

THE NEW LIBERAL COSMOPOLITANISM

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The New Liberal Cosmopolitanism¹

A strong current of thought has recently gained prominence in the Anglo-American world, running parallel to the discourse of Globalisation and indeed complementing it. The main intellectual sources of the trend lie in liberal international relations theory and liberal international economics.² But it has received a far higher profile in public discourse as a result of the enthusiasm with which liberal journalists and indeed some political leaders have embraced its

¹ Acknowledgment: This paper was written during my stay at the IWM. I would like to thank the Director of the IWM. for inviting me to the Institut and to acknowledge the support of the very friendly and extremely efficient staff of the Institut during my stay.

² For examples of this work, see: Michael W. Doyle, "A Liberal View: Preserving and Expanding the Liberal Pacific Union", in: T.V. Paul and John A.Hall(eds.) *International Order and the Future of World Politics*, 1999 and Michael W. Doyle, "Kant, Liberal Legacies and Foreign Affairs", in: *Philosophy and Public Affairs*, Summer 1983 and Fall 1983.; Seyom Brown, *New Forces, Old Forces and the Future of World Politics*, Glenview,IL,1988.; James N. Rosenau, "Citizenship in a Changing Global Order", in: J.N. Rosenau and E-O.Czempiel(eds.) *Governance without Government: Order and Change in World Politics*, Cambridge 1992.; Larry Diamond, "The Globalisation of Democracy" in: Ray Kiely and Phil Marfleet (eds.), *Globalisation and the Third World*, London 1998.; Paul Taylor, "The United Nations in the 1990s: Proactive Cosmopolitanism and the Issue of Sovereignty", in: *Political Studies*, pages 538-565, XLVII, 1999.

ideas, particularly since the NATO war against Yugoslavia in 1999.³ We shall call the trend the new liberal cosmopolitanism.

Many of its proponents see themselves not simply as liberals but as liberal democrats. Yet their Cosmopolitanism is normatively and programmatically purely liberal. We will, indeed, contrast their approach with another, far less influential school of contemporary political Cosmopolitanism which centres its normative theory upon building some elements of democracy into its scheme for a new world order.

Part 1: The Programme and Theory of Liberal Cosmopolitanism

Defining Liberal Cosmopolitanism

By political cosmopolitanism we mean the idea of overcoming the fragmentation of the world into an anarchy of states by constructing a global public order within which states are subsumed. The new liberal cosmopolitanism argues that this new global public order can and must be based upon liberal principles.

Liberal cosmopolitanism in its current form is a radicalisation of Anglo-American liberal internationalism. It shares a whole series of commitments with the latter: one humanity, liberal values and cognitive frameworks, individual liberal rights, liberal-democracy, the promotion of peace through international economic liberalism, the development of liberal universalist international law and institutions.

But liberal internationalism lives with the Westphalian order, granting states full sovereignty, albeit modified by the UN structure, while liberal cosmopolitanism wishes to overcome absolute states' rights through the development of a global order governing the *internal* as well as the external behaviour of states.

Thus, Liberal Cosmopolitanism differs from Liberal Internationalism in three key goals:

1. The subordination of the states to a global order of governance, protecting the liberal rights of individual citizens from state authorities, even through coercive action where necessary.
2. The transformation of state sovereignty from an absolute right into a licence extended to the state by the global community on the condition that the state behaves in an at least minimally liberal way towards its citizens.
3. The emergence of cosmopolitan citizens with cosmopolitan liberal rights, the emergence of a cosmopolitan civil society and institutional order of which state structures are simply subordinate parts and the ability of these global citizens to protect their rights through the cosmopolitan order, against, if necessary, recalcitrant states.

³ See, for example, Tony Blair, *The Doctrine of the International Community*, Chicago, Illinois 22/04/99 (available on the Downing Street Website).

Common Themes and Differences between the Globalisation Discourse and the New Cosmopolitan Discourse

This discourse of the new liberal cosmopolitanism (NLC) runs parallel to the discourse of globalisation, but in a different key, partly re-enforcing it, partly modifying it. Both discourses say that we are, or should be, moving from an *inter-national* world constituted by linkages between parts to a *Global-* system world in which the parts are subordinated to and subsumed within the whole. Both discourses counter-pose themselves to the idea of strong, autonomous states. Globalisation says that states *must* accept that their capacity to control all flows except those of people is at an end. NLC says that the days of absolute states rights enshrined in the Westphalian international constitution *should be and can be* ended.

At the same time, while the key of the globalisation discourse may be described as fatalistic and passive, the new cosmopolitanism is activist: Globalisation says: 'the world is changing like this: accept it or perish'; NLC adds: 'join us in the inspiring project to change the world like this, to make it a better place'. But these different keys can be complementary rather than conflictual: Globalisation allots itself cognitive status, explaining what the world *is* like, whether we like it or not; NLC complements this perhaps disturbing cognition with an inspiring normative project to improve the world upon a globalised basis.

Globalisation stresses the liberal antinomy of markets and market actors against states; NLC complements this with another liberal antinomy: that of citizens and civil societies against states. And both lay great stress on the importance of opening state jurisdictions to the inflow of external influences: for Globalisation the inflow is that of goods (including information and cultural products), services, capital; for NLC it means the inflow of liberal norms, practices and of organisations invigilating the domestic implementation of such norms and practices. Both stress the value of markets: for Globalisation these are the key to wealth creation; for NLC they are not only about that but also about offering individuals a zone of freedom to choose the ends which they seek, for personal conceptions of the good life. And finally, both lay great stress on the centrality of law and of judicial systems: the need for strong, independent judiciaries within states, enforcing law in a predictable and impartial way and, for NLC this should be accompanied by the development of global law and norm enforcing institutions.

The Programme of the New Liberal Cosmopolitanism

The new Liberal Cosmopolitans do not advocate a world state or world government, empowered to decide the great international issues of the day as to who gets what, when and how. But they do promote the concept of a set of regimes of 'global governance' which would lay down and enforce a series of rules and rights.

The jurisdiction of these cosmopolitan institutions of governance would cover the range of issues encompassed by liberal individual rights in the spheres of economic exchanges, civic life and politics. There can, of course, be disagreements among liberals as to the exact scope

of this liberal jurisdiction. Some may wish to regulate rights at work, environmental, consumer health, education, income support and so on. Others may wish for a more restricted list of rights. But the broad principle of states entering into binding constitutional frameworks involving their acceptance of cosmopolitan governance in the sphere of individual rights is fundamental for the new Liberal Cosmopolitans.

This framework of cosmopolitan rights is buttressed and surrounded by a common commitment to liberal democratic procedures and values within participating states. These include multi-party systems and competitive elections, a free press, individual citizens rights, the rule of law and independence of the judiciary.

The institutions of global governance will also enforce free trade principles and a 'level playing field' in the international and transnational economic sphere, but will also meet the functional need for regulating and managing the world economy, laying down rules and preventing 'rent seeking' by powerful special interests, distorting the market. And this global economic constitution will extend its reach deep into the internal jurisdictions of states. But it will also bring greater regulation to bear over global market forces and transnational economic flows.

States will continue to exist, but their sovereignty will be both conditional and partial: conditional because it will be reconceived as a *licence to sovereignty* granted by the International Community/organs of global governance. That licence will be conditional on the state's commitment to certain internal practices towards individuals and organisations operating within its territory. If the state in question fails to honour those commitments, its sovereignty licence may be withdrawn and the International Community/organs of Global governance may intervene in its domestic affairs.⁴

The State's sovereignty is partial because a condition for granting the licence will be the surrender of domestic jurisdiction over important areas of law. These areas will include both a wide swathe of economic law, thematised as laws anchoring free trade. And they will also include a more or less extensive area of law affecting citizens rights and the proper functioning of institutions of liberal democracy.

Some states may continue to exist outside the boundaries of the Cosmopolitan community but if they engage in egregious violations of individual rights in the eyes of the International Community/organs of global governance they may indeed be subjected to coercive sanctions.

States will enter the Cosmopolitan order voluntarily through a contractual agreement as a result of a voluntary rational cost-benefit calculation of net advantage on the part of the state concerned. The welfare gains, strengthening of state authority and enhancement of citizens rights through entering the community will outweigh the advantages of seeking to maintain absolute sovereignty outside.

