Thank you both for your kind introductions. Today the United States is seen as the undisputed world hegemon. But think back a decade, and the U.S. image was one of decline. Democratic presidential candidate Paul Tsongas was saying that the Cold War had ended and the Japanese won. Yale Professor Paul Kennedy had written his *Rise and Fall of Great Powers*. I disagreed with the predominant view and I wrote a book about it (though I didn’t get the royalties that Paul Kennedy got!). The new conventional wisdom is that the United States is on top and bound to stay there. Yet we now err in the opposite way, almost to triumphalism.

The 1990s was an odd decade in international affairs. We had the end of the Cold War, the dissolution of the Soviet Union, leading to an unbalanced United States remaining on the world stage. The decade started with the Gulf War, with very few U.S. casualties, and ended with the bombing of Serbia, with no U.S. combat casualties. This led both to complacency and an indifference to international affairs as seen in the U.S. media. The 2000 presidential debate virtually ignored foreign policy – it was 20th in importance among a list of various issues according to one study. It isn’t to say that Americans were isolationist, but just indifferent.

There was some arrogance. Charles Krauthammer (columnist at *The Washington Post*) wrote in June, 2001 of a “new unilateralism.” While Bush was somewhat muted in the campaign his administration has shown elements of arrogance in foreign policy, for example, pulling out of various international arrangements and treaties. Then 9/11 happens. Suddenly Congress appropriates money to pay our UN dues and there is a feeling of multilateralism. But with the victory in Afghanistan by mid-December the pendulum began to swing back to unilateralism. The Geneva Conventions do not apply to the detainees, we won’t honor the International Criminal Court, etc.

And the United States does dominate. The U.S. defense budget is more than those of the next eight countries combined. Our economy is bigger than those of the next three countries combined. This year’s increase in the defense budget is more than the entire annual defense budget of Great Britain.

Yet realists have always warned of unilateralism because of the balancing phenomenon. The theory is that other countries will balance against us if we become too powerful or arrogant in the use of our power. But who would balance against us? China? Some such as William Kristol and Robert Kagan have argued that China is like the Kaiser’s Germany. But that doesn’t fit the
facts. The Kaiser’s Germany was already way ahead of the other powers by the time WWI started – China is still way behind. It is still weak and it won’t match the United States for at least another quarter century. What about coalitions? A Chinese-Russian-Indian coalition against the United States still doesn’t equal our power, and besides, it is hard to see politically. What of Europe as a challenger? It has the larger economy, the larger population, and the technology, with two nuclear powers. But I doubt the EU would hold together in such circumstances, at least in the political and military realms. There really is no other viable challenger to the United States.

However, there are deeper trends in world politics, mainly in the areas of the information technology revolution and globalization. First, we’ve seen a revolutionary reduction in the cost of communications. From 1970 to 2002 the price of a semi-conductor has dropped 1,000%. If the same were true for the automobile industry, a car would cost $5 today. The web allows many actors to act. The number of NGOs has risen dramatically, from 6,000 in 1990 to 26,000 in 1998. Over 1,500 NGOs coordinated the protests at the Seattle WTO meeting in 1999. NGOs were also instrumental in the drafting and passage of the international treaty to ban landmines. These are all examples of empowerment.

Besides NGOs there are terrorists and their networks. Terrorists have been around for a long time. Just read Dostoyevsky and Conrad for fascinating psychological profiles of the minds of terrorists. The number of victims has risen over the past two decades, from the tens to the thousands (9/11), and it is not implausible that terrorists will eventually get weapons of mass destruction (WMD). I call this phenomenon the “privatization of war.” This ability to inflict private destruction is a profound change in the threats that nations face.

Second, globalization has had an effect. Globalization is merely the rise of worldwide networks of interdependence and a resulting shrinkage of distances. 9/11 showed us that chaos in weak countries halfway across the globe (Afghanistan) can affect us here. There is also economic and ecological globalization. On the economic side an example is the 1997 Asian financial crisis, which started with the collapse of the weak Baht in Thailand, spread throughout Asia, then to Russia in the summer of 1998 and on to Brazil and finally to New York City, where bankers had to take action.

