

# The Next Liberal Order

## The Age of Contagion Demands More Internationalism, Not Less

By G. John Ikenberry

When future historians think of the moment that marked the end of the liberal world order, they may point to the spring of 2020—the moment when the United States and its allies, facing the gravest public health threat and economic catastrophe of the postwar era, could not even agree on a simple communiqué of common cause. But the chaos of the coronavirus pandemic engulfing the world these days is only exposing and accelerating what was already happening for years. On public health, trade, human rights, and the environment, governments seem to have lost faith in the value of working together. Not since the 1930s has the world been this bereft of even the most rudimentary forms of cooperation.

The liberal world order is collapsing because its leading patrons, starting with the United States, have given up on it. U.S. President Donald Trump, who declared in 2016 that “we will no longer surrender this country . . . to the false song of globalism,” is actively undermining 75 years of American leadership. Others in the U.S. foreign policy establishment have likewise packed their bags and moved on to the next global era: that of great-power competition. Washington is settling in for a protracted struggle for dominance with China, Russia, and other rival powers. This fractured world, the thinking goes, will offer little space for multilateralism and cooperation. Instead, U.S. grand strategy will be defined by what international relations theorists call “the problems of anarchy”: hegemonic struggles, power transitions, competition for security, spheres of influence, and reactionary nationalism.

But this future is not inevitable, and it is certainly not desirable. The United States may no longer be the world’s sole superpower, but its influence has never been premised on power alone. It also depends on an ability to offer others a set of ideas and institutional frameworks for mutual gain. If the United States abandons that role prematurely, it will be smaller and weaker as a result. A return to great-power

competition would destroy what is left of the global institutions that governments rely on for tackling common problems. Liberal democracies would further descend into disunion and thereby lose their ability to shape global rules and norms. The world that would emerge on the other side would be less friendly to such Western values as openness, the rule of law, human rights, and liberal democracy.

## A return to great-power competition is neither inevitable nor desirable.

In the short term, the new coronavirus (and the resulting economic and social wreckage) will accelerate the fragmentation and breakdown of global order, hastening the descent into nationalism, great-power rivalry, and strategic decoupling. But the pandemic also offers the United States an opportunity to reverse course and opt for a different path: a last-chance effort to reclaim the two-centuries-old liberal international project of building an order that is open, multilateral, and anchored in a coalition of leading liberal democracies.

For guidance, today's leaders should look to the example of U.S. President Franklin Roosevelt. The collapse of the world economy and the rapid spread of fascism and totalitarianism in the 1930s showed that the fates of modern societies were tied to one another and that all were vulnerable to what Roosevelt, using a term that seems eerily prescient today, called "contagion." The United States, Roosevelt and his contemporaries concluded, could not simply hide within its borders; it would need to build a global infrastructure of institutions and partnerships. The liberal order they went on to build was less about the triumphant march of liberal democracy than about pragmatic, cooperative solutions to the global dangers arising from interdependence. Internationalism was not a project of tearing down borders and globalizing the world; it was about managing the growing complexities of economic and security interdependence in the pursuit of national well-being. Today's liberal democracies are the bankrupt heirs to this project, but with U.S. leadership, they can still turn it around.

### THE PROBLEMS OF MODERNITY

The rivalry between the United States and China will preoccupy the world for decades, and the problems of anarchy cannot be wished away. But for the United States and its partners, a far greater challenge lies in what might be called "the problems of modernity": the deep, worldwide transformations unleashed by the forces of science, technology, and industrialism, or what the sociologist Ernest

Gellner once described as a “tidal wave” pushing and pulling modern societies into an increasingly complex and interconnected world system. Washington and its partners are threatened less by rival great powers than by emergent, interconnected, and cascading transnational dangers. Climate change, pandemic diseases, financial crises, failed states, nuclear proliferation—all reverberate far beyond any individual country. So do the effects of automation and global production chains on capitalist societies, the dangers of the coming revolution in artificial intelligence, and other, as-yet-unimagined upheavals.

The coronavirus is the poster child of these transnational dangers: it does not respect borders, and one cannot hide from it or defeat it in war. Countries facing a global outbreak are only as safe as the least safe among them. For better or worse, the United States and the rest of the world are in it together.

