patrick adored Biharwe," Wrong writes, "sneaking away whenever he could find the time from his stressful job in Kigali, a four-hour drive across the border with Rwanda." Karegeya's younger brother Ernest Mugabo tells her, "You wouldn't even know he'd arrived. He'd put on his Wellington boots and go and milk the cows. He loved that."

Wrong captures the refugees' restlessness and burning sense of injustice, which drove the RPF's invasion in 1990 but also its subsequent alienation from the Hutu majority in Rwanda, among whom the Tutsi leaders of the RPF had never lived. She superbly dissects the lasting bonds that enabled the RPF to build a formidable post-genocide state, with Kagame, Kayumba, and Karegeya at its heart. Through Karegeya's eyes, she also documents the fraying of those relations as RPF elites routinely fell out

with one another. Sometimes they clashed over the movement's political strategy, at other times over the atrocities it committed (such as the reprisal killings, after the genocide, of Hutu civilians in Rwanda and what is now the Democratic Republic of the Congo), and often over personal grievances.

As the head of Rwandan external military intelligence after the genocide, Karegeya helped orchestrate the government's military campaigns in Congo—including the Rwandan-led toppling of the dictator Mobutu Sese Seko in 1997—and the suppression of Rwandan dissidents across the Great Lakes region. He and Kayumba were central to the RPF's projection of military power within and beyond Rwanda. But they increasingly criticized Kagame over his tightening grip on power within the RPF. Karegeya was imprisoned, and Kayumba was removed from his military post and sent to India as Rwanda's ambassador. Both eventually went into exile in South Africa.

Kayumba's arrival in Johannesburg in 2010 proved pivotal. That year, he survived an assassination attempt in the driveway of his home, an act that South African investigators have also attributed to the Rwandan government. This galvanized him and Karegeya, and the two soon joined forces with two high-ranking RPF exiles based in the United States to start an opposition group, the Rwanda National Congress. The RNC called for the RPF to jettison Kagame as president and to regain its lost ethos of democracy, reconciliation, and equal development.

Wrong locates the exile of Karegeya and Kayumba in the long line of defections from the RPF since the early days

of its rule, several of which have resulted in unsolved murders on foreign soil. But this pair of defections was different: because they themselves had once occupied senior military and security posts, Karegeya and Kayumba knew how to protect their multinational opposition movement from Rwanda's efforts to destroy it. They had well-founded fears of infiltration and assassination, having for decades practiced these same dark arts against the RPF's opponents, and the two turned their knowledge of the RPF's methods to their advantage. Karegeya and Kayumba learned quickly that the RPF was recruiting RNC members from the large Rwandan diaspora in South Africa. The two exiles recorded phone calls from senior RPF officials offering recruits vast sums and coaching them in an array of assassination techniques, including strangulation, forced heroin overdose, and poisoning a target's soup.

The RNC's release of these recordings in 2011 caused a huge controversy, especially in the Rwandan diaspora. Although this was a propaganda coup for the RPF's opponents, Karegeya tells Wrong that he won't be able to outsmart the group forever. Against the advice of his RNC colleagues, he continued to meet old and new acquaintances out in the open in Johannesburg and would often give his security detail the slip, providing an air of inevitability to the grisly events in the Michelangelo.

As Wrong shows, meanwhile, the RPF's violent attacks on its opponents weren't limited to the RNC in South Africa. She links the Rwandan government to the assassinations of several dissidents in Uganda, including the exiled journalist Charles Ingabire, who

was shot outside a Kampala bar in 2011. Similar figures have received death threats in Belgium, Sweden, and the United Kingdom. Wrong details the case of Jean Bosco Gasasira, the editor of an antigovernment online newspaper, who sought asylum in Sweden in 2010. Three years later, a member of a Rwandan hit squad sent to murder him was convicted by a Swedish court of spying on exiles—the first foreign prosecution of such a plot by a Rwandan citizen.

### THE GOOD GUYS?

*Do Not Disturb* is a disturbing book, showing the reach of the Rwandan state into its opponents' lives around the globe. Wrong highlights the difficulties in mobilizing effective political opposition to the RPF both inside Rwanda and in the diaspora. Like most of the other former rebel movements that became governments in the region, the RPF has shown a marked, sometimes violent intolerance of dissent in its own ranks and from opposition parties, seeking to retain the rigid discipline that brought it to power.

One of the book's main strengths, however—its proximity to the RNC and to Karegeya in particular—is also its greatest weakness. In discussing the lauding of the RPF as Rwanda's liberators after the genocide, Wrong warns that “the storyteller’s need to identify good guys and bad guys, culprit and victims, makes fools of us all.” Yet she falls into the same trap, mythologizing Karegeya and the RNC as inherently virtuous by dint of their opposition to Kagame and the RPF.

Karegeya clearly made an impression on his interviewer: “His face was alive with a questing intelligence. His heavy-lidded eyes were disconcertingly

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light, the amber irises flecked with brown, while his skin was a smooth honey.” Later, Wrong tells readers that Karegeya would routinely ply journalists visiting Rwanda with drinks. “With the women, suggestive hints would occasionally be dropped over those beers,” she writes. “Patrick had the keys to a government flat located conveniently nearby. The encounter, already so pleasant, could be taken up a notch.” Here, she extends an unfortunate Orientalist strand that runs through the book: “Tutsi culture has always recognized sex as one of the most effective of political tools, cutting usefully across the bureaucratic hierarchy and social barriers.” At another point, she refers to “the Tutsi knack for secrecy,” and her introductory chapter describes “a culture that glories in its impenetrability, that sees virtue in misleading.”

Wrong’s denigration of the supposedly secretive Tutsi ceases only when she engages with Karegeya. When he isn’t escaping to milk cows in Uganda, he’s nebulously telling a photographer Wrong talked to that he’s “full of regrets” about the RPF’s actions during his time in power. He never details what he regrets, and Wrong, incredibly, never says that she asked. The closest she comes is when she discusses the assassination in Kenya in 1998 of Seth Sendashonga, the RPF’s first minister of the interior. “Suspicion of personal responsibility for Sendashonga’s murder was to hover over Patrick for the rest of his life,” Wrong writes. But she admits to never confronting him about it. “I didn’t pursue the matter,” she writes. “I didn’t know how to. How does anyone lightly broach the issue of someone’s role in a murder over dinner?”

This lack of scrutiny continues as Wrong readily accepts Karegeya’s and Kayumba’s depictions of Kagame, whom she says has exhibited a “natural dourness” since childhood (in contrast to their innate sociability) and was a hapless leader during the 1990–94 civil war (Kayumba claims to have twice saved Kagame’s life and to have led the RPF to victory). Wrong’s desire to humanize Karegeya and Kayumba and to demonize Kagame is clear from the way she uses their names. Karegeya throughout the book is “Patrick,” and Kayumba is “the General.” Kagame is almost always “Kagame.”

Wrong wants readers to differentiate categorically among these former comrades. She describes Karegeya and Kayumba as central to the RPF’s military successes, then suddenly absent when the RPF is accused of mass crimes, such as the killing of Hutu refugees in eastern Congo after the genocide. It strains credulity to suggest that Karegeya, first as the head of external military intelligence and later as director of the RPF’s Congo desk, and Kayumba, first as a lieutenant general on the frontlines in Congo and later as army chief of staff, were not implicated in the crimes that Wrong attributes to Kagame and the rest of the RPF. It also contradicts the accounts of long-standing scholars of eastern Congo, such as René Lemarchand, Gérard Prunier, Filip Reyntjens, and Jason Stearns, all of whom depict Karegeya and Kayumba as central to all of the RPF’s military activities in Congo. The only source for the claim that Karegeya had “opposed Rwanda’s meddling in its giant neighbor’s affairs since 1998” is Karegeya himself.

## ARMS AND INFLUENCE

Wrong's account of Karegeya and Kayumba as the good guys extends to the RNC as an opposition movement. She recalls the founding of the organization: "Pledging to push for democratic change by peaceful means, the signatories unveiled a ten-point program aimed at stopping human rights abuses, ending impunity, and nurturing the rule of law." Wrong seems surprised, then, that the RNC hasn't had a greater impact, but she chalks this up to the difficulty of trying to "mobilize an organization scattered across three continents." The international community, she argues, has been curiously uninterested in what the RNC has to say, worried about treading on the dreams of a prosperous, ethnically inclusive Rwanda under the RPF. Wrong ignores a more obvious explanation for the RNC's lack of traction: few people outside the organization share her virtuous view of Karegeya and Kayumba. The RNC's numerous attempts to build cross-ethnic alliances in Europe and North America have fallen flat because most Hutus in the diaspora see them, fundamentally, as members of the RPF, with blood on their hands.

Wrong's romanticization of the RNC also causes her to overlook its increasingly militaristic tendencies. She skims over the fact that the other two founders of the group—the former RPF general secretary Theogene Rudasingwa and his brother, the former Rwandan attorney general Gerald Gahima, both of whom are based in the United States—left the organization in 2016 over Kayumba's agitation for an armed overthrow in Kigali. Wrong never discusses Gahima's departure, and about Rudasingwa, she

writes, "While his critics accused him of not wanting to contest overdue internal elections, he presented the split as a principled stand against a militaristic drift he blamed on General Kayumba." She doesn't state which of these versions she believes, and she dedicates just two sentences to a 2018 United Nations report accusing the RNC, under Kayumba's leadership, of building a rebel alliance in eastern Congo. Wrong's casualness toward the RNC leaders' historical crimes and their threat of further violence weakens the moral case she tries to build against the RPF.

