

# Liberal Internationalism 3.0: America and the Dilemmas of Liberal World Order

G. John Ikenberry

Liberal international order—both its ideas and real-world political formations—is not embodied in a fixed set of principles or practices. Open markets, international institutions, cooperative security, democratic community, progressive change, collective problem solving, the rule of law—these are aspects of the liberal vision that have made appearances in various combinations and changing ways over the last century. I argue that it is possible to identify three versions or models of liberal international order—versions 1.0, 2.0, and 3.0. The first is associated with the ideas of Woodrow Wilson, the second is the Cold War liberal internationalism of the post-1945 decades, and the third version is a sort of post-hegemonic liberal internationalism that has only partially appeared and whose full shape and logic is still uncertain. I develop a set of dimensions that allow for identifying different logics of liberal international order and identify variables that will shape the movement from liberal internationalism 2.0 to 3.0.

Over the past century, the liberal international “project” has evolved and periodically reinvented itself. The liberal international ideas championed by Woodrow Wilson were extended and reworked by Franklin Roosevelt and Harry Truman. Today’s liberal internationalist agenda is evolving yet again. The actual orders themselves, built after the two world wars and in the aftermath of the Cold War, have also differed in their logic and character. Liberal international order—both its ideas and real-world political formations—is not embodied in a fixed set of principles or practices. Open markets, international institutions, cooperative security, democratic community, progressive change, collective problem solving, shared sovereignty, the rule of law—these are aspects of the liberal vision that have made appearances in various combinations and changing ways over the decades.

In grand historical perspective, this makes sense. The most important macro-transformation in world politics

unfolding over the last two centuries has been what might be called the “liberal ascendancy.” This has involved the extraordinary rise of the liberal democratic states from weakness and obscurity in the late eighteenth century into the world’s most powerful and wealthy states, propelling the West and the liberal capitalist system of economics and politics to world preeminence. All of this occurred in fits and starts in the twentieth century amidst world war and economic upheaval. At historical junctures along the way, liberal states have pursued various efforts to establish rules and institutions of international governance. Adaptation and innovation, necessity and choice, success and failure—all of these are aspects of liberal internationalism’s movement along its twentieth century pathway.

It is possible to identify three major versions or models of liberal international order—call these versions 1.0, 2.0, and 3.0. The first is associated with the ideas that Woodrow Wilson and Anglo-American liberals brought to the post-World War I international settlement; the second is the Cold War liberal internationalism of the post-1945 decades; and the third version is a sort of post-hegemonic liberal internationalism that has only partially appeared and whose full shape and logic is still uncertain. In its early twentieth century form, liberal order was defined in terms of state independence and the building of an international legal order that reinforced norms of state sovereignty and non-intervention. In the early twenty-first century, liberal order is increasingly defined in terms of the reverse. It is an evolving order marked by increasingly far-reaching and complex forms of international cooperation that erode state sovereignty and reallocate on a global scale the sites and sources of political authority.

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The United States was the major champion and sponsor of the liberal international project in the twentieth century. But at each turn, the role and function of the United States in the liberal international order has differed. Indeed, the ways in which America's preeminent geopolitical position has simultaneously facilitated and impeded the operation of an open, rule-based liberal order is a critical aspect shaping the character and logic of liberal order itself. In the post-1945 period, the United States gradually became the hegemonic organizer and manager of Western liberal order. The American political system—and its alliances, technology, currency, and markets—became fused to the wider liberal order. The United States supported the rules and institutions of liberal internationalism but it was also given special privileges. In the shadow of the Cold War, the United States became the “owner and operator” of the liberal capitalist political system. The question today is how will the system evolve—and how will the United States respond—to a successor liberal order in which the United States plays a less dominating role? How necessary is the United States as a liberal hegemonic leader to the stability and functioning of liberal internationalism? And will the United States remain a supporter of liberal order in an era when it has fewer special privileges? For half a century, the United States essentially had liberal order built to its specifications. What happens when this special status ends?

This article has two goals. One is to map the various models of liberal international order—both in ideal-typical terms and in their historical setting. This entails specifying the dimensions along which liberal international order can vary and identifying the logic and functions of these ideal-typical orders. A second goal is to probe the alternative and changing ways in which the United States has interacted with international order. In particular, I delineate the alternative liberal pathways that might exist as they lead away from the post-1945 U.S.-centered order—that is, the movement from liberal internationalism 2.0 to 3.0.

I begin by looking at the major dimensions around which liberal order can vary. After this, I survey the major historical eras of liberal international order, including the transitional contemporary era. I argue that the “third era” of liberal international order hinges in important ways on whether and how the United States can accommodate itself to diminished authority and sovereignty. The question for American policy makers is whether bargains and other arrangements can be made—particularly in security cooperation—that provide ways for the United States to remain at the center of liberal international order. New forms of governance—networks and informal steering groups—will become more important in a post-American-centered liberal international order.

## Dimensions of Liberal Internationalism

The liberal imagination is vast, and the ideas and designs for liberal international order are also extraordinarily wide ranging.<sup>1</sup> At its most basic, liberal internationalism offers a vision of an open, rule-based system in which states trade and cooperate to achieve mutual gains.<sup>2</sup> Liberals assume that peoples and governments have deep common interests in the establishment of a cooperative world order organized around principles of restraint, reciprocity, and sovereign equality. There is an optimistic assumption lurking in liberal internationalism that states can overcome constraints and cooperate to solve security dilemmas, pursue collective action, and create an open, stable system. There is also an optimistic assumption that powerful states will act with restraint in the exercise of their power and find ways to credibly convey commitments to other states. Across the decades, liberal internationalists have shared the view that trade and exchange have a modernizing and civilizing effect on states, undercutting illiberal tendencies and strengthening the fabric of international community. Liberal internationalists also share the view that democracies are—in contrast to autocratic and authoritarian states—particularly able and willing to operate within a open, rule-based international system and to cooperate for mutual gain. Likewise, liberal internationalists have shared the view that institutions and rules established between states facilitate and reinforce cooperation and collective problem solving.<sup>3</sup>

Beyond these general, shared liberal convictions, there is a great deal of variation in the ordering ideas of liberal internationalism. In particular, liberal internationalist ideas and real-world orders have differed in regard to how sovereignty, rules, institutions, and authority are to be arrayed within the international system. How liberal order is to be governed—that is, the location of rules and authority—is the great unresolved, contested, and evolving issue of liberal internationalism.

Looking back at the various visions of liberal order in the twentieth century, it is possible to identify five key dimensions of variation: participatory scope, sovereign independence, sovereign equality, rule of law, and policy breadth and depth. These dimensions are summarized in figure 1.

Scope refers to the size of liberal order; whether it is a selective grouping or global in scope. This is a distinction between order that is built around an exclusive grouping of states (defined by regional or other shared characteristics) or open in access and membership to all states (defined by universal principles). Liberal order can be constructed between Western democracies or within the wider global system. In one case it is situated within an exclusive grouping of like-minded states—the West, the “free world,” the Atlantic community—and in the other it is open to the entire world.