⁴ Paul Taylor, "The United Nations in the 1990s: Proactive Cosmopolitanism and the Issue of Sovereignty", in: *Political Studies*, pages 538-565, XLVII, 1999.

The entire order will be legitimate since it will pass beyond the primitive Westphalian principle of absolute states' rights to the liberal principle of absolute citizens rights based upon the rule of law – the same rules for all.

As a school of thought, liberal cosmopolitanism is ambivalent about the UN and its Charter. While in principle its cosmopolitan aspirations are met by the structure and membership of the UN and while the UN general assembly's composition as equal representation of states is not inconsistent with liberal principles, the UN suffers from two weaknesses: its Charter largely endorses the Westphalian principle of states' rights rather than individual rights and its Security Council includes states as permanent members which do not accept the principles of liberal cosmopolitanism and have the authority to block its enforcement of liberal rights through the veto available to permanent members.

Liberal or Democratic Cosmopolitanism?

In contrast to this purely liberal conception of world order a number of authors and groups have advanced schemes centred upon the idea of democratizing or at least adding a democratic component to the United Nations. Leading contemporary proponents of this democratic cosmopolitanism have included David Held and Daniele Archibugi.⁵ While these authors share strong liberal commitments and the goal of replacing absolute states' rights with the development of a global citizenship, they insist that such a global citizenship must be anchored in some form of democratic representation within the UN. They also tend to oppose any use of force by liberal states in defence of liberal values which is not legitimated through a democratized UN structure.

While this school of thought was stimulated by the approach of the Gorbachev leadership towards the UN in the late 1980s and by hopes of a new world order centred on a reformed UN at the end of the Cold War, its ideas have lost influence as major liberal states have tended to marginalise the UN in the later 1990s.

The work of two other influential authors to some extent cuts across the division made here between liberal and democratic cosmopolitanism. One is Norberto Bobbio and the other is Richard Falk. Bobbio combines an essentially liberal conception with a stress on the centrality of strengthening and transforming the United Nations. Falk's extensive writings before the 1990s placed him squarely in the democratic cosmopolitan camp, but his more recent work draws closer to the liberal school.⁶

⁵ The major development of this concept is David Held, *Democracy and the Global Order*, Stanford, California, 1995. See also Daniele Archibugi and David Held(eds.), *Cosmopolitan Democracy. An Agenda for a New World Order*, London, 1995.

⁶ See Norberto Bobbio's *Il terzo assente*, Turin, 1989 and *Una Guerra giusta? Sul conflitto del Golfo*, Venice, 1991 and Richard Falk, *A Study of Future Worlds*, New York, 1975 and *Positive Prescriptions for the Near Future*, Princeton, 1991.

The Postulated Vectors of the Liberal Cosmopolitan Order

Perhaps the greatest strength of the liberal cosmopolitan school lies in its ability to point to real trends and forces at work in the contemporary world that seem to be working powerfully towards the fulfilment of the cosmopolitan programme. The school can and does highlight the following four main kinds of vectors for its project:

1. The global movement towards liberal democracy and market economies.
2. The progress of economic globalisation, integrating the world economically and producing functional necessities for global economic regulation and management via international regimes and institutions.
3. The rise of the global citizen and global movements for human rights along with the rise of an international civil society and indeed, in the view of some, the beginnings of a global polyarchy: all these parallel trends involve both the withering of the westphalian state's political monopoly and the simultaneous transformation of the goals of such states from power politics to the enhancement of liberal democratic values and individual welfare.
4. The growing concerted political drive by the core liberal states, their citizens and economic operators to offer incentives (negative and positive) to states outside the core to join it and making it cosmopolitan in scope.

We examine each of these vectors in turn.

1. The global movement towards liberal democracy and market economies.

The liberal cosmopolitans demonstrate the dynamic spread of liberal democratic market economies across the globe since the start of the 1980s; argue that this is a deeply anchored change, unlikely to be reversed; and claim that it has dramatic transformative consequences for international politics.

The spread of liberal democratic procedures and institutions has been a marked feature of international developments over the last 20 years. Larry Diamond, for example, points out that by the end of 1991 one could count 89 of the 171 states as being democratic with another 32 states being in some form of 'democratic transition'. By this count we could claim that 70% of the world's states had democracy or were moving towards it.⁷ Samuel Huntington has called the wave of democratisations of the last twenty years as 'the third wave', the first being in the 19th century in the Atlantic world, and the second running from 1945 to the early 1960s.⁸

Parallel with this change in the internal institutional political characteristics of states there has been the spread of an open market variety of capitalism, not only in the former Soviet

⁷ See, for example, Larry Diamond, "The Globalisation of Democracy", in: Ray Kiely and Phil Marfleet (eds.) *Globalisation and the Third World*, Routledge, 1998.

⁸ Samuel Huntington, *The Third Wave: Democratisation in the Late 20th Century*, Oklahoma City 1991.

Bloc and in Latin America but also, increasingly in Asia. This change in economic institutions is usually seen as anchoring the turn to liberal democracy.

And they argue that this trend is likely to become entrenched because, with the collapse of Communism, there is no significant blue-print available of an alternative way of organising social life that is superior to the liberal democratic model. Francis Fukuyama has, of course, famously argued this case for the arrival of liberal democratic structures as an end point in history. He argues that liberal democratic values and structures represent the civilisational high point for humanity, without, any longer, foreseeable historic competitors.⁹

The work of Michael Doyle has then vigorously championed the view that the rise to dominance of the liberal democratic state form across the globe transforms the entire dynamics of international politics, laying the basis for a permanent peace. Doyle begins by seeking to demonstrate that liberal democratic states do not fight each other. He goes on to argue both that this empirical fact is explained by their shared liberal democratic values and that these shared values have already bound the established liberal democracies together into what he calls a Kantian Pacific Union. From this proposition it is but a short step to the claim that the spread and consolidation of liberal democratic states across the globe will usher in a regime of perpetual, cosmopolitan peace. Centuries of power politics are drawing to an end.

2. The progress of economic globalisation, integrating the world economically and producing functional necessities for global economic regulation and management via international regimes and institutions.

In the field of international economics, Liberal Cosmopolitanism stands on the shoulders of the vast literature on economic globalisation which argues that capitalism has gone global, escaping the control of individual states. They then argue that the task of re-regulating capitalism and of managing its cycles must be taken up by institutions at a global level, if we are to avoid economic chaos as well as other pathological phenomena such as international organised crime, environmental degradation and so on.

Liberal Cosmopolitans may differ widely on the exact institutional forms that such global regulation of flows and actors should or can take: some may favour more neo-liberal approaches, others more interventionist ones. There can also be very sharp debates about the roles that particular existing international institutions, such as the IMF, the WTO or the World Bank actually play. But all such differences can be incorporated within the broad liberal cosmopolitan framework. The decisive issue for that framework is the evidence that this is a discernible trend towards the building of liberal cosmopolitan institutions of global economic governance.

And there is a plethora of evidence of just that: not only the vast array of functional institutions which have grown up since 1945, but new bodies with wide jurisdictions such as the World Trade Organisation. They can also point to the intense debates following the East

⁹ Francis Fukuyama, *The End of History and the Last Man*, New York 1992.

Asian financial crisis on reforming and strengthening global governance institutions such as the IMF and so on.

Many liberal cosmopolitans would add that such global governance institutions will tend to produce functionalist spill-overs, gradually extending the scope of their jurisdictions, as solutions to one set of particular problems throw up demands for new solutions to others.¹⁰ Others may lay stress on the readiness of states to co-operate with each other in order jointly to achieve economic goals that they can no longer achieve autonomously or informally.¹¹

3. The rise of the global citizen and global movements for human rights along with the rise of an international civil society and indeed, in the view of some, the beginnings of a global polyarchy: all these parallel trends involve both the withering of the westphalian state's political monopoly and the simultaneous transformation of the goals of such states from power politics to the enhancement of liberal democratic values and individual welfare.