Past American leaders understood that the global problems of modernity called for a global solution and set about building a worldwide network of alliances and multilateral institutions. But for many observers, the result of these efforts—the liberal international order—has been a failure. For some, it is tied to the neoliberal policies that produced financial crises and rising economic inequality; for others, it evokes disastrous military interventions and endless wars. The bet that China would integrate as a “responsible stakeholder” into a U.S.-led liberal order is widely seen to have failed, too. Little wonder that the liberal vision has lost its appeal.



A coronavirus victim is buried in Manaus, Brazil, April 2020  
Bruno Kelly / Reuters

Liberal internationalists need to acknowledge these missteps and failures. Under the auspices of the liberal international order, the United States has intervened too much, regulated too little, and

delivered less than it promised. But what do its detractors have to offer? Despite its faults, no other organizing principle currently under debate comes close to liberal internationalism in making the case for a decent and cooperative world order that

encourages the enlightened pursuit of national interests. Ironically, the critics' complaints make sense only within a system that embraces self-determination, individual rights, economic security, and the rule of law—the very cornerstones of liberal internationalism. The current order may not have realized these principles across the board, but flaws and failures are inherent in all political orders. What is unique about the postwar liberal order is its capacity for self-correction. Even a deeply flawed liberal system provides the institutions through which it can be brought closer to its founding ideals.

However serious the liberal order's shortcomings may be, they pale in comparison to its achievements. Over seven decades, it has lifted more boats—manifest in economic growth and rising incomes—than any other order in world history. It provided a framework for struggling industrial societies in Europe and elsewhere to transform themselves into modern social democracies. Japan and West Germany were integrated into a common security community and went on to fashion distinctive national identities as peaceful great powers. Western Europe subdued old hatreds and launched a grand project of union. European colonial rule in Africa and Asia largely came to an end. The G-7 system of cooperation among Japan, Europe, and North America fostered growth and managed a sequence of trade and financial crises. Beginning in the 1980s, countries across East Asia, Latin America, and eastern Europe opened up their political and economic systems and joined the broader order. The United States experienced its greatest successes as a world power, culminating in the peaceful end to the Cold War, and countries around the globe wanted more, not less, U.S. leadership. This is not an order that one should eagerly escort off the stage.

To renew the spirit of liberal internationalism, its proponents should return to its core aim: creating an environment in which liberal democracies can cooperate for mutual gain, manage their shared vulnerabilities, and protect their way of life. In this system, rules and institutions facilitate cooperation among states. Properly regulated trade benefits all parties. Liberal democracies, in particular, have an incentive to work together—not only because their shared values reinforce trust but also because their status as open societies in an open system makes them more vulnerable to transnational threats. Gaining the benefits of interdependence while guarding against its dangers requires collective action.

## THE ROOSEVELT REVOLUTION

This tradition of liberal internationalism is often traced to U.S. President Woodrow

Wilson, but the great revolution in liberal thinking actually occurred under Roosevelt in the 1930s. Wilson believed that modernity naturally favored liberal democracy, a view that, decades later, led some liberals to anticipate “the end of history.” In contrast, Roosevelt and his contemporaries saw a world threatened by violence, depravity, and despotism. The forces of modernity were not on the side of liberalism; science, technology, and industry could be harnessed equally for good and evil. For Roosevelt, the order-building project was not an idealistic attempt to spread democracy but a desperate effort to save the democratic way of life—a bulwark against an impending global calamity. His liberalism was a liberalism for hard times. And it is this vision that speaks most directly to today.

Roosevelt’s core impulse was to put the liberal democratic world on a more solid domestic footing. The idea was not just to establish peace but also to build an international order that would empower governments to deliver a better life for their citizens. As early as August 1941, when the United States had not yet entered World War II, Roosevelt and British Prime Minister Winston Churchill articulated this vision in the Atlantic Charter, writing that if the United States and other democracies vanquished the Nazi threat, a new international order would secure “improved labor standards, economic advancement and social security.” In the words of a Chicago journalist writing at the time, the New Deal at home was to lead to a “New Deal for the world.”