**Figure 1**  
**Dimensions of liberal international order**



Sovereign independence refers to the degree to which liberal order entails legal-political restrictions on state sovereignty. Sovereignty in this sense refers to the state's exclusive claims to authority within its territory, manifest in the internationally recognized domestic formal-legal right to issue commands and enforce obligations. States can possess full Westphalian legal sovereignty and interaction with other states on this basis, or agreements and institutions can be constructed that involve the sharing and abridgement of state sovereignty. On the one hand, states can cede sovereign authority to supranational institutions or reduce the autonomy of their decision making by making agreed upon commitments to other states. On the other hand, states can retain their legal and political rights within wider frameworks of inter-state cooperation.<sup>4</sup>

Sovereign equality refers to the degree of hierarchy within the liberal order. Hierarchy refers to the degree of differentiation of rights and authority within the international system. Liberal order can be organized around the sovereign equality of states—a very horizontal ordering based on principles of equal access, rights, and participation. Or liberal order can be more hierarchical in which one or several states possess special rights and authority. In an order marked by sovereign equality there is very little differentiation of roles and responsibilities. States enter into agreements and cooperate as more or less equal parties. In a hierarchical order, the roles and responsibilities will be more differentiated—and states are organized, formally or informally, around superordinate and subordinate authority relationships.<sup>5</sup>

Rule of law refers to the degree to which agreed-upon rules infuse the operation of the order. The “ruliness” of liberal order can vary. The interaction of states may be informed by highly articulated sets of rules and institutions that prescribe and proscribe actions. Or the interaction of states can be informed by more ad hoc and bargained relations.<sup>6</sup> Even ad hoc and bargained relations are informed by some minimal sense of rules—if only by the notion of reciprocity. Nonetheless, variations exist in the degree to which generalized rules and principles of order prevail or whether specific powers and bargaining

advantages of states shape interaction. Hierarchical order—which confers unequal privileges and authority to the most powerful state or states—can also be more or less rule based.

Finally, liberal order can vary in terms of the breadth and depth of its policy domains. The international order can be organized to deal with only a narrow policy domain. It could be essentially focused only on traditional interstate security challenges. Or it can be organized to deal with a more expansive set of social, economic, and human rights challenges. The more expansive the policy domains of liberal order, the more that the international community is expected to be organized to intervene, control, regulate, and protect aspects of politics and society within and across states.

These dimensions of liberal order help us identify and contrast the various historical manifestations of liberal international order. Refer to figure 2 for a summary of these differences.

As the following sections demonstrate, the logics of liberal international order have evolved—and at specific historical moments they have been transformed. I do not offer a causal theory of why liberal order has evolved over the last century. Such explanatory efforts have been attempted elsewhere.<sup>7</sup> The efforts here are typological—that is, to identify the changing ways that liberal international order has been envisaged and constructed.

## **Liberal International Order 1.0**

The first efforts to construct a liberal international order came in the aftermath of World War I with ideas famously advanced by Woodrow Wilson. The Wilsonian vision was of an international order organized around a global collective security body in which sovereign states would act together to uphold a system of territorial peace. Open trade, national self-determination, and a belief in progressive global change also undergirded the Wilsonian world view. It was a “one world” vision of nation-states that trade and interact in a multilateral system of laws creating an orderly international community. “What we seek,”

**Figure 2**  
**Three Versions of Liberal Internationalism**

**Liberal Internationalism 1.0**

Universal membership, not tied to regime location or character.

Westphalian sovereignty, defined in terms of an international legal order affirming state independence and non-intervention

Flat political hierarchy

Rules and norms operate as international law, enforced through moral suasion and global public opinion

Narrow policy domain, restricted to open trade and collective security system

**Liberal Internationalism 2.0**

Western-oriented security and economy system

Modified Westphalian sovereignty, where states compromise legal independence so as gain greater state capacity

Hierarchical order, with American hegemonic provisioning of public goods, rule-based and patron-client relations, and voice opportunities

Dense inter-governmental relations, enforcement of rules and institutions through reciprocity and bargaining

Expanded policy domains, including economic regulation, human rights, etc.

**Liberal Internationalism 3.0**

Universal scope, expanding membership in core governing institutions to rising non-Western states

Post-Westphalian sovereign, with increasingly intrusive and interdependent economic and security regimes

Post-hegemonic hierarchy in which various groupings of leading states occupy governing institutions

Expanded rule-based system, coupled with new realms of network-based cooperation

Further expansion of policy domains

Wilson declared at Mount Vernon on July 4, 1918, “is the reign of law, based on the consent of the governed and sustained by the organized opinion of mankind.” Despite its great ambition, the Wilsonian plan for liberal international order entailed very little in the way of institutional machinery or formal great power management of the system. It was to be an institutionally “thin” liberal order in which states would primarily act cooperatively through the shared embrace of liberal ideas and principles.

At the center of the Wilsonian vision was the League of Nations which was to provide the forum for collective security. This was to be a universal membership organization. Nation-states that joined it made diffuse commit-

ments to act in concert to protect territorial borders and deter aggression (when there is unanimous consensus that aggression is taking place). The League itself provided mechanisms for dispute resolution. There is some tension in the Wilsonian notion of a universal liberal order. On the one hand, Wilson did hold the view that a stable and peaceful international order would need to be built around liberal democratic states. Accountable governments that respect the rule of law were essential building blocks of a peaceful and just world order. As Wilson argued in his war address, “a steadfast concert of peace can never be maintained except by a partnership of democratic nations.”<sup>8</sup> But, on the other hand, Wilson also understood that the architecture of a liberal order would need to be universal and open in scope and membership. All states could join the League regardless of their regime type.

The Wilsonian vision reconciled this apparent contradiction with the understanding that all aggressive states could be brought to heel within a collective security system and that, in the long run, non-democratic states would make democratic transitions and eventually come to embrace liberal international rules and norms. Wilson did believe that a world-wide democratic revolution was underway. Beyond this, Wilson tended to emphasize the democratic bases of peace in his war speeches but less so later on in his efforts to secure the Covenant. Wilson never thought that all the members of the League had to be democracies in order for the organization to succeed. In neither Wilson’s original proposal for the Covenant presented in Paris on February 14, 1919 nor in the final version adopted on April 28 does the word democracy appear. The League’s mission was mainly the avoidance of war essentially by means of arbitration and a reduction of armaments, and then the threat of collective sanctions. The spread of democracy was seen more as a consequence of an effective League than an essential source of that effectiveness. Hence the universalist architecture.<sup>9</sup>

Wilsonian-era liberal internationalism was also predicated on Westphalian state sovereignty. The nation-state was championed. Ideas of a progressive liberal order during this period were closely associated with anti-imperial movements and struggles for national self-determination. Wilson did not see the liberal project involving a deep transformation of states themselves—as sovereign legal units. Nationalism was a dominant force in world politics, and Wilson’s support for rights of national self-government gave voice to it. In May 1916, Wilson proclaimed that “every people has a right to choose the sovereignty under which they shall live.” He argued that “small states” as well as “great and powerful nations” should enjoy sovereignty and territorial integrity free from aggression.<sup>10</sup> To be sure, at the Paris peace conference, Wilson was hesitant to recognize new nations, particularly outside of Europe. As the historian Lloyd Ambrosius observes, “As in the Philippines earlier, he [Wilson] applied the



principle of national self-determination with great caution. He did not undermine British rule in Ireland, Egypt, and India, or French rule in Indochina. Wilson recognized only new nations that emerged from the collapse of the Russian, German, Austro-Hungarian, and Ottoman empires.”<sup>11</sup> Wilson’s notion of national self-determination was decidedly developmental—and patronizing. Sovereign self-rule required the emergence of an “organic” nation in which the people were politically mature enough to independently govern themselves. Hence the mandate system—a League of Nations innovation to replace formal colonial rule—that would operate to maintain order in backward areas until national self-rule was possible.