Throughout its existence, the RPF has confronted violent opposition groups that have enjoyed international support. In the early 1990s, when the RPF was fighting for control of Rwanda, an international push for multiparty democracy in the country spawned an array of Hutu parties that used violence against rival Hutu politicians and Tutsi civilians. More recently, the RPF has faced off against the Rwandan Movement for Democratic Change, an opposition group based in eastern Congo and co-founded by Paul Rusesabagina, the hotelier featured in the movie *Hotel Rwanda* and celebrated for sheltering Tutsi civilians during the genocide. Rusesabagina is currently on trial in Kigali on terrorism charges stemming from alleged massacres committed by his group's armed wing, the National Liberation Front. (Rusesabagina denies the charges and is challenging the legality of his arrest.) Like the RNC, Rusesabagina has enjoyed favorable foreign media coverage as a vocal critic of Kagame's government, with little scrutiny of the National Liberation Front, which is accused of

crossing from Congo to kill civilians in southern Rwanda. Although it is right to criticize the RPF's treatment of its domestic and international opponents, it is naive to portray all these opponents as inherently peaceful and democratic.

When Wrong, near the end of her book, finally ventures beyond the RNC and the Rwandan diaspora and into Rwanda itself, the results are not illuminating. She concluded that she “would not be able to conduct any useful interviews inside Rwanda” (perhaps having decided beforehand that its culture of secrecy and duplicity would limit her endeavors). Concerned for her safety, she didn't visit Rwanda for this book, but in one chapter, she recounts her last visit to the country, several years earlier. Even as she accuses international donors of not getting out to the “dirt-poor” countryside, Wrong herself sticks to Kigali, citing only conversations with a U.S. adviser to the Rwandan Foreign Ministry and a Western journalist. Had she visited rural Rwanda, she would undoubtedly have seen widespread poverty, but she also would have seen tangible development since her first visits decades ago—including signs of the country's halving of its child mortality rate between 2000, when Kagame became president, and 2015. What keeps foreign donors engaged with Rwanda is the recognition of these advances under the RPF, which include the region's most extensive welfare program.

### THE REAL RWANDA

The mistake many foreign commentators make is to equate elite ruptures and fractious diaspora politics with the situation for most Rwandans living in

the country today. In a region riven by cyclical conflicts, Rwanda is alone in not having experienced any large-scale violence within its borders since the time of the genocide—which is all the more remarkable considering that hundreds of thousands of convicted *génocidaires* live side by side with survivors on Rwanda's densely populated hills.

Having conducted research in rural Rwanda every year since 2003, I have seen the sustained improvement in people's socioeconomic circumstances and in communal relations. Many of the Hutus I have interviewed remain suspicious of the RPF but continue to express surprise that unlike previous Rwandan regimes, it has pursued welfare and development equally across the ethnic divide. When numerous foreign donors temporarily froze their aid programs in Rwanda in 2013—in protest over Rwanda's military and logistical support for a rebellion in eastern Congo—development projects suffered markedly, especially in rural Rwanda. Once they saw this impact up close, those same donors reinstated all their aid provision within a year.

The RPF's flagship welfare program of compulsory universal health insurance, heavily subsidized for the poorest citizens and buttressed by clinics and highly trained staff across the country, has vastly improved Rwandans' quality of life. Thanks largely to this health-care system, which extends to every village in the country, Rwanda has weathered the COVID-19 pandemic well. Within days of the first detection of the virus in Rwanda, the government began a scheme of household testing and geographic mapping of coronavirus cases across the country. In March, I

observed the vaccination of local health-care workers, teachers, and market traders in a far-flung clinic in southern Rwanda, 24 hours after the vaccine arrived at the Kigali airport. Whereas neighboring countries, such as Burundi and Tanzania, have struggled to control the spread of COVID-19, Rwanda has recorded only 18,000 cases and 260 deaths, leading the think tank the Lowy Institute to rank Rwanda first in Africa and sixth globally for its management of the pandemic.

Only a fraction of the multifaceted situation in Rwanda today features in Wrong's narrative. As an account of Karegeya's murder and the need for accountability for the RPF's extraterritorial violence, *Do Not Disturb* is a vital intervention. The South African investigation into Karegeya's death seems to have stalled and should be reinvigorated. Yet by refusing to denounce the RNC's threats of an armed overthrow of Kagame's government, failing to engage deeply with present realities inside Rwanda, and making damaging calls for donor disengagement from the country, the book loses much of its analytic and moral potency. To ensure that Rwanda's substantial post-genocide gains remain, Rwanda needs agile leadership and an effective political opposition. The exiled leaders Wrong thinks can fill that role, however, are not the answer.

Several years ago, a seasoned international development official based in Kigali told me that Rwanda gave him headaches as no other country had before. "What do you do with a state that brooks so little dissent but uses foreign aid to benefit so many of its citizens?" he asked. My response was that donors should never consider

themselves the principal actors in other people's societies. The primary work of building a Rwanda that delivers for all its citizens is being done by Rwandans, especially those living in the country. The neocolonial impulse to use aid as leverage over foreign countries is at once ethically dubious, routinely ignored by the governments being sanctioned, and in danger of undercutting vital welfare and development programs for everyday people.

Donors must consult the many energetic, critically minded Rwandans who are working for the betterment of their society. Some of those Rwandans may want outside support, and others may prefer to be left alone, worried about the actual or perceived loss of independence that might result from becoming too wedded to external interests. As Wrong shows, Karegeya's assassination stemmed from complicated historical and interpersonal factors, none of which will disappear simply because donors exert pressure through aid or other means. Ultimately, it is up to Rwandans themselves to hold their government to account and chart the country's future—with or without help from abroad. 🌍

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*Democracy Rules*

BY JAN-WERNER MÜLLER. Farrar, Straus and Giroux, 2021, 256 pp.

**T**oday's antidemocratic leaders, like many of the fascists and authoritarians who caused havoc in the twentieth century, are using the tools and institutions of the democratic state to consolidate their power. A key to Hungarian Prime Minister Viktor Orbán's power grab, for example, was a change in civil service rules that allowed his party to place loyalists in supposedly nonpartisan government positions. Authoritarians also seek to gain control of the courts and intimidate the independent media (which they often deride as "the enemy of the people"). But as Müller argues in this important book, the forms of popular authoritarianism seen recently in Brazil, Hungary, India, Poland, and the United States constitute a threat to democracy but do not herald a return to the fascism of the 1930s. With today's authoritarian regimes, there is not the mass mobilization and militarization of societies, the glorification of violence, or the remaking of populations along racial lines that was seen in mid-twentieth-century fascist states. Müller argues that the genius of democracy is its constitutional principles, which offer a road back from populist authoritarian-

ism. First and foremost is the nonnegotiable claim that the government cannot deny the standing of particular citizens as free and equal members of the polity. A newly elected leader cannot use the military to punish his rivals or use the tax system to destroy the opposition party. Losers accept their losses, with the understanding that they are limited and temporary. In elegant and incisive terms, the book makes clear that proponents of liberal democracy must reclaim fundamental democratic principles and values.

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*Dreamworlds of Race: Empire and the Utopian Destiny of Anglo-America*

BY DUNCAN BELL. Princeton University Press, 2020, 488 pp.

In the United Kingdom and the United States in the late nineteenth century, a multitude of thinkers advanced new and often startling visions of the future of the global order. In this masterly book, Bell explores the ideas of some of the most intriguing figures of this era, illuminating their dreams of a world-dominating Anglo-American political community united by race and empire. This is intellectual history at its best. The book builds on Bell's earlier studies, which together offer a definitive account of the British imperial ideology and its deep entanglement with liberal political thought and cultural and racial hierarchy. The book focuses on four individuals: the American tycoon Andrew Carnegie, the British colonialist Cecil Rhodes, the British editor W. T. Stead, and the British novelist H. G. Wells, who were part of a loose network of thinkers who believed that the United Kingdom and the United States would together inaugurate an era of global



peace. Bell is most provocative in his account of the long tradition of Western thinking about democracy and “perpetual peace” (a notion made famous by the Enlightenment-era German philosopher Immanuel Kant), which these pre-World War I Anglo-American figures transformed into a “racial peace thesis,” revealing the intimate connections between global utopianism and racism.

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*China, the UN, and Human Protection: Beliefs, Power, Image*

BY ROSEMARY FOOT. Oxford University Press, 2020, 336 pp.

In the decades after the Cold War, the United States and other leading democracies championed the idea of an empowered United Nations that would actively intervene in countries to protect human rights and safeguard civilians from armed violence. Foot shows how in more recent years, China has worked behind the scenes at the UN to promote a rival vision of security that emphasizes economic development, a strong state, and social stability. This groundbreaking study considers China’s efforts to shape UN peace operations, specifically the organization’s response to the Syrian crisis, and its broader attempt to subvert human rights principles and undercut the doctrine of “the responsibility to protect.” In Foot’s view, China is both reshaping and being shaped by the norms of the global system. It is pushing back against the Western-led liberal order in part by drawing on older notions of state sovereignty and self-determination. In an era of growing competition between China and the West, Foot offers a grand illumination of the normative battlefield.

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*In the Shadow of International Law: Secrecy and Regime Change in the Postwar World*

BY MICHAEL POZNANSKY. Oxford University Press, 2020, 264 pp.