This is a rapidly expanding literature which now argues that states are being joined by a host of other, non-state actors in the international arena, thus undermining a cornerstone of contemporary realist theories of international relations. These increasingly important non-state actors operating transnationally are held to include business organisations, NGOs and various kinds of citizens coalitions. Some therefore claim that at least in the liberal democratic heartland, international politics is being restructured by the emergence of a transnational civil society or is even coming to resemble what American political scientists like Dahl and Lindblom in the 1950s called polyarchy, but one operating transnationally.

One of the earliest and most persuasive proponents of this theme is James Rosenau.¹² He gives 5 indicators of the new rise of transnational citizen power:

1. The erosion and dispersion of state and governmental power and the decline of parties and trade unions resulting in 'corresponding accretions to the potential roles that individuals can play through collective action'.
2. Global TV, foreign travel and mass educational improvement have 'enhanced the analytical skills of individuals'.

¹⁰ The classic statement of such functionalist theories is David Mitrany, *A Working Peace System*, Cambridge 1946. But this school of thought has developed in sophistication through the work of neo-functionalists theorising the dynamics of regional integration and governance in Europe. Classic works in this area are Ernst B. Haas, *The Uniting of Europe: Political, Social and Economic Forces, 1950-1957*, Stanford, California 1958 and Leon N. Linberg, *The Political Dynamics of European Economic Integration*, Stanford, California 1963.

¹¹ This approach has been developed above all by the so-called Liberal Institutional school around Robert Keohane. See Robert O. Keohane, "The Demand for International Regimes", in: Stephen D. Krasner (ed.) *International Regimes*, New York 1983.

¹² James N. Rosenau, "Citizenship in a Changing Global Order", in: J.N. Rosenau and E-O. Czempiel (eds.) *Governance without Government: Order and Change in World Politics*, Cambridge 1992.

3. New interdependence issues on the global agenda make individuals aware that global dynamics affect their 'welfare and pocketbooks'.
4. The communications revolution can rapidly build transnational coalitions in response to crises, coalitions which political leaders cannot ignore.
5. Citizens movements can arise without structured leadership and organisation, making political leaders followers.

Rosenau and others conclude that we are witnessing the birth of a qualitatively new structure of international relations: one that includes an emergent 'global civil society'. Rosenau calls these forces 'sovereignty-free' collectivities.

Seyom Brown argues that this trend can be interpreted as the rise of a global polyarchy: 'The forces now ascendant appear to be learning toward a global society without a dominant structure of co-operation and conflict – a *polyarchy* in which nation-states, subnational groups and transnational special interests and communities are all vying for the support and loyalties of individuals and conflicts need to be resolved primarily on the basis of ad hoc bargaining among combinations of these groups that vary from issue to issue. In the polyarchic system, world politics is no longer essentially 'international' politics, where who gets what, when and how is determined on the basis of bargaining and fighting among nation states; rather, the international system is now seen as one of the subsystems of a larger and more complex field of relationships.'¹³

4. The pressures upon states outside the liberal core to conform to its values and institutional arrangements and thus to make the liberal order truly cosmopolitan in scope.

Supporters of liberal Cosmopolitanism can point to evidence that the core liberal states are actually forming a cohesive political force, actively and consciously promoting a liberal cosmopolitan agenda. Michael Doyle invokes Kant's idea of a Pacific Union to describe this activist liberal core.

It should be stressed that while writers like Doyle insist that traditional power politics does not occur *between* liberal democratic states, they freely acknowledge that these same states can and do act coercively against states which flagrantly flout liberal values either in their external or internal behaviour. This, indeed, can be shown to be the tendency of what Doyle calls the Pacific Union. It can be shown in the pressure from leading Pacific Union states to change the approaches of both the United Nations and regional organisations like the EU and NATO towards the concept of sovereignty, making it conditional upon respect for at least minimal liberal norms.¹⁴ A readiness on the part of Pacific Union states to act beyond the

¹³ Seyom Brown, *New Forces, Old Forces and the Future of World Politics*, Glenview, IL 1988.

¹⁴ See Paul Taylor, "The United Nations in the 1990s: Proactive Cosmopolitanism and the Issue of Sovereignty", in: *Political Studies*, pages 538-565, XLVII, 1999. The Franco-Italian legal scholar Mario Bettati and the French humanitarian activist and politician, Bernard Kouchner, amongst others, have formulated a new doctrine for the right of military intervention, challenging the cur-

legal framework of the UN Charter can be seen in military interventions like the 1999 NATO attack on Yugoslavia and the Anglo-American bombing campaigns against Iraq. Such actions are interpreted by some liberal international lawyers as establishing a new international customary law endorsing military intervention for humanitarian or liberal human rights goals outside the framework of traditional interpretations of the UN Charter and without a Security Council mandate.

But the trend to weaken absolute states rights can also be seen in the work of the UN itself and its associated bodies, promoting general standards of human rights, enhancing institutions of civil society and democracy within states and of taking upon itself humanitarian interventions to protect the rights and welfare of individuals, through UNICEF, the UNHCR, etc. The subordination of state sovereignty to international legal rules of citizens rights has developed strongly in Europe through the work of such institutions as the OSCE monitoring bodies, the Council of Europe and the EU. The stress on the European Convention on Human Rights, the democratic requirement for countries wishing to establish or maintain Association treaties with the EU, the emphasis in the EU's external policies on civil society construction and democratic institution building.

The UN has also not only dramatically increased the numbers of its political-military interventions during the 1990s.¹⁵ Its interventions have also tended to change character. They have increasingly involved the use of troops from the major powers: for example, from the US in Haiti, Somalia and Post-Dayton Bosnia. They have also often moved beyond peace monitoring to include peace enforcement and even changes of government, the complete re-design of domestic economies, domestic civil and political institutions and even attempts to re-engineer domestic value systems. And international criminal tribunals have been established to try and punish individuals within UN designated states where the norms of international humanitarian law have been violated.

Liberal cosmopolitans do not necessarily endorse all these actions and would tend to support military intervention only against the most egregious cases of crimes against humanity such as genocide. But they would argue that these various trends should be understood above all as clear evidence that we are witnessing the emergence of a genuine set of cosmopolitan rights of citizenship, overriding state sovereignty.

rent restrictions in the UN Charter. See David Rieff, "A New Age of Liberal Imperialism?", in: *World Policy Journal*, Volume XVI, No2, Summer 1999.

¹⁵ Between 1989 and 1998 UN peacekeeping military forces have been deployed on about 20 occasions – about the same number as occurred during the whole period from 1956 when the UN first became involved in peacekeeping to 1989

Part 2: Critique of Liberal Cosmopolitanism

Analytical Critique of the Dynamics of Change

The New Liberal Cosmopolitanism is, of course, vulnerable to the range of normative critiques of Anglo-American liberalism, whether Lockean or utilitarian, both from within liberalism itself (for example from within Rawlsianism of the Theory of Justice or from Habermasian premises) or from communitarian schools of political philosophy. Various critics, above all, Danilo Zolo, have also subjected the whole trend of political cosmopolitanism, whether in its liberal or democratic variants to a powerful normative critique.¹⁶ I wish rather to examine it at a more cognitive and analytical level, leaving normative issues in the background until the end of this paper.

The Analysis of the Two Poles of NLC and the Agencies of Change

We can conceptualise the NLC analysis as focusing on inter-acting changes at two levels or poles: one is the internal jurisdiction of States. We can call this *the state level*; the other level or pole is that of the institutions of global governance. We can call this the *global governance level*. The NLC theorists then identify a set of processes and actors which they see as the vectors of change at both levels. We can call these *the agencies of change*.

Our contention is that, on the whole, the proponents of NLC cast a great deal of light upon some (though not all) of the main forms (if not the dynamics) of change at *the state level*. But they fail to grasp the nature of the changes at the *global governance level* and the character and goals of *the agencies of change*. They thus miss the central dynamics of the overall process of change in international and transnational relations.