The Wilsonian conception of liberal internationalism similarly embraced the notion of sovereign equality of states. Among the established nation-states—most of whom were Western—there was little formal institutional hierarchy in the postwar order. The League of Nations was to be an organization of states that came together as equals. The League did not have the institutional framework for special great power authority and rights of the later United Nations. It did have an Executive Council but, adhering closely to the principle of the equality of states, its powers were simply to initiate investigations and make recommendations to the body of the whole. The hierarchies of Wilsonian liberal internationalism were more implicit and informal, manifest in notions of racial and civilizational superiority. Wilson himself was notoriously unenlightened in these respects. Hierarchical arrangements of Wilsonian-style international order were also manifest in the ways in which the major powers of the League would remain responsible for supervision of post-colonial territories. Again, Wilson’s progressive developmental vision provided the intellectual coherence.

Regarding the rule of law, Wilson of course championed a world ordered by international law. As Wilson put it, “the same law that applies to individuals applies to nations.”<sup>12</sup> Yet he had a very nineteenth-century view of international law. That is, Wilson did not see international law primarily as formal, legally-binding commitments that transferred sovereignty upward to international or supranational authorities. International law had more of a socializing dynamic, creating norms and expectations that states would slowly come to embrace as their own. As Thomas Knock notes, “Wilson emphasized that international law actually was ‘not made,’ as such. Rather it was the result of organic development—‘a body of abstract principles founded upon long established custom.’”<sup>13</sup> International law and the system of collective security anchored in the League of Nations would provide a socializing role, gradually bringing states into a “community of power.”

Finally, liberal internationalism 1.0 had a relatively narrow view about the domain of international cooperation. It was essentially a system of collective security and free trade bound together by rules and norms of multilateral-

ism. Wilsonian internationalism did not call upon the international community to organize to promote expansive notions of human rights, social protections, or economic development. To be sure, there was an underlying assumption that the international system was modernizing in a liberal direction. But liberal internationalism during this period did not contain an explicit agenda of building international capacities to defend or advance ambitious social ends. Indeed, the Versailles treaty has been widely depicted as a flawed blueprint for postwar order with little understanding of the economic and social underpinnings of stable order and progressive change.<sup>14</sup>

Taken together, the Wilsonian vision of liberal internationalism was both breathtakingly ambitious and surprisingly limited. It sought to transform the old global system based on the balance of power, spheres of influence, military rivalry, and alliances into a unified liberal international order based on nation-states and the rule of law. Power and security competition would be decomposed and replaced by a community of nations. The Wilsonian vision was universal in scope and celebrated the sovereign equality of nation-states. The resulting order would be bound together by the international rule of law. But Wilsonian liberal internationalism did not involve the construction of deeply transformative legally-binding political institutions. Liberal international order was to be constructed around the “soft law” of public opinion and moral suasion. The League of Nations was, according to Wilson, to “operate as the organizing moral force of men throughout the world” that will turn the “searching light of conscience” on wrong doing around the world. “Just a little exposure will settle most questions,” Wilson optimistically asserted.<sup>15</sup>

The liberal internationalism envisaged by Wilson was an historical failure. This was not simply because the Senate of the United States failed to ratify the Versailles Treaty. It was really a failure of the emergence of the underlying conditions needed for a collective security system to function. As noted earlier, the Wilsonian version of liberal internationalism was built around a “thin” set of institutional commitments. But it was also built on the assumption that a “thick” set of norms and pressures—public opinion and the moral rectitude of statesmen—would activate sanctions and enforce the territorial peace. Wilson got around the problem of sovereign autonomy—which the United States Senate would not give up—by emphasizing the informal norms that would take hold and bring countries together to maintain a stable peace. The sovereignty of states—sovereignty as it related to both legal independence and equality—would not be compromised or transformed. States would just be expected to act better—which for Wilson meant that they would be socialized into a “community of power.”

Looking back, it is clear that the security commitments were too thin and the norms of compliance and

collective action were not thick enough. As a result, the inter-war era did not see the full implementation of liberal international order 1.0. Instead, the United States pulled back from active involvement in peace and security. The internationalism of the 1920s and 1930s was a sort of internationalism 0.5. That is, it was essentially a private internationalism of banks and commercial firms that struggled during these decades to cooperate to manage the impacts of a contracting world economy. There was also a revival of legal internationalism manifest in the Kellogg-Briand Pact, which sought to return to the early nineteenth-century uses of arbitration treaties to settle international disputes.<sup>16</sup> This multilateral treaty, which gave governments an opportunity to renounce war against other treaty members—except in self-defense or other circumstances—was even less of a formal security pact than the League of Nations. And it shared with Wilson’s liberal internationalism 1.0 the conviction that public opinion and moral suasion were the mechanisms that would activate cooperation and collective security.

## Liberal International Order 2.0

When the United States found itself in a position to relaunch the liberal international project in the 1940s, it initially did not seek to transform its basic logic. Roosevelt wanted to inject a bit more realism into its operation by building a more formal role for the great powers. Like Wilson’s version, it would be a “one world” system in which the major powers would cooperate to enforce the peace. The United States would take the lead in creating the order, but the order would be collectively run. In this sense, FDR’s wartime vision of postwar order was liberal internationalism 1.5. But the unexpected and evolving challenges of forging a viable postwar order—rebuilding Europe, integrating Germany and Japan, making commitments, opening markets, providing security, containing Soviet communism—forced the United States along a pathway that led to a transformation in the foundations of liberal international order. In the shadow of the Cold War a new logic of liberal internationalism emerged. It was a logic of American-led liberal hegemonic order—that is, liberal internationalism 2.0.

From the moment it began to plan for peace, the Roosevelt administration wanted to build a postwar system of open trade and great power cooperation. “The United States did not enter the war to reshape the world,” the historian Warren Kimball argues, “but once in the war, that conception of world reform was the assumption that guided Roosevelt’s actions.”<sup>17</sup> It would be a reformed “one world” global order. In the background, the great powers would operate together to provide collective security within a new global organization. The Atlantic Charter provided the vision. Wartime conferences at Bretton Woods, Dumbarton Oaks, and elsewhere provided the architectural plans.

The Roosevelt vision did anticipate more compromises in sovereign equality than Wilson—that is, the system would be more hierarchical. There was also a substantially more developed notion of how international institutions might be deployed to manage economic and political interdependence. Roosevelt’s wartime proclamation of the Four Freedoms and the Atlantic Charter advocacy of a postwar order that would support full employment and economic growth gave liberal internationalism a more expansive agenda. The great powers and governance institutions would have more authority than Wilson proposed, but it would remain a unified system in which Roosevelt’s “family circle” of states would manage openness and stability.

But the order that actually took shape in the decades after the war came to have a more far-reaching and complex logic. It was more Western-centered, multilayered, and deeply institutionalized than originally anticipated—and it brought the United States into direct political and economic management of the system. The weakness of Europe, the looming Soviet threat, and the practical requirements of establishing institutions and making them work drove the process forward—and in new directions. In the decades that followed, the United States found itself not just the sponsor and leading participant in a new liberal international order—it was also owner and operator of it. The vision of liberal order turned into liberal hegemonic order.

In both security and economic realms, the United States found itself steadily taking on new commitments and functional roles. Its own economic and political system became, in effect, a central component of the larger liberal hegemonic order. America’s domestic market, the U.S. dollar, and the Cold War alliances emerged as crucial mechanisms and institutions through which postwar order was founded and managed. America and the Western liberal order became fused into one system. The United States had more direct power in running the postwar order but it also found itself more tightly bound to the other states within that order. The United States became a provider of public (or at least club) goods—upholding a set of rules and institutions that circumscribed how American power was exercised and providing mechanisms for reciprocal political influence. In the late-1940s, security cooperation moved from the UN Security Council to NATO and other U.S.-led alliances. The global system of great-power-managed collective security became a Western-oriented security community organized around cooperative security. Likewise, the management of the world economy moved from the Bretton Woods vision to an American dollar and market system. In effect, the world “contracted out” to the United States to provide global governance.