This fascinating book argues that the growth of international law changed how powerful states decided to intervene in weaker ones. Examining cases of U.S. interventions in Latin America during the Cold War, Poznansky studies overt interventions, such as the deployment of U.S. troops to the Dominican Republic in 1965, and covert interventions, such as the Bay of Pigs invasion in 1961. He notes that great powers in the era before 1945 rarely felt obliged to operate in the shadows. This changed after 1945, according to Poznansky, with the UN Charter, which enshrined the principle of nonintervention in treaty law, a principle that was soon adopted by far-flung regional bodies. International law altered the calculus of great powers. Resorting to covert forms of intervention allowed the United States to evade damage to its credibility and charges of hypocrisy. In chapters on U.S. interventions in Chile, Cuba, the Dominican Republic, and Grenada, Poznansky presents archival evidence of officials worrying—to various degrees—about violating international law, pushing decision-makers to pursue covert rather than overt military action. International law is less a formal constraint on the conduct of military policy than part of a complex normative environment in which states operate.

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*The Future of Global Affairs: Managing Discontinuity, Disruption, and Destruction*

EDITED BY CHRISTOPHER ANKERSEN AND WAHEGURU PAL SINGH SIDHU. Palgrave Macmillan, 2021, 331 pp.

This thought-provoking collection of essays surveys today's troubled system of global governance. The contributors paint a bleak picture: the scale and scope of global problems—including pandemics, global warming, cyberwarfare, international extremist networks, and the proliferation of weapons of mass destruction—have simply overwhelmed the old postwar governance institutions, starting with the United Nations. The editors argue that for scholars to grasp the extent and profundity of this crisis, the study of “international relations” needs to be expanded into a multidisciplinary study of “global affairs,” which spans the fields of economics, politics, law, the environment, and development. Only this approach will help scholars understand an increasingly “complex, dynamic, and fragile” world. The environmental scientist Michael Oppenheimer argues that the world is entering an era of “illiberal globalization,” defined less by multilateral rules and more by raw power. In his contribution, Ankersen argues that the notion that globalization would overwhelm and undermine countries and lead to the “decline of the state” has not come to pass. States are reasserting their sovereign prerogatives, privileging internal security over international norms and human rights, and adapting technology and supply chains to geopolitical conflict. If the authors are

right, the idea of global governance in this brave new world will be a quaint relic of an earlier era.

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## Economic, Social, and Environmental

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*Barry Eichengreen*

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*The Power of Creative Destruction: Economic Upheaval and the Wealth of Nations*

BY PHILIPPE AGHION, CÉLINE ANTONIN, AND SIMON BUNEL. Belknap Press, 2021, 400 pp.

**M**ore than 60 years ago, research by the economist Robert Solow highlighted the importance of innovation for growth but shed little light on how to generate that innovation. Aghion, Antonin, and Bunel, who are responsible for much subsequent research in this area, argue that fostering innovation is all about balance. Innovation thrives with competition, but too much competition will preemptively diminish the rewards of new technologies, businesses, and ideas. International competition can stimulate innovation and efficiency, but too much risks provoking a backlash against globalization. Successfully navigating the supply chain disruptions created by COVID-19 requires strong political leaders to implement smart policies, but not leaders so strong that they can suppress organizational innovations that will disfavor them or their allies. The authors explain these dynamics and more in an eminently accessible fashion.

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*Adapting to Climate Change: Markets and the Management of an Uncertain Future*

BY MATTHEW E. KAHN. Yale University Press, 2021, 304 pp.

Kahn reviews findings on how climate change and extreme weather events affect key sectors of the economy. Although he does not dismiss the need to curb rising temperatures, he suggests that American society is getting better at adapting to climate change. Weather shocks provide incentives for businesses to develop new products, such as resilient building materials and in-home battery backup systems. Big data allows utility providers to adjust electricity and water prices in response to weather events, encouraging consumers to modify their usage in environmentally friendly ways. To be sure, it's not just up to markets to respond to climate change. Kahn highlights the need for investments in public infrastructure to help with climate change adaptation and for reforms of urban planning rules and flood insurance laws. Still, his book shows that one need not be a climate change skeptic to be a climate change optimist.

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*Religion and the Rise of Capitalism*

BY BENJAMIN M. FRIEDMAN. Knopf, 2021, 561 pp.

Nearly a century ago, the historian R. H. Tawney wrote an identically titled book about the role of religion in the rise of the market economy. Tawney was responding to the German sociologist Max Weber, who famously argued that Calvinist religious thought had set the stage for the rise of capitalism. Although Friedman writes in the same tradition, his focus is different: he is

concerned with the impact of religion not on the economy but on economic thought. He shows that a variant of Calvinism that emphasized human choice and action rather than predestination profoundly influenced Adam Smith, the Scottish political economist whose writings shaped modern economic analysis. Smith emphasized individual decision-making and the capacity of the market, as an aggregator of those decisions, to improve the human condition. Over time, the discipline of economics became more rigorous and quantitative, and the influence of religion tended to recede. Even today, however, there remains a connection between the religiosity that distinguishes the United States from other advanced economies and the almost pious belief of many Americans in the importance of human agency and the virtues of the market economy.

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*The Secret History of Home Economics: How Trailblazing Women Harnessed the Power of Home and Changed the Way We Live*

BY DANIELLE DREILINGER. Norton, 2021, 368 pp.

The term "home economics" conjures up images of instruction in cooking and sewing for generations of female secondary school students. In her account of the subject's nineteenth- and twentieth-century history, Dreilinger shows that home economics has always involved much more. It was a way for female educators, in secondary schools but also in universities and other advanced settings, to develop and apply their skills in an era when many academic disciplines were closed to

women. It allowed those educators to redefine, sometimes in strikingly progressive ways, women's roles in society and the economy, modernizing contemporary perceptions of women as producers and consumers. For more than a century, research by home economists has been a source of significant scientific and commercial advances, improving food storage methods, for example, and the design of kitchens. Today, with other fields available to women, the rebranded discipline of "family and consumer sciences" is dwindling, even if it has not entirely disappeared.

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*Resetting the Table: Straight Talk About the Food We Grow and Eat*

BY ROBERT PAARLBERG. Knopf, 2021, 368 pp.

Paarlberg, an economist, takes issue with the slow-food movement, which emphasizes organic and locally sourced food. He shows that without modern, science-based farming, it would be impossible to provide adequate nutrition at affordable prices either in the United States or globally. In his view, popular critiques of industrial farming are often wide of the mark; in truth, technological advances are making farming less damaging to the environment. Precision agriculture utilizing satellite positioning, drone-based sensors, and machine learning allows farmers to produce more food using less water, less energy, and fewer chemicals. Paarlberg highlights plant-based protein as a substitute for meat and dairy as yet another science-based innovation working in the same direction. Notwithstanding this positive slant, the author insists that food processors,

supermarkets, restaurant chains, commercial farmers, and, above all, governments must make important changes to successfully meet the public's demand for safe, nutritious, and sustainable food.

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## Military, Scientific, and Technological

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*Lawrence D. Freedman*

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*Nonstate Warfare: The Military Methods of Guerrillas, Warlords, and Militias*

BY STEPHEN BIDDLE. Princeton University Press, 2021, 464 pp.

*Airpower in the War Against ISIS*

BY BENJAMIN S. LAMBETH. Naval Institute Press, 2021, 352 pp.

Two books raise awkward questions about whether the United States truly understands the military challenges it faces. In an important and innovative analysis, Biddle takes issue with what he sees as a lazy distinction between the regular military strategy of states and the guerrilla techniques of nonstate actors. He sees instead a spectrum of methods, with those intended for decisive battle at one end and those intended to help avoid battle at the other. Most actors seek the strategy best suited to their capabilities that is somewhere between these two extremes. Biddle looks at five campaigns waged by nonstate actors in Croatia, Iraq, Lebanon, Somalia, and Vietnam. His analysis leads to the argument that the best U.S. force posture for the future may well resem-

ble those of the past, with more dismounted infantry than one would assume would be needed for a high-tech force and with more armor and artillery than one would think for a low-tech force.

Lambeth's sharp, authoritative account of the role of airpower in the recent war against the Islamic State, also known as ISIS, points to the danger of holding stereotypical views of an enemy. Supported by numerous interviews with commanders and pilots, Lambeth's argument includes many criticisms of senior civilian and military policymakers. The most substantial one is that the U.S. campaign against ISIS was a case of too little, too late. President Barack Obama was reluctant to authorize military action; by the time he changed course, in 2014, ISIS was already rampaging through Iraq and Syria. Lambeth also complains that American policymakers and the U.S. military saw ISIS as an insurgent group, when they should have recognized that this new enemy was a quasi state, with its own command-and-control network and the makings of a conventional army. U.S. officials eventually realized that they were facing a very different kind of enemy and belatedly relaxed the rules of engagement to accelerate the pace of the air war that would help defeat ISIS.

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*Asian American Spies: How Asian Americans Helped Win the Allied Victory*  
BY BRIAN MASARU HAYASHI.  
Oxford University Press, 2021, 304 pp.

By making extensive use of the personnel files of the World War II-era Office of Strategic Services, the precursor to the CIA, Hayashi provides remarkable insight into how the intelligence agency

used Asian Americans in the fight against Japan. William Donovan, the head of the OSS, insisted on recruiting capable individuals for the war effort, including those of Chinese and Korean heritage—and even Japanese Americans, who had the necessary linguistic and cultural knowledge to design propaganda materials to be broadcast to Japan. Some Asian Americans worked behind enemy lines, gathering intelligence and engaging in sabotage. The book focuses on many individual stories, and in doing so, it raises interesting questions of race, gender, loyalty, and treachery. After all, these spies largely came from well-established families and were not recent immigrants.

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*The Road Less Traveled: The Secret Battle to End the Great War, 1916–1917*  
BY PHILIP ZELIKOW. PublicAffairs, 2021, 352 pp.