The Analytical Insights of the NLC: Change at the State Level

The Strength of the New Liberal Cosmopolitan analysis lies in its identification of a number of new pressures to open and transform the internal organisation of states. While during most of the Cold War, the liberal coalition of Western states often supported or even instigated various forms of authoritarian rule, since about the mid-1980s there has been a real turn on the part of Doyle's Pacific Union towards promoting liberal democratic forms of state in many parts of the world, if not all.¹⁷

Linked to this is a particular strong stress upon the importance of independent judiciaries, of due process of law and of legal systems embodying liberal rights and freedoms. In these fields as in the field of liberal democratic political systems, the degree of pressure upon states to conform to liberal standards can vary enormously across states. But that there has been an increase of such pressures in general can surely not be doubted.

¹⁶ See Danilo Zolo, *Cosmopolis. Prospects for World Government*, London 1997. Such critics of cosmopolitanism do, of course, include some liberal internationalists.

¹⁷ An obvious exception would be the Gulf States and Saudi Arabia, but there are others.

NLC theorists are surely also right about the success of pressure for sweeping change in domestic economic law and institutions to harmonise these with the regimes laid down by the WTO, the International Financial Institutions and free trade or association agreements with regional bodies such as the EU. These involve internal, 'behind the border' transformations in domestic political economies in line with international rules. States outside the rich core have been remarkably ready to make such changes to enter the WTO, the OECD and other such regimes.

NLC theorists' analysis of the agencies of change has also surely been right to stress one cardinal fact of the 1990s: the remarkable continuation of the united alliance of Doyle's Pacific Union, a unity demonstrated in the Gulf War, the NATO attack on Yugoslavia in 1999, the Uruguay Round package and many other major issues. Most realist theorists of international relations have confidently predicted the loosening and fragmentation of this unity as powerful states 'rebalanced' the system following the Soviet collapse.

Blind Spots and Misconceptions in the NLC Analysis:

Part 1 – Unipolarity

NLC theorists are much less convincing when they try to account for the behaviour of the agencies of change, to explain the character of the global governance regimes and the pattern of relationships between these regimes and the state level. These blind spots and misconceptions result in their insights on state level change remaining one-sided and misleading.

1. The Main Agency of Change: The Pacific Union and Power Politics

The crucial NLC claim about the Pacific Union is not just that it has remained united, but that its members have broken with power politics as their governing impulse. This latter claim needs to confront a central fact about contemporary inter-state relations: one single member of the Pacific Union – the United States – has acquired absolute military dominance over every other state or combination of states on the entire planet. This is unique in world history and it creates a paradox which NLC theorists ignore: power politics calculations by other members of the Pacific Union would tell them that an attempt at a power politics challenge to US global dominance would be sheer folly.

The US government shows no sign whatever of desiring to abandon its global dominance in the traditional military sphere of power politics. Its military budget, today as high as it was at the height of the Cold War in the early 1980s, is increasing. A consensus is developing in the US to enhance its strategic dominance through gaining an anti-ballistic missile shield. Furthermore, its political leadership under Bush as well as Clinton has been most insistent that its subordinate allies not abandon the subordination of their own security and power projection efforts to their security alliances with the United States.

The Pacific Union is indeed organised precisely as a set of bilateral military alliances under US leadership and the US has worked vigorously to maintain these alliances by restructuring them during the 1990s. Liberal theorists have usually explained the rise of these alliances as responses to powerful Communist and Soviet threats to Liberal values and regimes. They

now claim that liberal values and regimes are now globally hegemonic. Yet the hegemonic alliances are being revived.

NLC theorists need to demonstrate that the US government has, nevertheless, abandoned national interest power politics as its governing strategic criterion. They usually do so by reference to the new centrality of liberal and liberal democratic values and declaratory goals in the speeches of US leaders. But the first problem here is that such a declaratory policy is not, in fact, new. It was common enough in the power politics discourse of a number of 19th century European liberal states, from the days of Lord Palmerston. That discourse too was not only rhetorical: it involved toppling dictators and militarily intervening on behalf of oppressed groups or individuals.

But secondly, if we turn to the policy guidelines of US governments for their international strategy in the 1990s we find these entirely governed by traditional national interest, power politics definitions of strategic priorities.¹⁸ Such documents do refer, of course, to certain global regimes which the US seeks to promote, such as free trade and liberal democracy, but these are situated within a framework of national power priorities, as elements in the advancing of US power and prosperity.

NLC theorists may nevertheless claim that these power-political instruments and orientations on the part of the US are not directed at subordinating other members of the Pacific Union. But this too can be doubted. We must bear in mind that hegemonic military alliances have two faces and two effects: one external and one internal. The external is directed towards potential enemies of the group; but the internal involves the brigading of the subordinate allies under the leadership and external policy orientation of the hegemon. The first Secretary General of NATO, Lord Ismay, alluded to these two faces of NATO in the 1950s when he said NATO's purpose was not only to keep the Russians out, but also to keep the Germans 'down'.

In the drafting of American Grand Strategy for the post-Cold War world order, Lord Ismay's insight on the role of NATO to keep Germany 'down' was famously generalised to cover all America's industrial allies and this goal was, indeed, placed at the very centre of US strategic priorities in the version of the text leaked to the New York Times early in 1992.¹⁹ This advocated as a central goal "discouraging the advanced industrialized nations from ... even aspiring to a larger global or regional role". Kenneth Waltz rightly points out that despite protests at the time that the document was only a draft, "its tenets continue to guide American policy".²⁰ The chair of the inter-agency committee which produced the 1992 Grand Strategy, Paul Wolfowitz agrees with Waltz both that the 1992 strategy guidelines have

¹⁸ See, for example, *The White House, A National Security Strategy for a New Century*, Washington D.C. October 1998.

¹⁹ This was the 1992 Draft of the Pentagon Defense Planning Guidance.

²⁰ Kenneth N. Waltz, "Globalization and American Power", in: *The National Interest*, Number 59, Spring 2000.

guided US policy and that they have been centred on creating a Pax Americana in the style of Lord Ismay's conception, maintaining the subordination of the allies. He adds that "just seven years later" many of those who criticised the document at the time "seem quite comfortable with the idea of a Pax Americana ... Today the criticism of Pax Americana comes mainly from the isolationist right, from Patrick Buchanan."²¹

When we understand this 'inward-looking' dimension of the military alliances that constitute the Pacific Union we can provide an answer to one of the puzzles which has given great strength to the advocates of the new liberal cosmopolitanism: the seeming absence of any power politics goals in the US-led NATO war against Yugoslavia. This perceived absence derives from observers' lack of appreciation of the inward-looking goals of such actions: consolidating the alliance internally as a brigading mechanism for the allies.²²

Zbigniew Brzezinski has recently summed up the character of Doyle's Pacific Union rightly stressing the centrality of US dominance over its European and East Asian allies. In contrast to British imperialism in the 19th century, he underlines the fact that 'the scope and pervasiveness of American global power today are unique ... Its military legions are firmly perched on the western and eastern extremities of Eurasia, and they also control the Persian Gulf. American vassals and tributaries, some yearning to be embraced by even more formal ties to Washington, dot the entire Eurasian continent, as the map on page 22 shows.'²³ What the map in question shows is areas of US' geopolitical preponderance and other areas of US political influence. The whole of Western Europe, Japan, South Korea and Australia and New Zealand, as well as some parts of the Middle East and Canada fall into the category of US geopolitical preponderance, not just influence. This is surely both right and extremely important. The main zones with the resource capacities to challenge US hegemony and precisely the zones where the US has most firmly established its political predominance: a radically different pattern from the British one.

2. *A Global Programme or Geopolitical Selection?*

Zbigniew Brzezinski's map emphasises not only the zones to which US attention and political resources are drawn but also the very large parts of the planet which are of little strategic interest to the United States. There can, of course, be objections to Brzezinski's selection, one marked by his own pre-occupations with geopolitics. Others might wish to emphasise 'geoeconomics' in the sense of a US concentration on the most important centres of capital accumulation or economic resource reserves (e.g. oil). Yet such a stress would also reveal a highly selective focus (and one that scarcely differed from Brzezinski's).

²¹ Paul Wolfowitz, "Remembering the Future", in: *The National Interest*, Number 59, Spring 2000

²² This dimension of the NATO 1999 action is further analysed in Peter Gowan, *The Twisted Road to Kosovo*, Oxford 1999.