A critical characteristic of liberal internationalism 2.0 is its Western foundation. The United States found it possible to make binding security commitments as it shifted from Wilsonian collective security to alliance security built

around democratic solidarity within the Atlantic region. This shift was twofold. One was the movement toward more specific and explicit security commitments. Alliance partnerships entailed obligations but they were also limited liability agreements. Commitments were not universal and open ended; they were tied to specific security challenges with treaty-based understandings about roles and responsibilities.<sup>18</sup> Second, they were commitments that were backed by a political vision of a Western security community. The sense that America and Europe were imperiled by a common threat strengthened the feeling of Western solidarity. But the notion of a Western core to liberal international order also suggested that unusual opportunities existed—because of common culture and democratic institutions—to cooperate and build postwar institutions.

Liberal internationalism 2.0 also moved beyond the Wilsonian vision with its more complex notions of sovereignty and interdependence. Westphalian sovereignty remained at the core of Truman-era liberal internationalism. But there were new understandings about the dangers and opportunities of economic and security interdependence. The economic calamities of the 1930s and the successes of New Deal regulation and governance informed these new views. Advanced societies were seen to be deeply and mutually vulnerable to international economic downturns and the bad policies pursued by other states. States would need to get more involved in more intense and institutionalized forms of joint management of the global system. Jacob Viner, a leading international economist and postwar planner captured this view. “There is wide agreement today that major depressions, mass unemployment, are social evils, and that it is the obligation of governments. . . to prevent them.” Moreover, there is “wide agreement also that it is extraordinarily difficult, if not outright impossible, for any country to cope alone with the problems of cyclical booms and depressions. . . while there is good prospect that with international cooperation. . . the problem of the business cycle and of mass unemployment can be largely solved.”<sup>19</sup> New institutions would be needed in which states worked side by side on a continuous base to regulate and reduce the dangers inherent in increasingly interdependent societies.

There were several aspects to this emerging view that it was necessary to reduce state sovereign independence. One is that it was essentially an intergovernmental—rather than supranational—vision. At least in the advanced world, governments would remain the primary sources of authority and decision. But governments would bargain, consult, and coordinate their policies with other governments, facilitated through international institutions. The other aspect was that the new international institutional machinery would be created in large part to bolster rather than diminish the ability of governments to deliver on their economic and political obligations to their societies. States within liberal internationalism 2.0 would give up some

sovereign independence but gain new governmental capacities.<sup>20</sup>

Similarly, the norms of sovereign equality embodied in Wilsonian internationalism gave way to a much more hierarchical form of liberal order. The United States took on special functional-operational roles. It positioned itself at the center of the liberal international order. It provided public goods of security protection, market openness, and sponsorship of rules and institutions. The American dollar became an international currency and the American domestic market became an engine of global economic growth. The American alliance system and the forward-deployed military forces in Europe and East Asia gave the United States a direct and ongoing superordinate role in the capitalist-democratic world. Other states established clientelistic and “special relationships” with Washington. In NATO, the United States was first among equals. It led and directed security cooperation across the regions of the world. The United States exported security and imported goods. The resulting order was hierarchical—the United States was the most powerful state in the order. It occupied a superordinate position manifest in roles, responsibilities, authority, and privileges within the liberal international order.

But the hierarchical character of the order was to be more liberal than imperial. The United States did engage in public goods provision, supported and operated within agreed-upon rules and institutions, and opened itself up to “voice opportunities” from subordinate states. To be sure, these liberal features of hierarchy differed across regions and over time. The United States was more willing to make multilateral commitments to Western European partners than to others. In East Asia, the United States built a “hub and spoke” set of security pacts that made the regional order more client-based than rule-based.<sup>21</sup> Generally speaking, America’s dominant global position made *de facto* hierarchy an inevitable feature of the postwar order. But America’s dominant global position—together with Cold War bipolar competition—also gave Washington strategic incentives to build cooperative relations with allies, integrate Japan and Germany, share the “spoils” of capitalism and modernization, and, generally, operate the system in mutually acceptable ways.<sup>22</sup>

The rule-based character of liberal order also evolved in the 1940s beyond the Wilsonian vision. As noted earlier, in the aftermath of the war and depression of the 1930s, American liberal internationalists had a new appreciation of the ways in which capitalist modernization and interdependence had created growing functional needs for cooperation. So too did they have new views about the role and importance of rules and institutions.<sup>23</sup> Wilsonian internationalists had strong convictions about the moral and political virtues of international law and its socializing impacts on states. Truman-era internationalists had convictions about the utility and functions of institutions and rule-based order. More so than in earlier decades,

American officials saw that its interests—national economic, political, and security—could only be advanced with the building of a stable, articulated, and institutionalized international environment. That is, the American commitment to rule-based order was not simply a concession to other states, driven by Cold War alliance imperatives. It was an incentive that the United States would have had even without the Soviet threat. As the 1950s, NSC-68 strategic planning document that launched containment argued, the United States had a need “to build a healthy international community,” which “we would probably do even if there were no international threat.” The felt need was to build a “world environment in which the American system can survive and flourish.”<sup>24</sup>

There are several distinctive features to 1940s-era rule-based order. One involved an innovation in the uses of institutions. Not only would intergovernmental institutions provide functional tools to manage interdependence, they would also be created to bind states together. This was most important in the reintegration of Germany into the West, in which European and Atlantic-wide institutions provided frameworks to bind, commit, and reassure.<sup>25</sup> Beyond this, the American approach to multilateral, rule-based order was to insist on flexibility and privileges. The United States would champion a rule-based approach to international order, but there would need to be accommodations, exceptions, weighted voting, and opt-out clauses.<sup>26</sup> These were the compromises that allowed liberal internationalism 2.0 to both reflect commitment to the rule of law and accommodate the realities of hierarchy. Finally, rule-based order was also supplemented by bilateral ties and agreements. States were not primarily or simply asked to abide by treaty-based rules and norms. Crucially, states agreed to operate in a rule-based system which primarily created ongoing political processes. That is, rule-based order did not, strictly speaking, create “laws” that states were to obey, rather it created mechanisms and processes in which states would bargain, communicate, and adjust—all within agreed-upon normative and institutional parameters.

As the foregoing suggests, 1940s-era liberal internationalism expanded the policy domain of liberal order. A denser and more complex sort of international environment was necessary to allow governments to fulfill their roles and obligations domestically. The domestic liberal agenda had expanded as well—and it required liberal states to be more internationally active and committed. Indeed, the shift from liberal internationalism 1.0 to 2.0 involved a shift in what constituted “national security.” The depression and New Deal brought into existence the notion of “social security”—but the violence and destruction of world war brought into existence the notion of “national security.” It was more than just a new term of art—it was a new and more expansive internationalist notion of security.<sup>27</sup> In earlier decades, and during World War I, the notion of “national security” did

not really exist. The term most frequently used was national “defense,” and this had a more restricted meaning to protection of the homeland against traditional military attacks. Sometime during World War II the new term emerged and it captured the new vision of an activist and permanently mobilized state seeking security across economic, political, and military realms. National security required the United States to be actively attempting to shape its external environment—coordinating agencies, generating resources, building alliances, and laying the ground work.