This fine and lucid scholarship has the additional benefit of the eye of an experienced practitioner as Zelikow addresses the question of whether U.S. President Woodrow Wilson could have mediated a peace deal in 1916 or 1917 to end World War I before the United States joined the fray. The reader is aware—although the policymakers of the time could not have been—of the difference that an early deal might have made, perhaps sparing the world the later traumas associated with the rise of Bolshevism in Russia and Nazism in Germany. Wilson was certainly keen to mediate a wider peace, and all the belligerents were aware of the benefits of at least being seen to negotiate. After a promising start, however, Wilson never quite managed to give the effort the push it needed. The demands

of winning reelection inhibited him, as did his dependence on a lackluster State Department. It didn't help that in the United Kingdom, David Lloyd George, who was then secretary of state for war, correctly surmised that an aggressive, uncompromising posture would help propel him to the position of prime minister. For its part, Germany adopted a policy of unrestricted submarine warfare. This led Wilson to break diplomatic relations with the Germans, too hastily in Zelikow's view. The opportunity for a brokered peace was lost.

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*The Art of War in an Age of Peace: U.S. Grand Strategy and Resolute Restraint*  
BY MICHAEL O'HANLON. Yale University Press, 2021, 304 pp.

This thoughtful and reflective book could serve as a guide for U.S. President Joe Biden's national security team as they prepare for the challenges of the next few years. O'Hanlon draws on his experience of engaging in the big policy debates of the last three decades, including examining the preparation behind and the legacy of the United States' recent wars. Taking into account the polarized nature of U.S. politics, he concludes that the United States must learn to limit its ambitions even while continuing to defend core interests. He advocates a strategy of "resolute restraint," which means, for example, that if China attacks Taiwan, the United States should move quickly to help defend the island without believing that it has to then defeat China in a wider war. This is a valuable addition to current policy debates, on issues from climate change to nuclear arms control to the challenges posed by China and Russia.

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## The United States

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*Jessica T. Mathews*

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*The Black Church: This Is Our Story, This Is Our Song*

BY HENRY LOUIS GATES, JR.  
Penguin Press, 2021, 304 pp.

**A**fter writing over two dozen books exploring aspects of the Black experience in the United States, Gates now takes on the subject that is arguably at the center of all of them: the role of the Black church. It is an immense subject reaching back five centuries to the arrival of African slaves in the Americas. The book covers both the church's personal, spiritual role, as a source of comfort, consolation, and dignity during slavery and its painful, lingering aftermath, and its institutional role, as the central pillar of organization and support in the struggle for social justice and political power from the time of the Underground Railroad to the present. The reader gains a deep understanding of why Black churches have so often been the target of bombings, arson, and other violence. The Black church has also nurtured the vital feeling of "somebodyness." Gates quotes the late businessman and civil rights activist Vernon Jordan, who described the experience of attending church on Sunday, wearing your best clothes, after a workweek of being called "boy": "You not only were somebody, you felt like you were somebody." Gates has written a book that fills a gaping hole and is equally eye-opening for novices and experts in the field.

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*Meddling in the Ballot Box: The Causes and Effects of Partisan Electoral Interventions*

BY DOV H. LEVIN. Oxford University Press, 2020, 316 pp.

Levin presents an important paradox: foreign electoral interference has been extraordinarily frequent in recent history, and yet political scientists largely ignore the phenomenon. His study, the first major work focused solely on outside meddling in elections in the modern era, rests on extensive case studies and statistical analysis of an original database of 117 such interventions carried out by the Soviet Union (and, later, Russia) and the United States since World War II—81 of them by the United States. This data set alone is an important contribution and a sobering eye opener for Americans, since 70 percent of these interventions were undertaken by the United States. All told, those 117 instances account for one in every nine competitive national elections held in independent countries in that period. Levin finds that such interventions tend to occur in highly competitive elections in which the foreign intervenor sees its interests severely endangered by the candidate it opposes. Crucially, they are “inside jobs,” in the sense that success requires an actor in the target country who is willing to receive outside help. Russia’s intervention in the 2016 U.S. presidential election was only “unprecedented,” as Americans generally describe it, in its use of digital technology. Otherwise, it appears to fit the model in all respects. The book is a valuable foundation for the further study of a phenomenon

that, especially when supercharged by cybertechnology, could threaten the future of electoral democracy.

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*National Security, Leaks, and Freedom of the Press: The Pentagon Papers Fifty Years On*

EDITED BY GEOFFREY R. STONE AND LEE C. BOLLINGER. Oxford University Press, 2021, 380 pp.

In the Pentagon Papers case of 1971, the Supreme Court ruled that news outlets had the right to publish classified information they received even while individuals who leaked the information could be prosecuted. The editors of this volume, two noted First Amendment scholars, use the occasion of that ruling’s 50th anniversary to review the manifold consequences of how this historic decision balanced the government’s need for secrecy in protecting national security with the public’s right to know what its government is doing. The collection includes chapters from a star-studded roster of national security practitioners, legal scholars, practicing journalists, and media experts. Together, the editors and five of the contributors also consider the effects of the revolution in information and communications technology that has transformed the world since 1971 and that has led to the huge increase in the number of government contractors with access to classified information. They recommend policy changes that could reduce the overclassification of information, encourage declassification, deter harmful leaks, encourage helpful ones, and create alternatives to leaking. But they also conclude that, notwithstanding the massive changes that have taken

place in the digital realm, it would be premature to abandon the regime the Pentagon Papers case created or to do more than undertake cautious reforms to improve its functioning.

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*Tangled Up in Blue: Policing the American City*

BY ROSA BROOKS. Penguin Press, 2021, 384 pp.

Brooks, a tenured law professor with “two children, a spouse, a dog, a mortgage, and a full-time job,” decided in her 40s to become a police officer. Taking advantage of a program in Washington, D.C., that puts volunteers through the paces of the Metropolitan Police Academy—from pushups to firearms and field training—she eventually got fully certified. Her remarkable book recounts her experiences as a part-time patrol officer working for several years largely in the poorest parts of the city. In a way that a traditional scholarly book cannot, she brings to life the impossible combination of roles police officers are expected to play: “warriors, disciplinarians, protectors, mediators, social workers, educators, medics, and mentors.” She does not skimp on detailing the police abuses she encountered. Officers are sometimes trigger happy because they are taught to believe that their jobs are more dangerous than they truly are. The training officers receive, prevailing laws, and the social circumstances in which the police work are often directly at odds. And an “explosion of over-criminalization” at the state and federal level in recent decades has turned misdemeanors into felonies and small violations of regulations into more serious crimes. Brooks

has produced an engaging page-turner that also outlines many broadly applicable lessons and sensible policy reforms.

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*Crackup: The Republican Implosion and the Future of Presidential Politics*

BY SAMUEL L. POPKIN. Oxford University Press, 2021, 368 pp.

The first wave of books about now former President Donald Trump concerned the man. A second wave strove to understand his supporters. Now, a timely third wave takes on the broader political environment that led to his rise and supported his administration. Popkin looks at two crucial elements of a healthy democracy: strong political parties and a functioning legislature. Only political parties with “a past to honor and a future to protect” can create collective responsibility among elected officials. Without that, there can be no coherent legislative agenda and no way for voters to hold anyone responsible for policy success or failure. With a dysfunctional legislature, power shifts to the president, to rule via executive orders that can be instantly erased by his or her successor. In order to hold together a coalition of diverse interests, political parties must marshal more resources than do outside forces. Without that discipline, parties devolve into ad hoc collections of actors pursuing individual ambitions. Popkin convincingly places much of the blame for the deepening dysfunction of recent decades on campaign finance reform efforts that failed to reduce the skyrocketing totals of campaign spending or to bring unaccountable “dark” money into the sunlight. And both



parties have failed to exercise the powers they still retain—for example, the power to shape the choice of presidential candidates. Democrats should take no comfort, Popkin warns, that the Republican Party has fractured first: they are equally vulnerable.

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## Western Europe

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*Andrew Moravcsik*

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*Brexitland: Identity, Diversity, and the Reshaping of British Politics*

BY MARIA SOBOLEWSKA AND ROBERT FORD. Cambridge University Press, 2020, 408 pp.

**I**n the past half decade, the United Kingdom's decision to leave the European Union has produced an enormous outpouring of scholarship not just on the Brexit vote itself but also on British far-right politics and Euroskepticism. This book fills in a critical part of the story. Brexit has deep roots in two 50-year-long demographic transformations in the United Kingdom: one that changed a society in which foreign-born (and nonwhite) people were rare to one in which they are common, and another that changed a society in which university-educated people composed a single-digit minority to one in which they total roughly half of all young people. These shifts changed British attitudes toward race and ethnicity, creating a political system divided over identity politics. Yet demographics alone do not explain Brexit: the odd incentives created by the United King-

dom's unique electoral system, the inability of the Labour Party to adjust to the new circumstances, the crosscutting imperatives of regional politics, and the traditional British imperial mindset all played important roles as well, and they help explain why no other countries have followed the United Kingdom out of the EU.

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*Pax Transatlantica: America and Europe in the Post-Cold War Era*

BY JUSSI M. HANHIMAKI. Oxford University Press, 2021, 208 pp.