²³ See Zbigniew Brzezinski, *The Grand Chessboard. American Primacy and its Geostategic Imperatives*, 1997, page 23.

The result is that although the declarations of the US and other Pacific Union governments emphasise the need for the global spread of liberal rights and regimes, the activities of the Pacific Union are systematically focused upon only selected areas. This creates frustrations on the part of many liberal and humanitarian NGOs but it seems to be a systematic feature of contemporary dynamics, involving complete passivity in such 'strategic backwaters' as much of sub-Saharan Africa today, not least Rwanda.

No less striking is the fact that in relation to some states which are evidently pivotal to US strategic interests, there can be a marked lack of concern to exert pressure for strong human rights protection, on the part of the US. Examples that are often cited are Saudi Arabia and the Gulf States, Turkey, Israeli activity in the occupied territories, Indonesia under Suharto, etc.

3. Supra-state Global Governance or Unipolarity?

Any form of liberal cosmopolitan project for a new global order must require the subordination of all states to some form of supra-state planetary authority. The NLC blind-spot about the role of the United States in the Pacific Union is compounded by its misconception of relationship between the United States and the various global governance regimes that are in place or being canvassed.

There is no evidence that these institutions of global governance have strengthened their jurisdiction over the dominant power in the international system, the United States. If anything, the evidence of the 1990s suggests a trend towards these organisations being able to function effectively only insofar as they correspond to the perceived policy priorities of the United States or at least do not contradict or undermine American policy strategies. Indeed, in many cases these regimes and multilateral organisations should rather be viewed as instruments of US policy.

In the case of the UN, NLC advocates can and do suggest that its weakening during the 1990s is transitional, while the UN and its recalcitrant members gradually adapt to the new liberal cosmopolitan norms. But they must at least acknowledge very powerful political resistance within the US to any moves that may result in UN authority in any way infringing the sovereignty and freedom of international action of the United States.

And this insistence on preserving absolute state rights for the United States cannot be put down to long-standing residues of prejudice against the UN. It has been evident in the stout US resistance to the project, supported by all other members of the Pacific Union, of establishing an international court of Human Rights with full independence and binding jurisdiction over the internal practices of states. This project would surely have been eagerly embraced by a state which had become predominantly a vehicle for a liberal international citizens' movement for liberal human rights.

This pattern has been repeated in relation to the major institutional development in the field of Global Governance in the 1990s: the emergence of the WTO. The US Congress's ratification of the WTO Treaty explicitly makes US acceptance of its jurisdiction conditional upon the WTO's being 'fair' to US interests. And all who follow international trade policy

know that the word ‘fair’ in this context means serving and defending US economic interests. And for successive US administrations since the late 1980s this conditional general stance towards the GATT/WTO has been combined in US trade policy, with explicit determination to flout GATT/WTO rules where these are deemed ‘unfair’ to US interests, an approach which Jagdish Bagwati has aptly called ‘aggressive unilateralism’. Bagwati highlights the creation and use of the so-called Super 301 and Special 301 laws, but to these could be added other instruments of US unilateralism on international economic law, such as its use of anti-dumping instruments and countervailing duties. All these instruments have been placed in the service of US claims to have unilateral national authority to judge which kinds of behaviour by other states in economic policy are ‘unfair’ to the US, *regardless of what rules are laid down within the GATT/WTO framework*. And the use of these instruments has been far from marginal in US international economic policy. As Miles Kahler points out, “the number of actions brought against ‘unfair’ trading practices – anti-dumping, countervailing duties (subsidies) and section 301 – increased dramatically” during the 1990s.²⁴ In the words of Pietro Nivola, “no other economic regulatory programme took on such an increase in case-loads”.²⁵

And this refusal to be bound by cosmopolitan economic law and to have been combined with vigorous attempts in some fields to extend the jurisdictional reach of US domestic economic laws internationally, applying it to non-American corporations operating outside the United States. Of actions in this field, Kahler reports that “Here the list was long”.²⁶

In other important areas of global governance of the world economy, such as finance and international monetary relations, few would dispute the great preponderance of the US government over institutional policy-making in such bodies as the IMF and the World Bank. The readiness of the US Treasury to openly assert its unilateralism and its use of the IMF as its instrument has been a striking feature of the 1990s, as the 1995 Mexican Crisis and the East Asian financial crisis of 1997-98 graphically demonstrated.²⁷

In short, we have an asymmetrical pattern of change in the field of state sovereignty: a strong and real tendency towards the erosion of state sovereignty on the part of the bulk of states in the international system, but a strong and effective resistance to such an erosion on the part of one state in the international system, and indeed a trend for the institutions of Global governance to remain dependent upon the will of that single super-power state.

4. Reformulating the Cosmopolitan Agency as US Allies against the Pax Americana?

The critique which we have made of NLC so far suggests that we must make a sharp distinction between the states in the Pacific Union: the United States has not exhibited any discerni-

²⁴ M. Kahler, *Regional Futures and Transatlantic Economic Relations*, New York 1995, page 46.

²⁵ Pietro Nivola, *Regulating Unfair Trade*, Washington DC 1993, page 21

²⁶ M. Kahler, *Op. Cit.*, page 46.

²⁷ I have explored these issues in more depth in Peter Gowan, *The Global Gamble*, London 1999.

ble tendency either to abandon power politics or to subordinate itself to supra-state global authorities. Enthusiasm for norm-based cosmopolitanism as an institutionalised order has, on the other hand been notably stronger amongst some of the other states within the Pacific Union, notably West European states and Canada as well as others.

There is no doubt that the European Union is oriented to collective rule and norm-enforcement in a structural way, as is the Council of Europe, since both organisations can operate only through agreement among members on rules. Within the EC pillar of the European Union, a fully-fledged legal and judicial machinery is in place in the field of economic law, which the jurisdiction of the EU itself is laid down in Treaty form and thus in international public legal rules. In its orientation towards East Central and Eastern Europe, the EU operates above all through requiring associated states and those with Partnership and Co-operation Agreements to harmonise their domestic institutions with those of the EU, indeed, imposing some requirements on associated countries that don't apply to the member states themselves.

During the 1990s, against the background of the EU's failure to engage in collective power political maneuver through its so-called Common Foreign and Security Policy, it has sought to lay special emphasis on extending and applying its various normative and legal regimes to external partner states. And it has been noticeable that as the commitment of some important member states to Social Liberalism as a distinctive feature of Western Europe has declined, the EU has increasingly defined itself internationally through its commitment to liberal individual rights, indeed, on occasions, seeking to upstage the US in this area. Normative commitments of this sort can also be identified on the part of other US allies.

At the same time, in a very wide range of policy areas, all the allies of the US have a strong interest in attempting to ameliorate or preferably suppress US unilateralism, seeking to bind it into more collegial institutional structures at the level of the international relations of the core states. Thus a pattern typically emerges amongst the US allies of what can be called 'subversive bandwaggoning', allowing themselves to be pulled along by the US in various international political polarisations, but at the same time attempting to tie the US into collegial arrangements, limiting its scope for unilateralism in the future.

NLC supporters who would wish to focus on these allies and on the EU in particular might therefore hope that a liberal cosmopolitan order may emerge when and if the political capacity of the US weakens, perhaps through an international political blunder, through domestic difficulties or a serious economic reversal, the allies could persuade it to submit to cosmopolitan norms, as a sub-optimal solution but the best on offer in the circumstances. No-one could doubt the very strong, bipartisan commitment of US political elites to maintaining a unipolar world, but a number of scenarios could be imagined where that kind of retreat might be adopted through force of circumstances.

Yet there are reasons to be cautious about the will of these US allies to press collectively for such cosmopolitan solutions. Close attention to their behaviour indicates that they too

have far from abandoned national interest power politics approaches to international politics and economics. The member states of the European Union do not by any means process all their external policy through the EU and rivalries and tensions between them persist. And even as an EU collective they have demonstrated, notably in the various Yugoslav wars that their orientations have been far from being subordinated to established liberal norms.