What the New Deal and national security liberalism brought to postwar American internationalism was a wider constituency for liberal order building than in earlier eras. The desirable international order had more features and moving parts. It was more elaborate and complexly organized. In several senses, the stakes had grown since the end of World War I—more had to be accomplished, more was at risk if the right sort of postwar order was not constructed, and more of American society had a stake in a successful American liberal internationalist project.

Throughout the Cold War era, this American-led liberal international order was the dominant reality in world politics. Along the way, the United States itself—its economy, military, political institutions—became tightly tied to the wider order. Some aspects of American-led liberal order did change and evolve. In the 1970s, the dollar-gold standard collapsed and monetary and financial relations became less tightly tied to Washington. The expansion of the world economy in the decades before and after the end of the Cold War also reduced the centrality of Atlantic relations within the wider global liberal order. During the Cold War, the liberal international order existed “inside” the global bipolar system. With the end of the Cold War, this inside order became the “outside” order. The global system was now largely tied together through the markets, relations, and institutions of the postwar American-led system. At the same time, amidst these sweeping changes, the underling logic of liberal internationalism 2.0 seemed to be increasingly problematic. So why is this order in trouble—and what would liberal internationalism 3.0 look like?

## **The Crisis of Liberal Internationalism 2.0**

Liberal internationalism 1.0 ended in a crisis of failure. Liberal internationalism 2.0 is in crisis today, but it is a crisis of success. The Wilsonian vision of liberal order was coherent—it simply did not fit the realities of the time. It was built on assumptions that did not hold. In contrast, the liberal internationalism of the post-1945 period was highly adapted to existing realities. Ironically, its coherence was less obvious, at least at first. Indeed, unlike its Wilsonian predecessor, liberal internationalism 2.0 was never really articulated in a single statement. It was cobbled



together in a protracted political process. Its logic and operation emerged gradually from the shifting imperatives, negotiations, and adaptations during the early postwar decades. Eventually, in the context of a weakened Europe and threatening Soviet Union, the United States found itself taking responsibility for organizing and operating the system—and the liberal hegemonic order took shape.

But American liberal hegemony no longer appears to be an adequate framework to support a liberal international order. Shifts in the underlying circumstances of world politics are again forcing change in the organizing ideas and institutions of the liberal project. The authority of the United States, its hegemonic bargains with other states, and the rules and institutions of liberal internationalism 2.0 are increasingly contested.<sup>28</sup> What has changed?

First, most obviously, the end of the Cold War altered the hegemonic logic. During the decades of bipolar competition, the United States provided “system-function” services as it balanced against Soviet power. Under conditions of bipolarity the United States was a global security provider. American power was functional for system stability and security, and it disciplined and restrained the way Washington exercised power. It made the United States more willing to undertake global responsibilities, provide public goods, and support and operate within a system of rules and institutions. Other countries received services and benefits from America’s bipolar global power position. America needed allies and allies needed America. This provided the basis for bargains—and it created incentives for cooperation in areas outside of national security. The end of the Cold War did not eliminate these security-driven incentives for cooperation—but it altered and weakened these incentives.<sup>29</sup>

Second, the rise of unipolarity has made American power more controversial and raised the level of uncertainty around the world about the bargains and institutions of liberal order. With the end of the Cold War, America’s primacy in the global distribution of capabilities became one of the most salient features of the international system. No other major state has enjoyed such advantages in material capabilities—military, economic, technological, geographical. This unipolar distribution of power is historically unique, and it has ushered in a new set of dynamics that are still working their way through the organization of world politics.<sup>30</sup> But the rise of unipolarity brings with it a shift in the underlying logic of order and rule in world politics. In a bipolar or multipolar system, powerful states “rule” in the process of leading a coalition of states in balancing against other states. When the system shifts to unipolarity, this logic of rule disappears. Power is no longer based on balancing or equilibrium, but on the predominance of one state. This is new and different—and potentially threatening to weaker and secondary state.<sup>31</sup>

Third, a more gradual shift in the global system is the unfolding human rights and “responsibility to protect” revolution. The result is an erosion over the postwar decades in norms of Westphalian sovereignty. The international community is seen as having a legitimate interest in what goes on within countries. This growing interest on the part of the international community in the domestic governance practices of states is driven by both considerations of human rights and security.<sup>32</sup> The result is that norms of sovereignty are seen as more contingent. This gradual erosion in norms of state sovereignty means that the international system has created a new “license” for powerful states to intervene in the domestic affairs of weak and troubled states. Westphalian sovereignty has been in many ways over the past several centuries the single most universal and agreed-upon norm of international politics.<sup>33</sup> It underlies international law, the United Nations, and the great historical movements of anti-colonialism and national self-determination. So when the norm weakens, it is not surprising that it has consequences. But the erosion of state sovereignty norms have not been matched by the rise of new norms and agreements about who the international community should make good on human rights and the responsibility to protect. Unresolved disagreements mount regarding the standards of legality and legitimacy that attach to the actions of powerful states acting on behalf of the international community.

As a result, the erosion of norms of sovereignty has ushered in a new global struggle over the sources of authority in the international community. This problem is made worse by the rise of American unipolarity. Only the United States really has the military power to systematically engage in large-scale uses of force around the world. The United Nations has no troops or military capacity of its own. What precisely is the “community of states” and who speaks for them? The problem of establishing legitimate international authority grows.

Fourth, the sources of insecurity in world politics have also evolved since the early decades of liberal internationalism 2.0. The threat to peace is no longer primarily from great powers engaged in security competition. Nuclear deterrence, democratic peace, and the decline in gains from conquest—these are key explanations for the persistence of stable peace among the major states over the past half century—the longest era of great power peace in the modern era.<sup>34</sup> The result has been a shift in the ways in which violence is manifest. In the past only powerful states were able to gain access to violence capabilities that could threaten other societies. Today it is possible to see technology and the globalization of the world system creating opportunities for non-state actors—or transnational gangs of individuals—to acquire weapons of mass destruction.<sup>35</sup> As a result, it is now the weakness of states and their inability to enforce laws and order within their own societies

that provide the most worrisome dangers to the international system.

Fifth, the growth of the world economy and the incorporation of new countries into it has created new “stakeholders” and raised questions about participation and decision making in global governance. In the early decades, the American liberal hegemonic order existed “inside” the larger bipolar global system. When the Cold War ended, the “inside” order became the “outside” order, that is, its logic was extended to the larger global system. This is a great transformation in which globalization of the world economy and the rise of developing states have dramatically expanded the geography and reach of the liberal international order. For the first time in the modern era, economic growth is bringing non-Western countries such as China and India into the top ranks of the world system. These fast-growing developing countries are already becoming an international economic force. According to *The Economist*, developing countries now produce half of the global GNP. They hold most of the world’s financial reserves and are placing huge new demands on energy and raw materials. As Fareed Zakaria notes, “for the first time ever, we are witnessing genuinely global growth. This is creating an international system in which countries in all parts of the world are no longer objects or observers but players in their own right.”<sup>36</sup> These are remarkable developments with potentially far-reaching implications for power and governance in world politics.<sup>37</sup>

The foundation upon which liberal internationalism 2.0 was built has shifted. It is no longer a system built on equilibrium or balance among the great powers. The unipolar distribution of power and the rise of new powers and participants in the global system have made the old bargains and institutions less tenable. The building of a liberal international order was more successful—and during the Cold War largely unnoticed—than anyone in the 1940s really imagined was possible. But the erosion of the old norms of sovereignty, the spread of international norms of human rights, and the rise of new sorts of threats of collective violence have generated problems with the functioning of that liberal international order.