Throughout the seven decades since the founding of NATO, commentators have proclaimed that the alliance is in deep crisis. Most also combine this warning with a call for deeper “cooperation,” often a euphemism for the orthodox position that the Europeans should bear more of the burden. A critical minority, mostly on the extremes of the European political spectrum, has long complained that the United States bullies, exploits, and sometimes even subverts its European allies. This slim volume by a diplomatic historian advances a more balanced claim, based on the premise that it is natural for even the closest of allies to have serious disputes. Contrary to the conventional wisdom, the overarching trajectory of transatlantic relations has been positive: during the Cold War, NATO countries were far more bitterly divided politically than they have been since it ended. The same is true of transatlantic economic relations. This book becomes less nuanced and less empirically grounded as it approaches the present: in discussing the current challenges that populism and the pandemic pose, some of the old

rhetoric of NATO's eternal crisis returns. Yet in the end, the long historical record leads the author to view with optimism the future of the Western alliance.

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*Mussolini and the Eclipse of Italian Fascism: From Dictatorship to Populism*  
BY R. J. B. BOSWORTH. Yale University Press, 2021, 352 pp.

Bosworth is among the leading English-language biographers of the Italian dictator Benito Mussolini, and those seeking a magisterial treatment of his life and regime should consult the author's previous work. Here, instead, is a provocative reexamination of Italian fascism. Bosworth is not an apologist for Mussolini's excesses, but he maintains that labeling both Mussolini and Adolf Hitler as fascists obscures the relative mildness of the Italian variant. Italian fascism resembled Hitler's Nazism or Joseph Stalin's communism less than it did other authoritarian regimes that spread throughout Europe in the 1930s—and even some democratic systems. In Italy, domestic repression, although deplorable, was far less thorough than in Germany or the Soviet Union. Italian imperialist impulses were less brutal and far less successful than British and French efforts. Mussolini neither desired nor provoked World War II, but Italy could not avoid it as an ally of Germany shunned by the West. Even so, Italian casualties remained a third lower than the number incurred in World War I, when Italy was led by liberal governments. One might not accept all these judgments, but this book does pose the question of whether Mussolini should be understood less as a totalitarian and more as a harbinger of modern populism.

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*How Iceland Changed the World: The Big History of a Small Island*

BY EGILL BJARNASON. Penguin Books, 2021, 288 pp.

*Norse America: The Story of a Founding Myth*

BY GORDON CAMPBELL. Oxford University Press, 2021, 272 pp.

Two recent books chart the global reach of Scandinavian societies. Every nation harbors its own myths of world-historical greatness—even Iceland. No one is a more enthusiastic advocate for this tiny island than Bjarnason, a journalist who left to make a successful career in the Anglophone world. Reading his account, one would think Iceland is the Forrest Gump of countries: the inadvertent pivot of every major event in modern history. Its volcanic eruptions triggered the French Revolution. Its harbors secured the Allied victory in World War II. Its discreet diplomats helped found Israel, powered the American Bobby Fischer to the world chess title, and aided Ronald Reagan and Mikhail Gorbachev in ending the Cold War. The tales of an Icelandic nanny inspired J. R. R. Tolkien's sagas. Icelandic scientists prepared U.S. astronauts to walk on the moon, pioneered renewable energy, and provided the data behind gene splicing. And not least, Icelanders living in Greenland came to North America in the eleventh century.

Campbell's book seems, at first glance, to be designed to debunk this last claim. He details the remarkable range of fraud and fakery that has characterized efforts to explain the United States' racial and ethnic origins. Since the Pilgrims landed, religious

leaders have been forging archaeological and textual evidence to show that Native Americans were descended from Canaanite and Jewish tribes. Secular scholars have advanced similarly questionable claims about the feats of African, Chinese, Scottish, Turkish, and Welsh explorers. In this vein, racist white Anglo-Saxons in the nineteenth century propounded manufactured claims about a Nordic discovery of the Americas to marginalize Italian Americans, who claimed that honor for Christopher Columbus, as well as Native Americans, who got there first. Yet Campbell ultimately acknowledges the existence of overwhelming archaeological evidence that Greenlanders did, in fact, create the first European settlements in North America, although they appear to have stayed only long enough to harvest lumber and resupply their fishermen.

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*The Hero's Way: Walking With Garibaldi From Rome to Ravenna*

BY TIM PARKS. Norton, 2021, 352 pp.

Parks has published dozens of books, among them award-winning novels, translations of Italian fiction, and, what is most distinctive, nonfiction about Italy—a place where he has lived since the 1980s. In this unique travelogue, he recounts retracing the exact 500-kilometer route from Rome to Ravenna taken by the patriotic Italian guerrilla fighter Giuseppe Garibaldi in 1849, after the French crushed the fledgling Roman Republic he was defending. Parks and a friend did it in one month on foot; with a smartphone in hand and small cafés, hotels, and pharmacies in every village, such a trip seems less like a pilgrimage than a pleasant daily

workout. Far more interesting is his description of the unimaginable courage, suffering, and idealism of Garibaldi's band of 5,000 ragged soldiers. As they crossed a countryside with little infrastructure, hounded constantly by crack Austrian and French forces, 95 percent of them deserted or died. Parks is also attentive to the melancholy ironies of contemporary life in the Italian countryside, with its ever-smaller and ever-older population. To rural Italians today, Garibaldi seems an irrelevant figure. There are some resonances, however: he fought to rid Italy of foreigners, and many in these regions disparage the un-Italian character of African immigrants and northern European tourists—even as they seek to exploit both.

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## Western Hemisphere

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*Richard Feinberg*

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*The Inclusionary Turn in Latin American Democracies*

EDITED BY DIANA KAPISZEWSKI, STEVEN LEVITSKY, AND DEBORAH J. YASHAR. Cambridge University Press, 2021, 420 pp.

**I**n this first-rate collection of scholarly essays, leading political scientists celebrate the progress that many Latin American countries have achieved since the 1990s in crafting more inclusive societies. Traditionally underrepresented people—including the nonunionized poor, indigenous peoples, and women—have made measurable gains in multiple areas.

They now actively participate in political decision-making and enjoy access to more resources, including fiscal transfers, educational opportunities, and legal services. In their admirably lucid introduction, the editors attribute this “unprecedented expansion of citizenship” to how the region’s inequalities and poverty have manifested at the ballot box; given the repeated opportunity to vote, the poor majority not surprisingly demanded more rights, more voice, and better livelihoods. Although clearly sympathetic to leftist politics, the editors recognize that some right-wing governments have also advanced inclusionary reforms. At the same time, the editors regret that “changes were slower, less transformative, and less celebrated than promised and hoped.” Nor are these undeniable gains irreversible; progressive movements remain dangerously fragmented and decentralized. Looking ahead, the editors find grounds for both pessimism and optimism.

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*Corporate Versus National Interest in U.S. Trade Policy: Chiquita and Caribbean Bananas*

BY RICHARD BERNAL. Palgrave Macmillan, 2020, 283 pp.

In the late 1990s, Chiquita Brands induced the Clinton administration to pressure the European Union to abandon trade preferences that favored banana imports from small eastern Caribbean economies. Chiquita sought to open European markets to its bananas, grown elsewhere in Latin America. In this well-documented polemic, Bernal, who was Jamaica’s ambassador to the United States at the time, argues

that Chiquita’s lavish donations to U.S. politicians shaped U.S. policymaking: Why else would the U.S. government take up Chiquita’s cause, since the United States itself grew few bananas? Bernal recognizes but downplays other drivers of U.S. policy, such as the distaste for colonial-era trade preferences and the competing interests of Latin American banana exporters. U.S. policymakers also worried that the Caribbean countries would avoid developing new export-oriented industries so long as they could rely on bananas. But the Clinton administration’s efforts on behalf of Chiquita had real consequences. The banana industries of the eastern Caribbean collapsed, and as Bernal warned, drug trafficking increased. In the years since, some of the islands, less confident of U.S. support, have embraced Chinese trade and development offerings. Bernal faults the United States for not giving more weight to its national security interests in these small, vulnerable island economies.

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*“Mafalda”: A Social and Political History of Latin America’s Global Comic*

BY ISABELLA COSSE. TRANSLATED BY LAURA PÉREZ CARRARA. Duke University Press, 2019, 288 pp.

The social historian Cosse interprets the famous Argentine comic-strip character Mafalda as a vehicle for its author, Joaquín Salvador Lavado (who passed away last year and whose pen name was Quino), to explore the tribulations of the middle class in Buenos Aires in the turbulent 1960s and early 1970s. Channeling the *Peanuts* comic strip, Mafalda is an intellectually

precious, rebellious tomboy who regularly confronts her rather bewildered parents, questioning traditional social hierarchies and gender roles. Mafalda has friends who variously embody conservative family values and the values of materialistic, upwardly mobile immigrants. Smartly sarcastic, Mafalda comments on the chaos of world affairs and, more specifically, the authoritarianism and violence in Argentina that by the mid-1970s drove her creator into exile. Mafalda was widely disseminated throughout the Spanish-speaking world and beyond; Cosse attributes the comic strip's enduring popularity to its universal, humanistic humor and to the utopian nostalgia evoked by allusions to the hopeful, youthful 1960s. In explaining Mafalda's relative obscurity in the United States, Cosse suggests that the cartoon's social commentaries are too subtle for many American readers.

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*Report of the Western Hemisphere Drug Policy Commission*

BY THE WESTERN HEMISPHERE DRUG POLICY COMMISSION.  
Available online, 2020, 117 pp.

*Drugs and Thugs: The History and Future of America's War on Drugs*

BY RUSSELL CRANDALL. Yale University Press, 2020, 520 pp.

*Killer High: A History of War in Six Drugs*

BY PETER ANDREAS. Oxford University Press, 2020, 352 pp.

The United States' five-decade-long "war on drugs" has failed miserably and has caused tremendous collateral damage. But no consensus has emerged

on a better path forward. Three recent publications sketch the dimensions of the crisis. A congressionally mandated bipartisan commission endorses many of the basic thrusts of existing U.S. counternarcotics policies. Crandall condemns the devastation that the U.S.-led drug wars have caused in beleaguered countries in Latin America. Andreas sees drug consumption as inherent to the human condition.