Ecologically, it doesn’t matter if the carbon dioxide is emitted here or in China – the air is the same for the entire world. Disease spreads much faster now. Where it used to take millennia for smallpox to circumvent the world, it now takes HIV/AIDS only decades to travel from Africa throughout the world. We saw this recently on the East Coast with the West Nile Virus – a bug that could have come over from Africa via a mosquito in a plane, from an infected person, or in various other ways. Public health in Africa deserves to be a national security concern for the United States.

The lesson is this: as distances decrease, it becomes harder to isolate oneself. The new unilateralism is severely mistaken. Krauthammer says that because we won the war in Afghanistan alone (except for a token British contingent), this shows that new unilateralism works. True, we won handily in Afghanistan and defeated the Taliban regime. But we didn’t wrap up the Al-Qaeda networks. The majority of Al-Qaeda is still around! Certain transnational
problems can be solved unilaterally, yes. But if Al-Qaeda continues to have cells in 50 countries, we need to have close civilian cooperation with these countries, not unilateralism. We need to convince them to work with us. Problems will call for a proper mix of both hard and soft power, but the latter is always much cheaper.

The budget for the Department of Defense trumps all others. Compared to either State, AID, the VOA, etc., one comes up with a ratio of 17:1. The new unilateralism focuses much too closely on the military aspects of power. A more accurate description of the issues facing us is a three-dimensional chess game. On the military level, we win. On the economic board, we need to cooperate with other powers such as China, Japan, and the EU. On the final board – that of transnational relations – we see both bankers and terrorists. There is no principle of order there. While the new unilateralism focuses on the military dimension, we are playing a 3-dimensional game. And therefore we need to cooperate.

This is what I refer to in the title of my book as the Paradox of American Power. We are the strongest nation in the world, yet we won’t get what we want without cooperation. I call for two policy prescriptions:

- Define the U.S. national interest to produce global public goods; include the interests of other nations in our calculations.
- Start with multi-literalism and only move to unilateralism if that fails. With multilateralism we embed our power in a framework that legitimizes it; we can also learn by listening.

This is a new approach to face new threats. Henry Kissinger has said the challenge of this new generation is creating a framework in which the United States can operate successfully and prolong our relative power for as long as possible. With that I conclude and will be happy to take some questions.

Question and Answer Session

AUDIENCE MEMBER: Isn’t international relations just driven by domestic politics?

NYE: Yes, of course, in a democracy domestic politics will always matter. We see this with the recent imposition of steel tariffs and a farm bill, the latter of which will hurt developing nations more than their received total foreign aid! On both, it is a collective action problem. The producers are able to band together and lobby for protection, while the consumers are dispersed and the pain is small. Protectionism happens in all democracies. What is amazing is that so much trade happens at all, in spite of domestic interest-group politics.

In the Middle East, we can say that in January 2001 we were fairly far along. The White House said it was waiting for the situation to “ripen,” but in the meantime it became rotten. Bush waited too long to engage. I am a devoted supporter of Israel, but it is interesting in that now within the administration we see a similar split to that between the Likud and Labor parties. But it’s not just the Jewish lobby – there is a strong element of conservative Christianity.
AUDIENCE MEMBER: How do we use our soft power in the Middle East to counter a rabid anti-Americanism?

NYE: Soft power grows out of a nation’s culture and policies. Soft power if not ubiquitous – you can have it in some areas and not in others; you can have it with some countries and not with others. It is hard to generalize. For instance with Iran, the leaders view American culture with disgust while Iranian teenagers are attracted to our culture. The main point is that if our policies are arrogant then we squander what soft power we have. The policies will trump the soft power.

AUDIENCE MEMBER: Of transnational threats, how would you rank drugs, small arms, and WMD?

NYE: Different threats require different prioritization. In Colombia you see the killing of electoral candidates and it becomes hard to separate the issues of drugs and terror. The threats have merged. An irony is that before 9/11 we were getting cooperative moves from the Taliban in their destruction of the poppies. I’m against drugs. But do I believe they will destroy our society? No. However, if we suffer a WMD attack our nation will be seriously changed.

AUDIENCE MEMBER: You say that military power has been overemphasized, but you’ve given no evidence that we’re willing to use the power we have. From the bombing of the Marine barracks in Lebanon to the bombings of the embassies to the bombing of the Cole... I’ve seen a reluctance to retaliate. Only 9/11 could bring a military response!