Roosevelt’s vision arose from the belief that interdependence generated new vulnerabilities. Financial crises, protectionism, arms races, and war could each spread like a contagion. “Economic diseases are highly communicable,” Roosevelt wrote in a letter to the Bretton Woods conference in 1944. “It follows, therefore, that the economic health of every country is a proper matter of concern to all its neighbors, near and distant.” To manage such interdependence, Roosevelt and his contemporaries envisioned permanent multilateral governance institutions. The idea was not new: since the nineteenth century, liberal internationalists had championed peace congresses, arbitration councils, and, later on, the League of Nations. But Roosevelt’s agenda was more ambitious. International agreements, institutions, and agencies would lie at the heart of the new order. On issue after issue—aviation, finance, agriculture, public health—multilateral institutions would provide a framework for international collaboration.

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Another innovation was to redefine the concept of security. In the United States, the Great Depression and the New Deal brought into existence the notion of “social security,” and the violence and destruction of World War II did the same for “national security.” Both were more than terms of art. They reflected new ideas about the state’s role in ensuring the health, welfare, and safety of its people. “You and I agree that security is our greatest need,” Roosevelt told Americans in one of his fireside chats in 1938. “Therefore,” he added, “I am determined to do all in my power to help you attain that security.” Social security meant building a social safety net. National security meant shaping the external environment: planning ahead, coordinating policies with other states, and fostering alliances. From now on, national governments would need to do much more to accomplish the twin goals of social and national security—both at home and abroad.

What also made Roosevelt’s internationalism unique was that it was tied to a system of security cooperation among the big liberal democracies. The collapse of the post-1919 order had convinced internationalists on both sides of the Atlantic that liberal capitalist democracies would need to come together as a community for their common defense. Free societies and security partnerships were two sides of the same political coin. Even before U.S. President Harry Truman and his successors built on this template, Roosevelt-era internationalists envisaged a grouping of like-minded states with the United States as, in Roosevelt’s words, “the great arsenal of democracy.” With the rise of the Cold War, the United States and its fellow democracies formed alliances to check the Soviet threat. The United States took the lead in fashioning a world of international institutions, partnerships, client states, and regional orders—and it put itself at the center of it all.

### **CLUBS AND SHOPPING MALLS**

In the face of today’s breakdown in world order, the United States and other liberal democracies must reclaim and update Roosevelt’s legacy. As a start, this means learning the right lessons about the failures of the liberal international order in the past three decades. Ironically, it was the success of the U.S.-led order that sowed the seeds of the current crisis. With the collapse of the Soviet Union, the last clear alternative to liberalism disappeared. As the liberal order grew from being one-half of a bipolar system to a truly global order, it began to fragment, in part because it no longer resembled a club. Indeed, today’s liberal international order looks more like a sprawling shopping mall: states can wander in and pick and choose what

institutions and regimes they want to join. Security cooperation, economic cooperation, and political cooperation have become unbundled, and their benefits can be obtained without buying into a suite of responsibilities, obligations, and shared values. These circumstances have allowed China and Russia to cooperate with the liberal system on an opportunistic, ad hoc basis. To name just one example, membership in the World Trade Organization has given China access to Western markets on favorable terms, but Beijing has not implemented significant measures to protect intellectual property rights, strengthen the rule of law, or level the playing field for foreign companies in its own economy.

To prevent this sort of behavior, the United States and other liberal democracies need to reconstitute themselves as a more coherent and functional coalition. The next U.S. president should call a gathering of the world's liberal democracies, and in the spirit of the Atlantic Charter, these states should issue their own joint statement, outlining broad principles for strengthening liberal democracy and reforming global governance institutions. The United States could work with its G-7 partners to expand that group's activities and membership, adding countries such as Australia and South Korea. It could even turn the G-7 into a D-10, a sort of steering committee of the world's ten leading democracies that would guide the return to multilateralism and rebuild a global order that protects liberal principles. The leaders of this new group could begin by forging a set of common rules and norms for a restructured trading system. They could also establish an agenda for relaunching global cooperation on climate change and confer about preparing for the next viral pandemic. And they should better monitor and respond to China's efforts to use international organizations to advance its national economic champions and promote its authoritarian mode of governance.