The U.S. Congress created a bipartisan independent commission to address a disturbing conundrum: illicit drugs remain plentiful and drug-trafficking organizations have grown stronger despite aggressive U.S. counternarcotics policies. In their report, the commission's regional experts offer tightly reasoned reviews of existing programs, pointing to progress in some areas: stronger police and criminal justice systems in some countries, for instance, and the increasing treatment of substance abuse as a health-care problem rather than a crime or a moral failing. But these experts balk at truly confronting the massive failures that the report itself handsomely documents. Instead, they largely recommend staying the course, albeit with better coordination across programs and with smarter execution of policies. The commission notes the abject shortcomings of anti-money-laundering measures but badly underplay the enduring capacities of wealthy trafficking organizations to defy counternarcotics efforts. It recognizes that bureaucratic inertia and self-interest lead to the continuation of many underperforming programs, advocating research-based data collection and rigorous cost-benefit analysis of these initiatives. The chapter on Colombia

urges the tighter coordination of interdiction, security, and alternative development strategies. As for drug-ravaged Mexico, the impact of U.S. training and technical assistance “remains unclear,” and the commission nebulously suggests the adoption of a “new strategic framework.”

Crandall’s comprehensive, judiciously balanced review of over 100 years of U.S. counternarcotics policies results in a powerful, persuasive condemnation of the U.S.-led drug wars. He combines scholarly knowledge with his policy experience as an official in the White House and the Defense Department to show how the sprawling counternarcotics federal bureaucracy has failed to squash commerce in banned substances. The resulting harm at home and abroad has been enormous. U.S. policies have failed for many reasons: “the balloon effect,” whereby the suppression of one source of narcotics simply shifts supply to a new location; “the rule of replacement,” which means that newcomers quickly replace eliminated kingpins; the shrewd use of technological innovations by drug producers and traffickers; the debilitating corruption of law enforcement everywhere; and, of course, the irrepressible consumer demand in the United States for mood-altering drugs. Crandall recognizes the good intentions of policymakers in the U.S. government but decries “the inertia of the Beltway policymaking machine” and its systemic failure to objectively assess past actions. When it comes to tackling drug trafficking overseas, he concludes that the United States should “basically [call] it quits in the global supply-side war.”

Andreas chronicles the long histories of human interaction with six psychoactive substances: alcohol, nicotine, caffeine, opium, amphetamines, and cocaine. He uncovers myriad linkages between these drugs and the expansion of the military capacities of states. Governments have financed their wars by taxing these drugs, especially alcohol: taxes on wine, vodka, and whiskey have respectively funded French, Russian, and U.S. military operations in the past. Armies have kept their soldiers nourished, brave, and alert with daily doses of rum, caffeine, and even amphetamines. But Andreas’s strongest contention is that the U.S. war on drugs, primarily against cocaine, has given the American military a new mission and has contributed to the militarization of domestic police forces. In Latin America, U.S. counternarcotics policies have grossly distorted law enforcement priorities while drenching cities in blood. Andreas blames the obduracy of U.S. politicians and bureaucrats for the persistence of the drug wars, despite their evident failure and their huge financial and human costs.

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## Eastern Europe and Former Soviet Republics

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*Maria Lipman*

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*Nested Nationalism: Making and Unmaking Nations in the Soviet Caucasus*  
 BY KRISTA A. GOFF. Cornell University Press, 2021, 336 pp.

In its early years, the Soviet Union promoted the cultures, languages, and cadres of its countless ethnic communities. But by the late 1930s, this policy gave way to boosting the so-called titular nations in the Soviet Union's constituent republics (titular groups were those that shared their republic's name, such as Uzbeks in Uzbekistan)—at the expense of nontitular minorities. Goff's deep and innovative analysis traces the way Soviet policies on nationality affected the population of Soviet Azerbaijan, home to both titular Azeris and many nontitular minorities. Azeris may have felt underprivileged within the context of the hegemony of Russian language and culture in the Soviet Union, but as the titular nation in Azerbaijan, they were privileged over their republic's nontitular groups. Nontitular minorities found access to education and career advancement severely limited unless they identified as part of titular groups, a dynamic that led to forced assimilation. For example, the number of people claiming to belong to the Talysh minority group in Azerbaijan plummeted from 87,510 to just 85 between the censuses of 1939 and 1959. The last Soviet census, in 1989, reflected a softer political environment

that encouraged the Talysh to reassert their identity: their number in the republic jumped up to 21,169. But in today's Azerbaijan, this entire subject is considered highly sensitive, and mere academic interest in it can attract the ire of the government.

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*A Short History of Russia: From the Pagans to Putin*  
 BY MARK GALEOTTI. Ebury Press, 2021, 208 pp.

Galeotti skips through Russia's centuries-long history in around two hundred pages by focusing on its successive rulers. He covers many early princes, along with every tsar and every Communist Party general secretary. The book traces feuds, wars, territorial expansions, and Russian leaders' repeated attempts to modernize their country while keeping their subjects under tight control, but it does not have much to say about those subjects. Readers will also not find much about Russia's social structure, ethnic composition, high and popular cultures, systems of education, or faiths. Galeotti intends his book for a broad audience, and his narrative is, indeed, lively and easy to follow. The chapter on Vladimir Putin is brilliant. But a number of unfortunate inaccuracies risk misleading a curious reader. For instance, the invention of the Cyrillic script used for the Russian language is wrongly ascribed to the Byzantine missionaries Cyril and Methodius—they invented Glagolitic, an earlier script quite different from Cyrillic. It is not true that "Byzantine Christianity did not require submission to a distant spiritual leader": during its first 600 years, the

Russian Orthodox Church had its head appointed by the patriarch of Constantinople. And not “most” surveyed Russians, but only one-third, agreed to identify themselves as “Europeans,” a number that dropped even lower in a poll this year.

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*The Happy Traitor: Spies, Lies, and Exile in Russia; The Extraordinary Story of George Blake*

BY SIMON KUPER. Profile Books, 2021, 278 pp.

George Blake was a British MI6 agent and a Soviet spy. In the 1950s, he famously informed the Soviet Union of a secret tunnel the Americans and the British had dug under the Soviet sector of Berlin to tap the communications of the Soviet military. By his own account, he revealed the identities of hundreds of British agents operating in communist countries, leading, in some cases, to their executions. Blake was exposed and tried in the United Kingdom in the 1960s, but he fled from jail using a rope ladder and then made a remarkable escape: a former fellow inmate drove Blake huddled under the back seat of a car all the way to East Germany. Blake reached Moscow in 1967 and lived there until his death in 2020 at the age of 98. Kuper, who interviewed the double agent in 2012, claims that Blake felt no remorse for his actions. Besides his own long interview, Kuper draws on numerous published sources, including Blake’s autobiography and his lectures to security service members in East Germany (where Blake always enjoyed a warm welcome). The MI6 has never made public its files on Blake—perhaps because, as Kuper writes, “his case was so embarrassing to the service.”

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*Weak Strongman: The Limits of Power in Putin’s Russia*

BY TIMOTHY FRYE. Princeton University Press, 2021, 288 pp.

The prevailing narrative about Russia, Frye writes, is overpoliticized and oversimplified. All too often, outside observers reduce Russian politics either to “Putinism,” defined by the character and background of Russian President Vladimir Putin, or to Russia’s unique history and culture. They neglect the numerous comparative studies that portray Russia as a personalist autocracy with much in common with other contemporary regimes in Hungary, Turkey, or Venezuela. Standard political commentary on Russia also gives little importance to dynamics within Russian society. But survey-based academic research—including Frye’s own—illustrates the impact of Russian public opinion on the Kremlin’s decision-making process. Frye seeks to show how the Kremlin’s actions are the result of countless tradeoffs and difficult choices, rather than the expression of an omnipotent ruler’s whims or an insuperable historical legacy. The book makes sophisticated social science accessible to a broad audience. It seems especially timely, too, as Russia’s rising public discontent, economic decline, and confrontation with the West are heightening the dilemmas facing the Kremlin.



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*Assignment Moscow: Reporting on Russia From Lenin to Putin*

BY JAMES RODGERS. I.B. Tauris, 2020, 256 pp.

Rodgers, a British journalist who has worked in Russia at various times since the 1990s, writes about the plight of the English-speaking correspondents who have covered Russia, going all the way back to the Russian Revolution in 1917. That their task was not easy is hardly surprising, yet Rodgers repeatedly emphasizes the difficulties they faced (the word “difficult” is used to describe their job at least two dozen times): strict censorship (foreign journalists were forced to clear their dispatches with Soviet authorities until 1961), travel restrictions, limited access to senior officials and ordinary people alike, and the government’s suspicion that Anglo-American correspondents were spies in disguise. Even Rodgers’s discussion of the American journalist Hedrick Smith—who, despite the restrictions, famously managed to produce exceptionally rich and insightful coverage of the Soviet Union and its people in the 1970s—is reduced to Smith’s reflections on how difficult his work was. Rodgers’s narrative rests on an enormous number of articles in Anglo-American media, books by and about journalists, and his own interviews with many Moscow correspondents. He quotes some of them as saying that journalists knew and understood Russia better than diplomats or policymakers did. This may or may not be true. Unfortunately, Rodgers doesn’t give the diplomats and policymakers a chance to respond.

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Middle East

*Lisa Anderson*

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*Sinews of War and Trade: Shipping and Capitalism in the Arabian Peninsula*

BY LALEH KHALILI. Verso, 2020, 368 pp.