In a fundamental sense there is an authority crisis in today’s liberal order. The international community is the repository for new human rights and national security norms—but who can legitimately act on its behalf? American leadership of the liberal international order was made acceptable to other states during the Cold War because it was providing security protection—and, over the horizon, there were threats from Soviet communism. American authority is now less securely established—and the American-centered, hierarchical character of the postwar international order is more problematic. How to establish legitimate authority for concerted international action on behalf of the global community—and do so when the old norms of order are eroding—is the great challenge to

liberal international order. Liberal internationalism 2.0 is experiencing a crisis of authority—a crisis of rule and governance as it has been provisioned over the postwar decades within a liberal hegemonic framework.

### Liberal International Order 3.0

Liberal internationalism 2.0 is in crisis, which means that there are growing pressures and incentives for reform and reorganization. As in the past, the liberal international project is evolving. The old American-led liberal hegemonic order is giving way to something new. But what sort of new order? What will be the character of liberal internationalism 3.0? It is easier to identify the pressures and incentives for change than to specify the organizational logic of a post-hegemonic liberal international order. But three sets of issues are particularly important in shaping what comes next.

One set of issues concerns scope and hierarchy. A reformed liberal international order will need to become more universal and less hierarchical—that is, the United States will need to cede authority and control to a wider set of states and give up some of its hegemonic rights and privileges. But a “flatter” international order will also be one in which the United States plays a less central role in providing functional services—generating public goods, stabilizing markets, and promoting cooperation. So the questions are several. What is the logic of a post-hegemonic liberal order—and is it viable? Can these functional services be provided collectively? Will the United States agree to relinquish the special rights and privileges built into liberal internationalism 2.0. Of course, it is possible for more incremental shifts away from liberal hegemony. The United States could continue to provide functional services for liberal order but do so in wider concert with other major states? Liberal order can be endangered if there is too much hierarchy—indeed hierarchy in its extreme form is empire. But it might also be endangered if there is too little hierarchy, as the Wilsonian-era experiment in liberal order revealed.

A second issue concerns legitimate authority and post-Westphalian sovereignty. A reformed liberal international order will need to find ways to reconcile more intrusive rules and institutions with legitimate international authority. The human rights revolution makes the international community increasingly concerned with the internal workings of states. So too does the new international-threat environment—a situation where growing “security interdependence” is making each country’s security increasingly dependent on what goes on elsewhere, including elsewhere inside of states. The international community is going to need capacities and legitimate authority to intervene in weak and troubled states.<sup>38</sup> It is going to need monitoring, surveillance, and inspection capacities to ensure that increasingly lethal technologies of violence do not get

into the hands of dangerous groups. These developments suggest that the liberal international order will increasingly find itself concerned with the internal governance of states. Unless globalization and the advancement and diffusion of technology is reversed, it is almost inevitable that the erosion of Westphalian sovereignty will continue. Nonetheless, finding consensus on the norms of intervention in a post-Westphalian world is deeply problematic—yet short of establishing such legitimate authority, the international order will continue to be troubled and contested.

A third issue relates to democracy and the international rule of law. Here the question is: how do you build up authority and capacity at the international level—in international bodies and agreements—without jeopardizing popular rule and accountability built into liberal democratic states? Can the authority and capacity of the international community to act be strengthened without sacrificing constitutional democracy at home? This is a deep unresolved problem in the liberal international project.<sup>39</sup> Liberals anticipate a growing role for the “international community” in the functioning of the global system. The postwar era itself has seen a radical increase in the norms and cooperative efforts launched on behalf of the international community. The human rights revolution and the rise of international norms of “deviance” carry with them expectations that the outside world will act when governments fail to act properly.<sup>40</sup> The growing interdependence of states also creates rising demands for governance norms and institutions. But how do you square the domestic and international liberal visions?

Out of these tensions and dilemmas, the next phase of the liberal international project will be shaped. There are at least three pathways away from liberal internationalism 2.0. Each pathway involves a different mix in the way sovereignty, rules, institutions, and authority are arrayed.

The first possibility is liberal internationalism 3.0. This would be a far-reaching reworking of the American liberal hegemonic order. This would be an order in which the United States exercised less command and control of the rules and institutions. America’s special rights and privileges would contract as other states gained more weight and authority at the high table of global governance. The “private” governance that the United States provided through NATO and its dominance of multilateral institutions would give way to more “public” rules and institutions of governance. At the same time, the intrusiveness and reach of liberal order would also continue to expand, placing demands on governance institutions to forge consensual and legitimate forms of collective action.

In this 3.0 liberal order, authority would move toward universal institutions—or at least to international bodies that included wider global membership. These would include a reformed United Nations—with a reorganized Security Council that expanded permanent membership

to rising and non-Western countries such as Japan, India, Brazil, and South Africa. Other bodies that would grow in importance would include the G-20, which—unlike the G-8—includes representatives from both developed and emerging states. The Bretton Woods institutions—the IMF and World Bank—would also expand and reapportion rights and membership. Countries such as China and India would gain significant voting shares in the governance of these institutions while the United States and Europe would see their voting shares contract.

Liberal international order 3.0 would also see a further erosion of norms of Westphalian sovereignty and the continuing rise in the notion of a “responsibility to protect.” The idea that the international community had a right—and indeed a responsibility—to intervene inside of states for human rights and security reasons would be increasingly embraced world wide. But this movement toward post-Westphalian norms of sovereignty leaves unanswered the question of which states—and international bodies—would acquire the rights and authority to decide where and how to act. Who will speak for the international community on questions of the responsibility to protect? It is difficult to see a liberal internationalism 3.0 that has settled this question. The logical move would be to turn to the authority of a reformed United Nations Security Council. But if the recent past is a guide, the ability of the Security Council to actually reach agreement and sanction the use of force is highly problematic.<sup>41</sup> Other less universal bodies—such as NATO or a proposed League or Concert of democracies—may provide alternative sources of authority for intervention but the legitimacy of these bodies is only partial and contested.<sup>42</sup> Liberal internationalism 3.0 might solve this problem by fostering greater agreement among the Security Council permanent member states over the rights and obligations of the international community to act. More likely, questions about intervention and the use of force will remain contested. Regional bodies and non-universal groupings of like-minded states will continue to offer alternative sources of authority on these questions.

Beyond questions of humanitarian intervention and “responsibility to protect,” security threats coming from the potential diffusion of violence technologies into the hands of terrorist groups will continue to generate incentives for more intrusive international arms control and counter-proliferation capacities. The International Atomic Energy Agency is the leading organization edge of these international efforts. In the last two decades, the IAEA has developed scientific and technical competence and legal frameworks for monitoring and inspections of nuclear programs around the world. As nuclear, biological, and chemical weapons technologies grow more sophisticated and diffuse into troubled parts of the world, governments will no doubt seek to expand IAEA-type capacities for monitoring, inspection, verification, and safeguarding. Pressures

will grow for norms of Westphalian sovereignty to continue to incrementally give way to intrusive international security regimes.<sup>43</sup>

The hierarchical character of liberal internationalism 3.0 will change. It will, generally speaking, be “flatter”—but hierarchy will remain, it simply will not be American-dominated hierarchy. The hierarchy of a post-hegemonic liberal order will be found in the expanded grouping of leading states that will occupy positions in the UN Security Council, the Bretton Woods institutions, and other less formal international bodies. It is this group of states that will collectively provide the various functional services previously provided by the United States—providing security, uphold open markets, and so forth. In some ways, the character of hierarchy will look similar to the Rooseveltian vision in liberal internationalism 1.5. A grouping of leading states will claim authority and institutional positions to oversee the stability and peace of the global system. But in liberal internationalism 3.0 their leadership responsibilities will multiply to include a wider array of security, economic, and political governance duties.