NYE: You’ve misread me. I said military power is a necessary condition (not a sufficient one). After 9/11 I said it didn’t matter if this was a criminal or a war act – we had to respond, go in and get those guys. But military doesn’t solve all of the related issues. It isn’t sufficient. And I would disagree with your statement. The bombing of the discothèque in Germany led to the U.S. attack on Libya, which in turn led to the bombing of Pan Am over Scotland. These things have a way of getting out of hand. We can defeat the Taliban, yes, and we did. But we haven’t yet defeated Al-Qaeda.

AUDIENCE MEMBER: Does anyone in the White House understand what you’re saying?

NYE: There are many different views in the White House. At State you have the more traditional Republicans (like Powell), while at Defense, among the civilians, you have the neo-conservative Republican represented, who are more unilateralist. There is a tug of war between the two. Actually the traditional Republicans have more in common with the Democrats on issues of foreign policy than they do with the neo-conservative Republicans.

FRED HITZ: On the ICC, have we missed an opportunity? Wasn’t there some way the United States could have negotiated a solution to the problem of prosecutions of our soldiers in the field? Haven’t we suffered a loss of credibility?

NYE: I think we could have salvaged it. Secretary Rumsfeld has said it represented a threat to U.S. soldiers. I disagree. First, there are very few crimes for which it is responsible (war crimes, genocide, crimes against humanity, etc.). Second, if a U.S. soldier is charged, the principle of
complementarity kicks in. We would be able to try him first. And if a U.S. soldier purposefully kills an innocent that is a violation of the U.S. military code of conduct. Now if we decided the charges were not valid and we didn’t prosecute, but the ICC prosecutors insist on going ahead – then I don’t know. The way to prevent this is to prevent a “rogue prosecutor” from attaining the position, or by allowing a Security Council veto on cases. Our only hope now is that our allies will protect us from these sorts of prosecutions.

AUDIENCE MEMBER: How does Iraq play into the multilateralist/unilateralist debate?

NYE: Well you may be surprised to learn that on Iraq I’m not a dove. To allow Saddam Hussein to build nuclear weapons would be a major mistake. To wait and see how it turns out, especially as his likely method of delivery would be via a terrorist, is irresponsible.

However, I’m a “patient multilateralist” as opposed to an “impatient unilateralist.” We need to build a coalition over time that has political legitimacy. And we have time for this if we work on it. My European friends with whom I talk are all opposed initially to an invasion of Iraq. Then I say, but what if we show proof of this, and then of this… and they come around to our view.

DANSPECKGRUBER: Where do international organizations fit into the picture after 9/11? How have they shaped the situation?

NYE: As anyone who has worked there knows, the UN is an extremely frustrating place. Yet there is no alternative to it. If we were to construct an alternative I doubt we’d come up with anything better, and probably worse. You don’t have to be a devotee to international law to say that the UN matters. In some cases it is proper to circumvent the UN, for example in Kosovo, especially as it was firmly within the NATO structure. But post-9/11 we should be applauding the UN! They passed some very strong resolutions after that, calling for all member states to assist – under Article 7 – the fight against terrorism.

AUDIENCE MEMBER: I see a constant battle between realpolitik and idealism. We don’t give enough aid to other democracies.

NYE: We need to give both guns and other foreign aid. An example is Colombia. They need security before any other type of aid can work. I once wrote a now famous line in a Defense Department memo, that security is like oxygen – you don’t notice it until it’s gone, and when its gone that’s all you think about. I’m for economic assistance too, but security comes first. I’m describing a Hobbesian world here.

ULLMAN: What were the results of your government reform project at the Kennedy School of Government?

NYE: We have a Kennedy School project on different visions of government. We’ve found three trends:

1. marketization and increasing efficiencies in markets around the globe;
2. the information revolution; and
3. globalization.
All are contributing to a decentralizing effect, diffusing power to the regions and away from national capitals. The 20th century, to contrast, was the century of centralization. Now we’re seeing the opposite.

Democracy is highly associated with the nation-state. What does it mean, then, when supranational organizations dictate decisions to states? The WTO is an example. But then go one step further. On the issue of child labor, the 3rd World countries are against a ban while the NGOs are pushing for one. The NGOs are supported by a small group of rich kids on U.S. college campuses who are calling for an end to child labor – but they are overruling the desires of the 3rd World. And this is called global democracy!

After 9/11 I see a more Hobbesian view coming forth.