Ninety percent of the world’s goods and 60 percent of its oil are transported by sea. The numbers are staggering, but the plumbing of globalization—maritime trade, logistics, and the shipping of hydrocarbons—is often hidden, as Khalili puts it, “behind veils of security and bureaucracy.” She has burrowed into archives, traveled on container ships, pored over statistical data and engineering reports, and talked to oil executives and port managers, stevedores and labor activists in several Persian Gulf ports. The result is a fascinating if, as she acknowledges, “untidy” book. It is a richly revealing portrait of a complex industry that mingles both astonishingly archaic practices—routes plotted on paper charts, for instance, and port laborers locked in work camps—and dazzling technological triumphs. The uncertain boundaries between civilian and military transport, the complex way ships’ registries work, and the shifting ties between governments and industry are, like sea-lanes themselves, difficult to pin down but important to chart, and Khalili provides a valuable window into this world.

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*The Power of Deserts: Climate Change, the Middle East, and the Promise of a Post-Oil Era*

BY DAN RABINOWITZ. Stanford University Press, 2020, 184 pp.

Rabinowitz examines the exceptional vulnerability of most of the Middle East to climate change. Temperatures have risen and rainfall declined perceptibly in recent decades in what is already one of the most arid regions of the world. Well before the last decade's political uprisings, long droughts contributed to significant population displacements and growing political discontent in Sudan and Syria. Virtually all the countries of the region are confronting dwindling rains, shrinking arable land, and rising sea levels. An Israeli sociologist and environmental activist, Rabinowitz persuasively argues that understanding the Middle East without factoring in climate change is "no longer tenable." Although his political analysis is not always subtle or nuanced, his conclusions are powerful, and surprisingly hopeful: precisely those countries that have the most to lose in a post-oil future—the oil producers of the Arabian Peninsula (and, it might be added, North Africa)—are also well placed to embrace renewable energy, as beneficiaries of strong and reliable sunshine.

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*Global Jihad: A Brief History*

BY GLENN E. ROBINSON. Stanford University Press, 2020, 264 pp.

How has jihad, a Muslim religious imperative to struggle in the path of God, come to preoccupy governments around the world? Robinson provides a synthetic and remarkably comprehensive

account of the evolution of political jihad since it came to global prominence in the 1980s. He sketches four waves of jihadi activity: the international call to expel the Soviets from Afghanistan during the 1980s, the anti-American focus of Osama bin Laden and al Qaeda, the rejection by the so-called Islamic State (or ISIS) of the international system, and the proliferation of "lone wolf" actions fueled by radicalization on the Internet. Robinson provides both an accessible history and a provocative analysis of one of the most important political movements in the world over the last half century. Wading into controversial debates, he makes the case that jihadi activity is best understood as a "movement of rage," an apocalyptic rejection of the secular, scientific knowledge of the Enlightenment, echoing the actions of the Khmer Rouge in Cambodia and many other violent, book-burning mobs. What jihadi leaders have added to this mix, he argues, is the ability to project their rage and unleash their movement on a global scale.

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*Syrian Requiem: The Civil War and Its Aftermath*

BY ITAMAR RABINOVICH AND CARMIT VALENSI. Princeton University Press, 2021, 288 pp.

Despite their book's ominous title, Rabinovich and Valensi don't actually think Syria—or even its current regime—is dead. In fact, they seem impressed by the staying power of both the country and its government, given the many attempts to bring the regime of Bashar al-Assad down and pull Syria apart over the last decade. In tracing this unexpected resilience, the authors have produced a

very useful primer on an astonishingly complex history. An efficient summary of the rule of Assad's Baath Party sets the stage for an examination of the 2011 uprising and the subsequent civil war through 2018. The authors examine the roles of domestic, regional, and international actors, before attempting to conclude what is in truth an unfinished story by chronicling the events of 2019 and 2020. They are damning in describing what they charitably call the "fluctuations" of an inconsistent U.S. policy on Syria in the past decade. And they supply dizzying accounts of the raucous geopolitical square dance—with regional actors changing partners in Syria with abandon—that has left millions of Syrians dead, displaced, or exiled. Their treatment of Israel's interests and activities in Syria is predictably astute. In a surprisingly moving section, they discuss the devastation of what was once a robust and lively arts scene in pre-uprising Damascus.

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*The Egyptian Coffeehouse: Culture, Politics, and Urban Space*

BY DALIA SAID MOSTAFA AND AMINA ELBENDARY. I.B. Tauris, 2020, 192 pp.

The appearance of the coffeehouse in the Middle East in the late Middle Ages appears to have coincided with, and probably fostered, the development of Arab folk epics, such as *The Thousand and One Nights*. Regular patrons eagerly anticipated the storyteller's next installment, much as readers of popular magazines in Victorian England consumed famous serialized novels. Since then, Cairo's cafés have continued to be gathering places for the cultural elite of the day, much like their Parisian coun-

terparts, often serving particular literary coteries and political cliques, as this lively and provocative volume illustrates. Today, as testimonies from a variety of contemporary coffeehouse patrons show, Egyptians of many ages and classes find solace, refuge, conviviality, and job leads at the local café. Everyday political and social change also takes place in the café: since the uprising of 2011, many more coffeehouses welcome women. Starbucks and local chains such as Beano's may prevail in Cairo's suburban malls, but they will never beat the wooden chairs, uneven floor, and tiny glasses at Fishawi's for debating last night's soccer match—or government decree—with friends.

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## Asia and Pacific

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*Andrew J. Nathan*

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*To Kill a Democracy: India's Passage to Despotism*

BY DEBASISH ROY CHOWDHURY AND JOHN KEANE. Oxford University Press, 2021, 336 pp.

A combination of investigative reporting and political theory, this probing book argues that "social death" is the reason for the decline of democracy, with India offered as a case study. The authors detail India's broken health-care system, chronic hunger, land grabs, air and water pollution, dysfunctional public transport networks, religious bigotry, pervasive illiteracy, debt bondage, child slavery, and mistreatment of women. As people come to accept

deep social and economic inequality, the system erodes the dignity of its citizens—the principle on which democracy depends. That social breakdown produces hordes of cynical young people ready to join authoritarian militias and political movements, dynastic parties run by corrupt politicians, captive media, dysfunctional legislatures, subservient security agencies, and partisan courts. Elections, marred by violence and money politics, become exercises in “voluntary servitude.” Chowdhury and Keane say these problems started long before Narendra Modi became prime minister in 2014 and have grown worse under his leadership. One wonders, however, whether to blame social ills for democratic decline or the reverse.

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*Bombay Brokers*

EDITED BY LISA BJORKMAN. Duke University Press, 2021, 472 pp.

This collection of 36 short profiles by as many authors affectionately portrays the middlemen and facilitators who grease the wheels of life in Mumbai (formerly known as Bombay) in imaginative ways. There is the construction engineer who specializes in persuading municipal officers to approve water hookups for buildings that are not certified for occupancy; the retired municipal official who uses his connections to help neighbors with identity cards, rubbish removal, and death certificates; and a variety of entrepreneurs who specialize in assembling political crowds with money or entertainment. Some of the subjects are like those who run small businesses anywhere, but with an Indian twist: a messenger who specializes in delivering daily lunchboxes from homes

to office workers through Mumbai’s impossible transit system, a group of transgender women who collect overdue loans by dancing in front of deadbeats until they pay, a “prison master” who serves other people’s terms. The characters in the book maneuver in the ambiguous spaces between the modern political economy and the tangled reality of irrational regulations, strained resources, and too many people. The book is an unconventional introduction to India’s biggest city and an invitation to the joys and challenges of ethnography.

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*China’s Quest for Foreign Technology: Beyond Espionage*

EDITED BY WILLIAM C. HANNAS AND DIDI KIRSTEN TATLOW. Routledge, 2020, 372 pp.

A 2013 book by Hannas and two other contributors to the present volume focused on the many ways that China gets hold of advanced U.S. technology. Since then, as reported by contributors to this new, deeply researched and sophisticated volume, the Chinese government has vastly increased its technology-acquisition programs, not only in the United States but also in Australia, Japan, South Korea, and Europe. As before, some Chinese methods are illegal, such as hacking and theft, but many are carried out in the open, including investing in foreign companies, conducting joint research projects with foreign universities and companies, using “talent programs” to bring Chinese and non-Chinese scientists to China, and offering returned scholars venture capital to start businesses. Thousands of university centers, technology-transfer parks, and startup incubators convert the imported technol-

ogy into products that increase China's competitiveness, upgrade its military, or strengthen the government's ability to control society. Officials and observers in the West lack awareness of the extent of these activities. Governments face the dilemma of trying to stop the outflow of advanced technology without interrupting the valuable inflow of Chinese students and scholars.

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*Dialect and Nationalism in China, 1860–1960*

BY GINA ANNE TAM. Cambridge University Press, 2020, 262 pp.

Chinese nationalists who wanted to create a modern nation in the twentieth century had to contend with the dozens of regional forms of spoken Chinese, which they believed hindered the creation of a unified culture. Tam argues that these speech forms are not just dialects but distinct languages, as different from one another as many of the languages spoken in Europe. To solve the problem, modernizers designed a common language based on the vocabulary and pronunciation found in Beijing and claimed that the regional languages were mere offshoots of this main idiom. Mao Zedong's regime forced all Han people to learn the common language. But folklorists, anthropologists, dramatists and, in the post-Mao period, rap artists believed the local forms of speech expressed the authentic culture of the common people. In this learned and thoughtful study, Tam shows that local languages have survived in the face of state hostility, mostly because people continue to speak them with their children and neighbors. The struggle over

uniformity versus diversity continues with the current regime's efforts to snuff out Tibetan, Uyghur, and other languages of the non-Han minorities.