The character of the rule of law will also evolve. In some areas, such as trade and investment, the rule-based character of the order will continue. Indeed, the World Trade Organization is already a liberal internationalism 3.0 type of global system of rules. The United States does not have special rights or privileges under international trade law. The leading trade states do exercise power in various ways—owing to their market size and overall standing in the international order. But the norms of trade law are fundamentally based on notions of equality and reciprocity. All contracting parties have access to opt out and escape clause rights. Mechanisms exist for dispute resolution.<sup>44</sup> In areas where economic interdependence generates incentives for states to coordinate and harmonize their policies, rule-based order should increase. But in other areas where states resist legal-institutional forms of cooperation, less formal networks of cooperation will likely grow.<sup>45</sup> Such network-style cooperation allows states to circumvent politically difficult or costly formal, treaty-based commitments. Network cooperation will appear particularly attractive to the United States as it loses its power advantages and rights and privileges under liberal internationalism 2.0. The United States will find itself forced to give up its hegemonic ability to foster cooperation on its own terms. It was able to dominate rules and institutions and through weighted voting and opt out agreements, it was able to reduce its exposure to sovereignty-reducing commitments. In a post-hegemonic position, the United States will find informal and network-oriented agreements as a tolerable substitute that allows it to gain the benefits of cooperation without offering up formal-legal restrictions on its sovereign independence.

Liberal internationalism 3.0 would draw on the logics of both its predecessors. Like the post-1945 liberal order,

it would be a governance system that did a great deal of work. The policy domains in which states would cooperate would be expansive—indeed even more so than liberal internationalism 2.0. The breadth and depth of the rules and institutions of liberal order would continue to grow. But as a non-hegemonic order, the actual functioning of the system would look a lot like Wilsonian-style liberal internationalism. It would be a universal order that is less tied to the United States or the West. But also like the Wilsonian version, it would be an order in which cooperation depended upon shared norms that fostered collective action. It remains a question whether the norms—or ideology of liberal order—are sufficiently coherent and widely-enough embraced to make this post-hegemonic order function effectively over the long haul.

A second pathway is also possible in which liberal internationalism 2.0 is less fully transformed—this would be liberal internationalism 2.5. In this adaptation, the United States would renegotiate the bargains and institutions of the past decades but retain its position as hegemonic leader. In some sense, this is what is already happening today.<sup>46</sup> In this reformed liberal hegemonic order, the United States would continue to provide functional services for the wider system—and in return, other countries would acquiesce in the hierarchical rules and institutions presided over by Washington. The order would remain hierarchical but the terms of hierarchy—the bargains and rules—would be altered in ways that are mutually acceptable to states within the order.

In this 2.5 order, the United States would give up some of its hegemonic rights and privileges but retain others. In economic and political realms, it would yield authority and accommodate rising states. The United States would share authority within the reformed Bretton Woods institutions. In security realms, however, the United States would retain its hegemonic position. It would offer security to other states in a world-wide system of alliances. The American economy would remain a leading source of markets and growth—even if its relative size declined. The United States would remain positioned to support and uphold the renegotiated rules and institutions of the liberal order.

In some respects, the Bush administration sought to save the American hegemonic order by renegotiating its bargains. Its envisioned the United States as the unipolar provider of global security, upholding an international order of free and democratic states.<sup>47</sup> In this version, the United States would provide functional services to the world—but in return the United States would ask for new rights and privileges. It would remain aloof from various realms of rule-based order. It would not join the International Criminal Court and other sovereignty-restraining treaties and international agreements. It was a new hegemonic bargain. The United States would provide security and stable order, but it would receive special dispensation to



remain unattached to the multilateral, rule-based system. In the end, this was a bargain that the rest of the world did not accept.<sup>48</sup> The question is whether a different set of bargains might be acceptable, bargains where the United States does provide functional services—particularly security protection—but also agrees to operate within a renegotiated system of rules and institutions. The Bush administration tried to use America's unrivaled military capabilities to reduce its exposure to rule-based order. Is it possible for the United States to increase its exposure to rule-based order as a way to retain aspects of authority and privilege within a renegotiated hegemonic order? If so, this would be liberal order 2.5.

A final possibility is a breakdown of liberal international order. This would occur if the order were to become significantly less open and rule-based. The system of open, multilateral trade could collapse ushering in a 1930s-style world of mercantilism, regional blocs, and bilateral pacts. The political and security rules and institutions of liberal internationalism 2.0 could also fragment into competing geopolitical blocs. Such a breakdown does not necessarily need to entail a complete collapse of order—it simply means there is an end to its open, rule-based, multilateral character. The American hegemonic order could simply yield to an international system where several leading states or centers of power—for example, China, the United States, and the European Union—establish their own economic and security spheres. The global order would become a less unified and coherent system of rules and institutions, while regional orders emerge as relatively distinct, divided, and competitive geopolitical spheres.<sup>49</sup>

There are several factors—or variables—that will shape the pathway away from liberal internationalism 2.0. One is the actual willingness of the United States to cede authority back to the international community and accommodate itself to a system of more binding rules and institutions. Short of a radical shift in the international distribution of power, the United States will remain the world's most powerful state for several decades to come. So there is reason to think that other countries would be willing to see the United States play a leading role—and provide functional services—if the terms are right. Under almost any circumstances, these terms would entail a reduction in America's hegemonic rights and privileges while operating within agreed-upon rules and institutions. The United States might also come to believe that this renegotiated hegemonic arrangement is better than any of the alternatives. So the question is, could the United States in fact make the political commitments implicit in this renegotiated liberal international order? If there is uncertainty whether the United States can make compromises necessary to move to liberal internationalism 2.5, there is even more uncertainty about whether it can reconcile itself to liberal order 3.0. It might, in the end, opt for a more fragmented system in which it builds more selective part-

nerships with key allies that remain tied to American security provision.

A second variable is the degree to which America's security capacities can be leveraged into wider economic and political agreements. The United States has extraordinary advantages in military power. Its expenditures on military capacity are equal to the rest of the world's expenditures combined. It operates a world-wide system of alliances and security partnerships. It "commands the commons" in that it alone has the power to project force in all regions of the world. This situation will not change anytime soon, even with the rapid economic growth of countries such as China and India. The question is, to what extent do these advantages and disparities in military capabilities translate into bargaining power over the wider array of global rules and institutions. If the answer is very little, the United States will increasingly need to reconcile itself to a 3.0 world. But if other countries do in fact value security protection, this gives the United States more opportunities to negotiate a modified hegemonic system.

A third variable is the degree of divergence among the leading states in their visions of global governance. Europe is clearly more interested in moving to a world of liberal internationalism 3.0 than the Chinese—at least to the extent that this entails further reductions in Westphalian sovereignty. But the question really is whether non-Western countries such as China and India will seek to use their rising power to usher in a substantially different sort of international order. One possibility is that they are not as inclined to embrace the open, rule-based logic of liberal internationalism—whether it is 1.0, 2.0, or 3.0.<sup>50</sup> But another possibility is that they actually see that their interests are well served within a liberal international order.<sup>51</sup> If this second possibility is the case, the character of the negotiations on movement away from liberal internationalism 2.0 will be more focused on participation and the sharing of authority—and less on shifts in the substantive character of liberal order.