Nevertheless, let us suppose that the Pacific Union allies of the United States could somehow inveigle it into a collegial form of global Pacific Union governance. Is there any evidence that such an eventuality would inaugurate a liberal cosmopolitan order subordinating the rights of States to universalist liberal norms and institutions of global governance applied equally to all?

Blind Spots and Misconceptions in the NLC Analysis:

Part 2 – An Empire of Civil Society

To answer this question we need to look more closely at the social and economic transformations that are being jointly promoted by the Pacific Union States and at the impact of these changes upon the international system of states. The supporters of NLC have presented these transformations as follows: first a move towards a global free market in which economic globalisation is being subjected to global regulation in the welfare interests of all and in the spirit of liberal economic internationalism; secondly, in that context, the spread and consolidation of liberal democratic polities across the globe, unifying the populations of states democratic harmony and supported by global institutions invigilating liberal rights.

We will here examine the NLC conception of a cosmopolitan liberal order taming the forces of economic globalisation with a liberal regulation of international economics, before turning later to the issue of the spread of liberal democratic states.

1. The Global Economic Regime: Liberal 'Free Trade'?

The common notion that the companies of Pacific Union states have inaugurated economic globalisation by escaping the control of their own states ignores the fact that the patterns of international economic exchanges have, in fact, continued to be shaped in large measure by the international economic diplomacy of states, establishing new legal and institutional frameworks of markets.

NLC supporters tend to assume that the regulatory and market-shaping impulses of the states of the world, including the rich states of the Pacific Union, have been and are geared towards liberal free trade regimes. They thus assume that while powerful economic operators seek to escape regulation and impose monopolies, liberal states champion liberal international economic principles which generate optimal welfare gains for humanity as a whole. Yet the evidence of the 1980s and 1990s suggests that this is a misleading vision of reality.

The justification for free trade is that each economy can exploit its 'natural' or 'comparative' advantage to the full in world markets by being able to export its most competitive goods everywhere, concentrating its production factors in its niche field while importing products in other areas from economies all over the world which have comparative advan-

tages in those areas. This idea generates the central GATT principle for ensuring free trade: the unconditional Most Favoured Nation principle under which each state grants all others in the system the most favourable terms of entry for goods into their market which they grant to any single state's producers.

Historical experience actually suggests that less developed countries perform much better if they protect their domestic industries for a protracted phase of their development, while the so-called New Trade Theory of the 1990s developed in the Atlantic world in the 1990s suggests that natural or comparative advantage is at best outdated and competitive advantage is *created* by concerted policy. But in any case, the drift of the international economic policy of core countries in the 1990s has been marked both by resistance to free trade principles in sectors of critical importance to economies outside the core and by moves towards managed trade and away from the GATT multilateral principle towards 'reciprocity' in a number of areas. Managed trade organises trade by results: for example, various central aspects of US-Japanese trade where the total range of imports or exports to be achieved in various sectors are specified in advance; of the EU use of Voluntary Export Restraints, pricing agreements and other non-tariff barriers to manage the levels of imports from, say, Central and Eastern Europe.

Free trade principles precisely do not operate in such crucial sectors for developing countries as agricultural products, steel, textiles and apparel, etc. Anti-dumping instruments and general 'safeguard' instruments such as those of the EU and the US are also powerful weapons against free trade. Instruments of managed trade are also evident in the so-called Free Trade Agreements pioneered by the European Union. Crucial features of such agreements are the so-called 'rules of origin' clauses which are designed to exclude from free entry into a given market goods produced with varying amounts of inputs from third countries.

The effects of these protectionist and mercantilist methods, notably by the EU is to generate chronic trade and current account deficits on the part of less developed countries, a near universal, chronic problem facing the Central and East European countries. These trade deficits on the part of non-core states exacerbates their already huge and chronic debt problems, thus making their governments increasingly desperate to gain inflows of supposedly compensating inflows of capital from the core states. At the same time, this pattern makes very large numbers of political economies extremely vulnerable and unstable, making them unable to generate sustained increases in welfare for their populations.

Furthermore, the bulk of the international regime changes of the 1990s do not concern international trade at all. Although they are described in the Western media as 'trade regimes' and 'trade negotiations', they are overwhelmingly about property rights within states. And the image of the officials of core states imposing strict liberal controls over their economic operators in these areas is largely the reverse of the truth.

2. Domestic Property Rights for Core Capitals

The dynamic changes in economic law regimes in the 1990s have been mainly about changing regulatory regimes within states – so called ‘behind the border’ issues, not international trade issues at all. These ‘behind the border’ issues mainly focus on the property rights of foreign capitals in other states. The Pacific Union states have exerted pressure to alter the ‘behind the border’ laws and institutions of other states.

They focus on rights of foreign operators to gain ownership of domestic assets, to establish businesses within states which can have the same rights to operate as domestic private or public companies, to move money in and out of the country freely, and to enforce monopoly rents on intellectual property rights. The public policy issues raised in these areas are those concerning such matters as the costs and benefits of the following: of allowing global oligopolies to gain ownership of domestic productive assets and to integrate them into their global profit streams and strategies; of ending controls on the free movement of private finance; of privatising (mainly into foreign ownership) domestic social service provision, domestic utilities etc.; and last, but by no means least, the costs and benefits of making domestic financial systems (and via them whole national economies) extremely sensitive to, and increasingly vulnerable to, the often sudden and massive gyrations in global monetary relations (dollar-Euro-Yen exchange rates) and in international financial markets.

Thus the trends both in international trade and in the internal transformations of non-core political economies are very far from guaranteeing virtuous circles of cosmopolitan economic and social gains for the world’s populations. There is overwhelming evidence of a huge and growing polarisation of wealth between the bulk of the world’s population and extremely wealthy social groups within the core countries. Very small social groups within the non-core economies also benefit from these transformations.

And there is not the slightest indication that if the allies of the US within the Pacific Union subordinated the USA to a more collegial management of the world this pattern of economic relations would alter in any way. Indeed, there is ample evidence that one of the main bases for perceptions of common interests between the US and its allies rests precisely in their joint interest in perpetuating this drive for control of new profit streams from non-core economies thanks to transforming their domestic legal and institutional frameworks.

3. The Incentive Systems for States to Enter the Global Regime

Although the expansion of the institutional regimes of the Pacific Union across the globe are thematised by NLC theorists as being driven by the power of liberal and free trade ideas, a more balanced account would stress the economic incentives resulting from these political economy regimes established by the joint activity of the state officials and economic operators of the Pacific Union states. These incentives have been overwhelming negative ones for non-core states: their increasing international indebtedness combined with very widespread financial crises, often dramatic in scope and their chronic domestic fiscal strains. All these problems, generated largely by monetary, financial and trade environments established by the

core states, have, over the last 20 years, driven ever larger number of these states to seek salvation through gaining export access to the US and EU markets. But to gain such access they have had to transform their internal economic regimes to provide maximum secure access to Pacific Union capitals. The EU states have been at least as much involved in this drive to restructure the political economies of the non-core states as the US.

The international economic regimes like the WTO presented to non-core states in the 1990s have confronted them as offers they could scarcely refuse: if they stood outside, the Pacific Union states gave themselves the right to a free hand in their trade and financial policies towards these states. By joining these partial and skewed regimes, the non-core states gained some security of access to some Pacific Union markets and the possibility of influencing the future development of these regimes.

Of course, from the angle of social interests, the states outside the Pacific Union have not been homogeneous entities. Some social groups within them have gained substantially from the new international regimes. But these winners have been rather small minorities of business and professional groups that could benefit from links with foreign capital, from participation in privatisation drives and from being able to use the new international financial regime to move their property out of the country to more secure locations in the big financial centres of the Pacific Union.

4. A Cosmopolitan Empire of Civil Society Organised by Economic Statecraft

If our account of the transformations of the international political economy currently underway is accepted then NLC accounts of global transformations are superficial, confusing juridical forms with social substance. They perceive the world as a fragmented system of state sovereignties on one side, and a proliferating number of regional, international and global regimes and institutions on the other. In the midst of these institutional patterns they perceive individuals free to maximise their welfare in markets. This juridical perspective provides the basis for hoping that the global regimes can encase state sovereignties in a legally egalitarian cosmopolitan rule of law in which individuals of the world can unite in free exchange.