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*Taiwan in Dynamic Transition: Nation Building and Democratization*

EDITED BY RYAN DUNCH AND ASHLEY ESAREY. University of Washington Press, 2020, 256 pp.

*Difficult Choices: Taiwan's Quest for Security and the Good Life*

BY RICHARD C. BUSH. Brookings Institution Press, 2021, 429 pp.

Understanding Taiwan is more important today than ever before, given rising U.S.-Chinese tensions and great-power rivalry. But Taiwan is more than an international hot spot. It is also relevant because although it has emerged from the pandemic as one of the most resilient democracies, with an effective public health system and a stellar economy, it is grappling with difficult long-term problems that are also plaguing other high-income societies.

Dunch and Esarey's volume features several scholars and activists and places Taiwan in a comparative, global perspective. The contributors address debates on important issues including the revision of the constitution, the death penalty, defense expenditures, conscription, and military reform. They explore the active engagement of ordinary Taiwanese in public affairs through analyses of neighborhood governance in Taipei and the 2014 Sunflower Movement, which protested forming closer economic ties with mainland China. The volume provides diverse and often impassioned perspectives, which are not

often found in English-language academic or policy analyses of Taiwan.

Bush, an authority on all things Taiwan, presents a detailed and comprehensive account of Taiwan's transformation from a dictatorship to a wealthy democracy that needs to balance security and prosperity amidst a growing external threat. His review of Taiwan's budget, economy, energy security, transitional justice, and defense is the most in-depth and up-to-date study available, and it sheds light on the tradeoffs involved in all of these areas. Bush assesses how Beijing and Washington see Taipei and analyzes how the Taiwanese, particularly the elites, have navigated between the superpowers. He offers sharp advice for Taiwan on how to balance domestic and external pressures as the stakes become ever higher.

Both books will help readers understand one of the most important elements of Taiwan's transformation: how its emerging democracy, changing national identity, and civic values inform its management of domestic and international challenges. Both books also illustrate the difficulties in building policy consensus in a democracy with a high level of public participation. As Bush argues, Taiwan must overcome its divisions on domestic issues and foreign relations if it is to continue to survive and succeed. Taken together, the two books suggest that both China and the United States need to reexamine their policies toward the island, some of which seem rooted in a past that Taiwan is increasingly leaving behind.

SYARU SHIRLEY LIN

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*Future Forward: The Rise and Fall of a Thai Political Party*

BY DUNCAN McCARGO AND  
ANYARAT CHATTHARAKUL.  
University of Hawaii Press, 2020,  
252 pp.

This pithy and accessible book charts the short life of Future Forward, a progressive political party founded in 2018 that, until its dissolution in 2020, challenged Thailand's authoritarian political order. The authors sketch the party's leadership, including its charismatic co-founder the tycoon Thanathorn Juangroongruangkit; its progressive ideological platform; and its supporters. Quietly simmering under the narrative are concerns about whether the movement can be revived and whether it represented a new kind of party or merely put a new spin on a conventional model centered on high profile, charismatic leaders. The authors highlight a generational divide underlying recent protests in Thailand: digitally savvy youth with global worldviews do not share the values of older generations, which remain loyal to the monarchy and the social hierarchy underpinning it. Future Forward's political platform—advanced in large part on social media—appealed to younger generations because it advocated values such as inclusivity, diversity, and opposition to hierarchy. Although the book argues that Internet platforms are crucial to progressive politics in Thailand, it is less successful in explaining what this means in a country where virtually everyone, including conservative royalists, is active on social media.

TAMARA LOOS

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## Africa

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*Nicolas van de Walle*

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*In the Forest of No Joy: The Congo-Océan Railroad and the Tragedy of French Colonialism*

BY J. P. DAUGHTON. Norton, 2021, 400 pp.

**T**he Congo-Océan Railroad today links the Atlantic Ocean to Brazzaville, the capital of the Republic of the Congo, a distance of 312 miles through thick rainforest and steep terrain. Built at great human cost by the French colonial administration between 1921 and 1934, it has long been viewed as emblematic of the murderous cruelty of colonialism in Africa. Daughton's accessible history of its construction discusses how French authorities used forced conscription—with ridiculously low wages—to find the necessary labor for the railroad. The awful working conditions led to between 15,000 and 60,000 deaths. But the railroad never came close to realizing the economic and financial objectives bandied about by its supporters. Relying on journalistic accounts from the period and the excellent use of archival materials, his book paints a vivid picture of colonialism in central Africa: the vast and sparsely populated terrain with virtually no communications infrastructure, the petty racism of the handful of colonial officials on the ground, and the bureaucratic delusions and highflying patriotic rhetoric of a poorly informed government back in Paris.

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*Amakomiti: Grassroots Democracy in South African Shack Settlements*  
BY TREVOR NGWANE. Pluto Press, 2021, 240 pp.

Based on ethnographic fieldwork in some 46 of South Africa's informal urban settlements, Ngwane's probing study focuses on local governance structures called *amakomiti*, the Zulu word for "committee." All but one of these settlements maintained at least one community-run committee, which was more or less responsive to popular needs and served as an intermediary between the local population and formal state structures, helping ensure the delivery of key services such as clean water and electricity. At their best, these local committees clearly improved people's lives. Ngwane describes them as inclusive and democratic but actually says little about how they chose leaders or about the level of political participation in the neighborhoods. Some of his most trenchant analysis concerns the interaction of the committees and the African National Congress, the only political party that appears to have a significant political presence in the settlements. But Ngwane found that the ANC played a meaningful role in only roughly one in six communities. Although the ANC still garners a good deal of legitimacy from its historic part in the struggle against apartheid, Ngwane's respondents mostly viewed the ANC as indifferent to their welfare, even as the party seeks their votes.

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*The Asian Aspiration: Why and How Africa Should Emulate Asia—and What It Should Avoid*

BY GREG MILLS, OLUSEGUN OBASANJO, HAILEMARIAM DESALEGN, AND EMILY VAN DER MERWE. Hurst, 2020, 256 pp.

Unlike most of the recent books vaunting the economic success of East Asia relative to Africa, this one does not limit its Asian examples to China, South Korea, and Taiwan; the authors also discuss poorer countries, such as Indonesia, Malaysia, and Vietnam, whose history and past economic policy failures make their recent successes more instructive for African countries. The authors review the record of private-sector, export-led growth in ten Asian countries and distill lessons for African states. Governments, they argue, should seek to create inclusive leadership, improve their countries' educational systems, invest in infrastructure, and open up their economies to foreign direct investment. These reasonable prescriptions are not new, but they might nonetheless be considered controversial among too many African elites. The authors recognize that there isn't a one-size-fits-all solution; the particular strategy and sequence of reforms will vary in each country. They also argue explicitly that Africa should diverge from the Asian example by avoiding the authoritarian proclivities of many Asian countries and by ensuring that economic growth doesn't lead to tremendous environmental destruction.

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*East Africa After Liberation: Conflict, Security, and the State Since the 1980s*  
BY JONATHAN FISHER. Cambridge University Press, 2020, 328 pp.

Fisher's excellent political history focuses on the countries in East Africa where the current regimes came to power through successful insurgencies decades ago. His book links the fates of Ethiopia, Eritrea, Rwanda, and Uganda and describes the impact of the many links that leaders in the four countries forged before their rises to power. Ethiopian insurgents had fought side by side with their Eritrean counterparts to oust the regime of Ethiopian President Mengistu Haile Mariam in 1991. The Rwandan rebels who attained power in 1994 had helped Ugandan fighters come to power a decade earlier. Fisher shows convincingly that all four regimes came to share similar concerns about regional security, and they all opposed conservative regimes in the region, most notably the government of Mobutu Sese Seko in Zaire. Still, the personal bonds that linked the leaderships in the four countries frayed considerably over time, as their respective countries' national interests diverged and their ambitions led them to view one another with suspicion. Fisher concludes gloomily that these former insurgents have retained their propensity to use violence as a political instrument to deal with their foreign policy problems, with potentially destabilizing outcomes in the future for East Africa.



*Fevers, Feuds, and Diamonds: Ebola and the Ravages of History*

BY PAUL FARMER. Farrar, Straus and Giroux, 2020, 688 pp.

Farmer embeds a memoir of his own experiences in Guinea, Liberia, and Sierra Leone during the height of the West African Ebola epidemic of 2014 in a much broader critique of colonialism and its lingering effects, which he views as primarily responsible for the lamentable state of public health in the region today. He reviews 500 years of history to make this case. Farmer always writes with great passion, but as a medical doctor by training with much experience in African countries, he is particularly authoritative about the issues Ebola posed for medical staff. His book argues that a “control-over-care” ideology permeates the region to the present day, as a legacy of the colonial emphasis on the containment of diseases rather than the treatment of the afflicted. During the Ebola outbreak in West Africa in 2014, this logic of control meant that the main strategy to address the epidemic was to isolate infected individuals and the communities where the virus had spread, rather than to try to care for the infected. Farmer argues that as a result, many Africans died needlessly, despite widely available treatments.

**FOR THE RECORD**

In a review of *After Democracy* (March/April 2021), the book’s author, Zizi Papacharissi, was identified as a man; in fact, she is a woman.

The article “Gone But Not Forgotten” (March/April 2021) misstated the United States’ relationship to the Trans-Pacific Partnership. In fact, the United States signed but did not ratify the proposed agreement, and President Donald Trump withdrew from it on his first full weekday in office, not his first day. 🌐

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