The United Nations General Assembly in session at the UN headquarters in New York City, September 2019  
Lucas Jackson / Reuters

This club of democracies would coexist with larger multilateral organizations, chief among them the United Nations, whose only



entry requirement is to be a sovereign state, regardless of whether it is

a democracy or a dictatorship. That inclusive approach has its merits, because in many realms of international relations—including arms control, environmental regulation, management of the global commons, and combating pandemic diseases—regime type is not relevant. But in the areas of security, human rights, and the political economy, today's liberal democracies have relevant interests and values that illiberal states do not. On these fronts, a more cohesive club of democracies, united by shared values, tied together through alliances, and oriented toward managing interdependence, could reclaim the liberal internationalist vision.

A key element of this effort will be to reconnect international cooperation with domestic well-being. Put simply, “liberal internationalism” should not be just another word for “globalization.” Globalization is about reducing barriers and integrating economies and societies. Liberal internationalism, by contrast, is about managing interdependence. States once valued the liberal international order because its rules tamed the disruptive effects of open markets without eliminating the efficiency gains that came from them. In giving governments the space and tools they needed to stabilize their economies, the order's architects tried to reconcile free trade and free-market capitalism with social protections and economic security. The result was what the scholar John Ruggie has called the compromise of “embedded liberalism”: unlike the economic nationalism of the 1930s, the new system would be multilateral in nature, and unlike the nineteenth-century visions of global free trade, it would give countries some leeway to stabilize their economies if necessary. But by the end of the 1990s, this compromise had begun to break down as borderless trade and investment overran national systems of

social protection, and the order became widely seen as a platform for global capitalist and financial transactions.

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To counteract this perception, any new liberal international project must rebuild the bargains and promises that once allowed countries to reap the gains from trade while making good on their commitments to social welfare. Economic openness can last in liberal democracies only if its benefits are widely shared. Without sparking a new era of protectionism, liberal democracies need to work together to manage openness and closure, guided by liberal norms of multilateralism and nondiscrimination. “Democracies have a right to protect their social arrangements,” the economist Dani Rodrik has written, “and, when this right clashes with the requirements of the global economy, it is the latter that should give way.” If liberal democracies want to ensure that this right to protection does not trigger destructive trade wars, they should decide its exact reach collectively.

How, then, to deal with China and Russia? Both are geopolitical rivals of the United States, and both seek to undermine Western liberal democracies and the U.S.-led liberal order more generally. Their revisionism has put blunt questions of military power and economic influence back on the diplomatic agenda. But on a deeper level, the threat emanating from these states—particularly from China—only gives more urgency to the liberal international agenda and its focus on the problems of modernity. The struggle between the United States and China is ultimately over which country offers a better road to progress. Chinese President Xi Jinping’s great project is to define an alternative path, a model of capitalism without liberalism and democracy. The jury is out on whether a totalitarian regime can pull this off, and there is reason to be skeptical. But in the meantime, the best way to respond to this challenge is for liberal democracies to work together to reform and rebuild their own model.

### **“BRACE UP”**

It would be a grave mistake for the United States to give up any attempt to rescue the liberal order and instead reorient its grand strategy entirely toward great-power competition. The United States would be forfeiting its unique ideas and capacity for leadership. It would become like China and Russia: just another big, powerful state operating in a world of anarchy, nothing more and nothing less. But in its

geography, history, institutions, and convictions, the United States is different from all other great powers. Unlike Asian and European states, it is an ocean away from other great powers. In the twentieth century, it alone among the great powers articulated a vision of an open, postimperial world system. More than any other state, it has seen its national interest advanced by promulgating multilateral rules and norms, which amplified and legitimized American power. Why throw all this away?

There simply is no other major state—rising, falling, or muddling through—that can galvanize the world around a vision of open, rules-based multilateral cooperation. China will be powerful, but it will tilt the world away from democratic values and the rule of law. The United States, for its part, needed the partnership of other liberal states even in earlier decades, when it was more capable. Now, as rival states grow more powerful, Washington needs these partnerships more than ever. If it continues to disengage from the world or engages in it only as a classic great power, the last vestiges of the liberal order will disappear.

And so it is left to the United States to lead the way in reclaiming the core premise of the liberal international project: building the international institutions and norms to protect societies from themselves, from one another, and from the violent storms of modernity. It is precisely at a moment of global crisis that great debates about world order open up and new possibilities emerge. This is such a moment, and the liberal democracies should regain their self-confidence and prepare for the future. As Virgil has Aeneas say to his shipwrecked companions, “Brace up, and save yourself for better times.”

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