But if we view this same international order from the angle of social power, it looks much more like a powerfully centralised social pyramid of capitalist market forces dominated by the capitals of the Pacific Union states and strongly supported by their state officials. This reality is captured by Justin Rosenberg's concept of 'An Empire of Civil Society'.²⁸ In this empire, we find substantial unity between the states and market forces of the core countries, rather than the supposed antagonism suggested in both globalisation and liberal Cosmopolitan discourses. We find substantial unity also across the societies of the Pacific Union (as well as rivalries between the governments and economic operators of each state and those of the others). And we find also that the governance of this social empire is guarded not by a supra state

²⁸ Justin Rosenberg, *The Empire of Civil Society*, London 1995.

cosmopolitan centre but by a coalition of dominant states, working with their own dominant market forces.

We do not have ready to hand a language for describing this pattern of global social power. We are used to considering that both state sovereignty and international markets are the opposites of imperialism. This could be said to have been true in the era of the European empires of the 19th century and the first half of the 20th century, for these were largely juridical empires claiming sovereign legal power over conquered territories and peoples. But the distinctive feature of the Pax Americana has been the enlargement of American social control within the framework of an international order of juridical sovereign states. Samuel Huntington has provided the classic statement of how US imperial expansion has worked: “Western Europe, Latin America, East Asia, and much of South Asia, the Middle East and Africa fell within what was euphemistically referred to as ‘the Free World’, and what was, in fact, a security zone. The governments within this zone found it in their interest: a) to accept an explicit or implicit guarantee by Washington of the independence of their country and, in some cases, the authority of the government; b) to permit access to their country to a variety of US governmental and non-governmental organizations pursuing goals which those organisations considered important ... The great bulk of the countries of Europe and the Third World ... found the advantages of transnational access to outweigh the costs of attempting to stop it.”²⁹

While during most of the Cold War, as Huntington says, the principal lever of US expansion was the security pact, from the beginning of the 1980s this has been supplemented by a second instrument: financial and market-access pacts for states facing financial crisis. These combined levers of global imperial power are captured well by Robert Kagan and William Kristol when they write: “Today’s international system is built not around a balance of power but around American hegemony. The international financial institutions were fashioned by Americans and serve American interests. The international security structures are chiefly a collection of American-led alliances. What Americans like to call international ‘norms’ are really reflections of American and West European principles. Since today’s relatively benevolent international circumstances are the product of our hegemonic influence, any lessening of that influence will allow others to play a larger part in shaping the world to suit *their* needs ... American hegemony, then, must be actively maintained, just as it was actively obtained.”³⁰ Kagan and Kristol, of course, emphasize the centrality of the United States in these mechanisms, but there is no evidence to suggest that the West European states and their business classes would operate in a different way in a more collegial organisation of the Pacific Union. EU operations today towards East Central Europe suggest a basically common approach to that of the US.

²⁹ Samuel P. Huntington, “Transnational Organisations in World Politics”, in: *World Politics* p.344, Vol.25, No.3, 1973.

³⁰ Robert Kagan and William Kristol, “The Present Danger”, in: *The National Interest*, Number 59, Spring 2000

These pacts, then, not only allow entry of Atlantic capitals into the sovereign states; they also allow the redesign of national and international market structures to systematically favour the market dominance of Atlantic multinational corporations.

In liberal thought, the rejection by the dominant core states of formalised legal authority over territory can seem to suggest a far weaker form of political power than the European juridical empires of old. This is because liberal approaches often see power mainly in the sense of ‘command power’. This would suggest that the strongest form of international power is a juridical empire. But by taking legal command over a territory you take responsibility for everything that happens on that territory – a frequently heavy burden and potentially a dangerous one. Secondly, if you can shape the relevant environment of the given legal state authority, you can ensure that it acts in ways conducive to your interests. The emergent global system is precisely geared to shaping these relevant environments of sovereign states so that developments within these states broadly match the interests of Pacific Union states while responsibility for tackling these developments falls squarely on the governments of the sovereign states concerned.

But this new type of international order does not make the system of penetrated sovereign states some kind of legal fiction. They remain crucial corner-stones of the order, but their role becomes above all that of maintaining political control over the populations within their jurisdiction. The centrality of this role can be appreciated when we note the paradox of military power in the contemporary world.

This is the paradox that while the military power of the United States and the other Pacific Union states is enormous in its destructive capacity, its political value is increasingly confined to influencing the behaviour of other state executives. At the same time, the capacity of Pacific Union states to directly control and shape populations with military instruments has precipitously declined during the 20th century. The days when handfuls of British soldiers could impose their will militarily against stateless peoples and societies in Africa or Asia are long gone. The experience of colonial wars, of Vietnam and more recently of Somalia and indeed the Bosnian and Kosovo protectorates today shows just how weak is the capacity of these core states to sustain efforts at directly controlling external societies with coercive power. This absolutely central task in the international order can be achieved only through a system of sovereign states.

Blind Spots and Misconceptions in the NLC Analysis:

Part 3 – Liberal Democracy as a Cosmopolitan Cement?

As we saw at the start of this paper, a fundamental basis for the liberal cosmopolitan current’s optimism lies in the spread of liberal democratic forms of polity across the globe. It is this idea which enables them to believe that humanity is being unified in a single movement for liberal democratic values and norms. But this idea presupposes a great deal about what binds societies and states together in the modern world. Above all, it assumes that universalist liberal values are the unifying organising forces within liberal democratic states. The source of

this conception lies deep within many varieties of liberalism, above all in the idea that politics and political conflict as well as civil life are encased within legal-constitutional frameworks.

This liberal legal conception of the state does indeed seem to operate within stable, consolidated liberal democracies. Constitutional norms are observed and enforced and civil and political conflicts are regulated by the legal and judicial apparatus. Yet many liberals would acknowledge that stable liberal democracies themselves rest on other foundations than simply law.

One such foundation often cited is an entrenched system of social relations – a social property rights regime. This aspect was strongly stressed in Western public policy prescriptions for the building of liberal democracies in East Central Europe: the prescriptions of the IMF and World Bank emphasised that liberal democratic stabilisation had to follow not precede the transformation of the social structure into a private capitalist market society. Another foundation often cited is a homogeneous political identity rooted in such cultural features as ethnicity, nationhood or notions of a common historical experience. And a third foundation often cited is adequate economic welfare levels or arrangements or popular expectations of such welfare arrangements. A fourth is a congenial, secure international environment for the state in question.

1. The Spread of Liberal Democracy in Exchange for Its Foundations

A striking feature of the spread of liberal democratic forms of polity in the 1980s and 1990s has been the fact that this has occurred typically in states where these various foundations for stable liberal democratic constitutionalism have precisely been shaken, stretched and tested to the limit, or indeed beyond it. And paradoxically many of the sources generating extreme pressures upon the foundations of the liberal democratic states have been *precisely the same sources as those pressing for tough liberal legal norms within these newly liberal democratic states: the common source has been the very Pacific Union seen by liberal cosmopolitans as spreading harmony across the globe.*

We can briefly list the strains upon states generated by the Pacific Union heartland:

1. Undermining economic performance by mercantilist trade policies and pressing states to open their economies to monetary and financial movements to which the economic welfare of their citizens becomes extremely vulnerable.
2. Exploiting financial crises within state to weaken or undermine institutions and policies giving some elements of social security to their populations.
3. Encouraging state elite to impose policies which widen the gap between rich and poor emiserating large groups of the population.
4. Ensuring that the various state-centred development models through which states, in the post-war period, offered hope to populations for social improvements have been dismantled and replaced by an insistence that welfare gains can be achieved only through individual activity on the market, not through collective public endeavours.

5. Creating conditions and rules allowing businesses from Pacific Union states to enter and gain control over domestic product markets and services, channelling profit streams out of the country.
6. Establishing international environments in which economically weak states must seek to compete for the entry of foreign capitals by reducing taxes on the business classes and thereby undermining their capacity to maintain welfare, educational and health services.

All these pressures upon states outside the Pacific Union have been taking their toll on many states, whether liberal democratic or not. States under strain, states fragmenting, the emergence of shadow states or outright state collapse are becoming common sights in the contemporary world.