## Conclusion

The liberal international project has evolved over the last century—and it appears to be evolving again today. In the past, shifts in the logic and character of liberal international order came in the aftermath of war and economic upheaval. In contrast, the current troubles that beset American-led liberal internationalism are not manifesting in the breakdown of the old order. The crisis of liberal internationalism 2.0 is a crisis of authority. It is a crisis over the way liberal international order is governed. It is a crisis that is generating pressures and incentives for a reorganization in the way sovereignty, rules, institutions, hierarchy, and authority are arrayed in the international system. The American hegemonic organization of liberal order no longer appears to offer a solid foundation for the

maintenance of an open and rule-based liberal order. The liberal project itself has partly brought us to this impasse—its success has helped strip away the old foundations of the order.

What comes after liberal internationalism 2.0? In the absence of war or economic calamity, the old liberal order is not likely to completely breakdown or disappear. As in the past, liberal international order will evolve. The character of governance will shift with changes in the way states share and exercise power and authority. Precisely because the crisis of liberal order is a crisis of success, leading and rising states in the system are not seeking to overturn the basic logic of liberal internationalism as a system of open and rule-based order. Rather, the pressures and incentives are for change in the way roles and responsibilities are allocated in the system.

The way in which liberal order evolves will hinge in important respects on the United States—and its willingness and ability to make new commitments to rules and institutions while simultaneously reducing its rights and privileges within the order. The United States is deeply ambivalent about making institutional commitments and binding itself to other states—ambivalence and hesitation that has been exacerbated by the end of the Cold War, American unipolarity, and new security threats. But the United States still possesses profound incentives to build and operate within a liberal rule-based order. Just as importantly, that order is now not simply an extension of American power and interests—it has taken on a life of its own. American power may rise or fall and its foreign policy ideology may wax and wane between multilateral and imperial impulses—but the wider and deeper liberal global order is now a reality that America itself must accommodate to.

## Notes

- 1 International order refers to the settled arrangements between states that define the terms of their interaction. Liberal international order refers to international order that is open and rule-based. As noted, the more specific features of liberal international order—in particular the character and location of sovereignty and political authority—can vary widely within liberal orders.
- 2 For surveys of liberal international theory, see Doyle 1997; Russett and Oneal 2001; Deudney and Ikenberry 1999; and Keohane, in John Dunn 1990.
- 3 No single modern theorist captures the whole of liberal international theory, but a variety of theorists provide aspects. On the democratic peace, see Doyle 1983. On security communities, see Adler and Barnett 1998; and Deutsch, Burrell, and Kann 1957. On the interrelationship of domestic and international politics, see Rosenau 1969. On functional integration theory, see Haas 1964. On international institutions, see Keohane 1984; and Krasner 1981. On the fragmented and complex nature of power and interdependence, see Keohane and Nye 1977. On domestic preferences and foreign policy, see Moravcsik 1997. On transgovernmentalism and networks, see Slaughter 2004. On the modernization theory underpinnings of the liberal tradition, see Morse 1976 and Rosenau 1991.
- 4 On the dimensions of sovereignty, see Krasner 1999.
- 5 For discussions of hierarchy in international relations as defined in terms of rights and authority relationships, see Lake 2003; and Hobson and Sharman 2005.
- 6 See Goldstein, Kahler, Keohane, and Slaughter 2001.
- 7 For arguments about why and how powerful states build international order, liberal or otherwise, see Gilpin, 1981; Organski, 1958; Ikenberry 2001; and Legro 2007.
- 8 Wilson, War Message to Congress, April 2, 1917.
- 9 I thank Thomas Knock for discussions that clarified these points.
- 10 Wilson, Speech to the League to Enforce Peace, May 27, 1916.
- 11 Ambrosius 2002, 130.
- 12 Woodrow Wilson, Address to the Senate, January 22, 1917.
- 13 Knock 1992, 8.
- 14 See Keynes 1920.
- 15 Quoted in Ambrosius 2002, 52.
- 16 See Ninkovich 1999, ch. 3.
- 17 Kimball 1994, 17. See also Divine 1971, and Dallek 1979.
- 18 This shift was from a logic of collective security to a logic of cooperative security. For the classic discussion of collective security, see Claude 1962, ch. 2.
- 19 Viner 1942, 168.
- 20 This is the argument I make about the Bretton Woods agreements. See Ikenberry, in Goldstein and Keohane 1993. A similar logic holds for the human rights regimes in postwar Europe, in which countries employed international commitments to consolidate democracy—“locking in” the domestic political status quo against their nondemocratic opponents. See Moravcsik 2000.
- 21 See Press-Barnathan 2003.
- 22 See Ikenberry 2001.
- 23 For an important study of these evolving views, see Murphy 1994.
- 24 NSC-68 as published in May 1993, 40.
- 25 See Ikenberry 2001, ch. 6.
- 26 John Ruggie surveys these “exceptionalist” tendencies in American foreign policy in “American Exceptionalism, Exemptionalism, and Global Governance,” in Ruggie 2004. For a sympathetic portrayal, see Kagan 2002.

- 27 See Borgwardt 2005.
- 28 For discussions of the dilemmas and troubled character of liberal internationalism, see Hoffmann 1998, Hurrell 2007, Bernstein and Pauly 2007.
- 29 See Ikenberry in Leffler and Westad forthcoming, vol. 3.
- 30 On the character and consequences of unipolarity, see Ikenberry, Mastanduno, and Wohlforth 2009.
- 31 Ikenberry 2006.
- 32 For a survey of the shifting norms of state sovereignty, see Haass 2003. The emerging doctrine of the “responsibility of protect” is the most systematic notion that captures the changing terms of sovereignty and interventionism. See *The Responsibility to Protect*, a report of the International Commission on Intervention and State Sovereignty 2001, and Evans 2008.
- 33 Stephen Krasner argues that Westphalian norms have been consistently and continually violated by great powers over the centuries, and honored primarily in the breach. See Krasner 1999. The argument here is not that violations of state sovereignty have increased, a proposition that would be difficult to measure. But that the norms of state sovereignty have eroded as a defining feature of the liberal international order.
- 34 See Jervis 2002.
- 35 See Keohane in Calhoun, Price, and A Timmer 2002.
- 36 Zakaria 2008, 3.
- 37 Ikenberry and Wright 2007.
- 38 For discussions of post-Westphalian forms of international supervision and management of weak or collapsed states, see Krasner 2005; Fearon and Laitin, 2004; and Keohane in Holzgrefe and Keohane 2003. See also Ferguson 2004.
- 39 On accountability of international institutions, see Grant and Keohane 2005 and Keohane and Nye in Kahler and Lake 2003.
- 40 On the evolving norms of “deviance” in international relations, see Nincic 2007.
- 41 There is a large literature that explores the problems of legitimacy and the use of force. For the classic exploration of these issues, see Claude 1966.
- 42 Several proposals for a new grouping of democracies have been advanced. See Ikenberry and Slaughter, 2006; and Daalder and Lindsay 2007.
- 43 For discussions of the evolving technical and legal frameworks for arms control monitoring and enforcement, see Cirincione, Wolfshal, and Rajkmar, 2005, and Kessler 1995.
- 44 On the rule-based character of the World Trade Organization, see Lloyd 2001.
- 45 The leading study of network-based international cooperation is Slaughter 2004. See also Slaughter, in Byers, ed. 2001.
- 46 See Drezner 2007.
- 47 The best statement of this vision is President George W. Bush’s speech at the 2002 West Point commencement.
- 48 For critiques of the Bush doctrine, see Daalder and Lindsay 2003; and Shapiro 2008.
- 49 The fragmented order might have characteristics similar to the American airlines industry in which the major power centers (airline) have their own distinct and competing hub and spoke systems. See Aaltola 2005.
- 50 See Leonard 2008; and Khanna 2008.
- 51 I make this argument in Ikenberry 2008.

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