The idea that the introduction of liberal democratic procedures and institutions as ways of reconsolidating states whose economies are collapsing, whose civil societies are being riven by conflicts and strains and whose capacity to offer public goods to their populations is being subverted is surely a superficial one. Where such states had previously had authoritarian polities, the populations may initially welcome the arrival of liberal freedoms and the right to vote. But when they find that they have in fact traded this granting of liberal freedoms for the loss of economic welfare and security and for a right to vote which gives minimal or no capacity to influence public policy, the strains within the liberal democratic legal and institutional frameworks will inevitably appear.

It is becoming not uncommon in such conditions for the liberal legal and institutional frameworks of polities to burst, as groups turn to organised crime and mafia networks or break with the homogenising national political values of the state, demanding exit as national minorities.

These trends in polities of the new global 'Empire of Civil Society' management by the dominant social groups of the Pacific Union are not, in fact, confined to polities outside the Pacific Union itself. There are a more general trend affecting the 'consolidated' liberal democracies as well. Philippe Schmitter has summarised what he sees as the currently dominant trend pitting liberalism against democracy in the following terms: "... we will see more liberalism – and (implicitly) less democracy. Privatisation of public enterprises; removal of state regulations; liberalisation of financial flows; conversion of political demands into claims based on rights; replacement of collective entitlements by individual contributions; sacralisation of property rights; downsizing of public bureaucracies and emoluments; discrediting of 'politicians' in favour of entrepreneurs'; enhancement of the power of 'neutral technical' institutions, like central banks, at the expense of 'biased political' ones – all these modifications have two features in common: 1) they diminish popular expectations from public choices, and 2) they make it harder to assemble majorities to overcome the resistance of minorities, especially well-entrenched and privileged ones." Schmitter points out that those advanced liberal democracies "most exposed to the 'more liberalism' strategy have tended to have proportionately greater declines in voter turn-out, in trade union membership, in the prestige of politi-

cians, in citizen interest in public affairs, in the perceived role of legislatures, in the extent and intensity of party identification, and in the stability of electoral preferences. Conversely they have seen rates of litigation increase, accusations of corruption escalate, and antiparty candidacies proliferate. Whether this process of ‘dedemocratisation’ can continue is, of course, the all-important question. Its justification rests almost exclusively on the superior economic performance that is supposed to accrue to a liberalised system of production and distribution – along with the deliberate effort to foster a strong normative rejection of politics as such.”³¹

2. Liberal Norms as Arbitrary Global Government

When liberal democratic polities break down in the direction of civil war or dictatorship, liberal norms and procedures erode and collapse or are abolished. This fact is recognised in liberal constitutional theory, which typically allows for states of emergency when liberal norms may be suspended. Typically in such crisis situations both sides in the political conflict accuse the other of violating the norms of liberalism and human rights. Thus liberal norms are turned into political weapons in a political conflict over other issues such as separatism, irredentism, religious conflict or Left-Right conflicts.

In recent examples of such political ruptures and conflicts in a number of states, we have seen a tendency for the states of the Pacific Union to intervene on behalf of liberal, human rights norms while taking no political position on the central political issue of the political conflict. Although this stance is widely viewed by liberal cosmopolitans as a principled one, as in the NATO attack upon Yugoslavia in 1999, it should rather be seen as an example of politically unprincipled, arbitrary government of an imperial kind. The conflict between the Yugoslav government and the Kosovar Albanians concerned the right of the latter to secede from Yugoslavia. The Pacific Union states in effect declared this political issue irrelevant and in reality were not capable of laying down any general, political principle to resolve this question. Their entire attitude on the political issue at stake was thus agnostic, pragmatic and arbitrary. This political arbitrariness will tend to repeat itself in any such future interventions by Pacific Union states in radical political conflicts bursting states in future cases.

The reason for this lies in the fact that states are actually bound together in the world today by a myriad of different social, cultural and political factors of which liberal individual rights and norms are rarely dominant. Instead, the survival of liberal rights and norms is precisely dependent on the strength of these other factors

Furthermore, even if the Pacific Union states were to abandon power political battles amongst themselves and merge into a collegial minority directorate over the planet, there is every reason to suppose that they would continue to place contradictory demands upon the state system over which they preside. On one side, they will demand internal arrangements

³¹ Philippe C.Schmitter, “Democracy’s Future: More Liberal, Preliberal, or Postliberal”, in: *The Journal of Democracy*, January 1995.

within those states which suit the interests of their 'Empire of Civil Society'. But on the other hand they will rely upon those states to preserve order and control over their domestic populations. These contradictory policy requirements point towards an essentially arbitrary attitude towards enforcing universalist liberal norms of individual rights.

Conclusion

We have argued in this paper that the cognitive framework used by the supporters of the new liberal cosmopolitanism to claim that humanity is on the verge of being finally united in a single, just world order is not convincing. The liberal individualist analytical corset does not fit the world as it is. It fails to strap American power into its prognosis of a supra-state order. It fails to identify mechanisms than can pull the social dominance – both economic and political – of the Pacific Union states over other societies under cosmopolitan governance. It fails to spot how the spread of liberal democratic polities is combined with the undermining of the conditions for their organic consolidation. And finally it does not recognise that intervention by powerful states in the name of liberal individual rights is inevitably and inescapably arbitrary given the haphazard political bases of state unity in the world today and the contradictory requirements of the most powerful states. In short, a cosmopolitan project for unifying humanity through the agency of the dominant capitalist states on the normative basis that we are all individual global citizens with liberal rights will not work: it is more likely to plunge us all into increasingly divisive turmoil.

Cosmopolitan projects which place at the centre of their conception of the new world order the notion of a democratic global polity do have the great merit both of working to subordinate the rich minority of states and social groups to a global majority will, in conditions where the bulk of the world's population remains trapped in poverty and powerlessness. Such a democratic cosmopolitanism also offers the prospect of bringing market forces under genuine popular political control. Yet such a genuine democratic cosmopolitanism has two major weaknesses as a contemporary project: it would require a Herculean popular agency to achieve its goal against the united colours of the Pacific Union. And it focuses too narrowly on purely political institutions. Bringing humanity towards genuine social unity on a global scale must surely critically address the issue of new social and economic arrangements to underpin democratic development both within and across states.

Cosmopolitan values and goals will remain a strong element in the whole project of modernity today as in the days of Immanuel Kant. But the currently dominant discourse of thin, liberal individual rights is not an adequate vehicle for cosmopolitan advance. One of the greatest falsehoods perpetrated by the champions of this liberal individualist discourse is the oft-made claim that we must choose between liberal individualism and anti-modern Jihad, or between absolutist liberal individualism and relativising all values to individual Nietzschean or anti-modernist obscurantist taste. The modernist project born in the West in the 18th century contains a wealth of universalist traditions with the theoretical resources to offer a far

richer and more viable future for humanity than the currently dominant market-based liberal individualism.

At present these alternative strands of cosmopolitan thought and action are disorganised and disoriented by the collapse of the Communist tradition and the hollowing out of international social democracy. It is too easy to forget that we are living through a very peculiar moment in history, one involving the complete disorientation and disorganisation of labour movements internationally. But this will surely be at least a partial, temporary phenomenon.

The combined appeals of both cosmopolitan conceptions of a single humanity with common human needs and aspirations and also of individual freedom to pursue distinctive paths to fulfilment must remain central principles in the new century. Yet creating the social conditions for realising these principles requires a social framework radically different from the capitalist free market and its twin the capitalist power politics state whose authority is rooted in irrationalist appeals to usually bogus cultural homogeneities. Unfortunately – perhaps tragically – humanity is trapped, at the start of the 21st century, in a taboo against any alternative social framework to capitalism and capitalist power politics. Perhaps Kant was right, and a cosmopolitan peace will be achieved only when the full dangers of current transnational dynamics are revealed. In the meantime, cosmopolitan will, I suspect, paradoxically lie with those seeking at a local or regional level, resisting these transnational dynamics in the search for more socially just arrangements that can lay real foundations for human individuality to flourish safely for the whole of humanity and not just for a small transnational social elite.