

What Leadership for Tomorrow?

Introductory note

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This version: 28 June 2018

What leadership? Whose leadership? For three quarter of a century these were rhetorical questions. From 1945 to 1990 the US President was the undisputed leader of the West. In 1990 it became the undisputed leader of the world. There were discussions about his priorities, his behaviour or his willingness to listen to partners. There were speculations about who would eventually substitute the US when it would have become a diminished giant. But there were no discussions about who was the actual leader.

Not anymore. And not because of anyone but President Trump himself. The US has not suddenly lost its economic shine or military might. But because President Trump has disavowed the contract that united the US and its international partners. He is busy destroying his country's leadership.

To understand why, it is important to appreciate that leadership rests on a contract, rather than on the brutal use of force. A leader in today's world is the equivalent to the feudal lord who extended its protection to vassals and, as a quid pro quo, extracted from them rent in the form of a provision of human and economic resources. For decades the US leadership also rested on a contract. As political scientist John Ikenberry (2000) put it, « *The United States sought to take advantage of the postwar juncture to lock in a set of institutions that would serve its interests well into the future and it return, offered – in most instances quite reluctantly – to restrain and commit itself by operating within an array of postwar economic, political and security institutions* ».

It is fair to say that US presidents – and even more Congress – often felt uneasy about that contract. Occasionally, they even proved reluctant to abide by it. From the failure to ratify the Treaty establishing the International Trade Organisation in 1950 to the recurrent questioning of the need for a replenishment of IMF resources and to the refusal to participate in the International Criminal Court in 1998, there has been no shortage of examples of such reluctance. But on the whole the US still upheld the contract. President Donald Trump, on the contrary, regards multilateral obligations as unacceptable constraints on his freedom of manoeuvre. He considers a commitment to containing greenhouse gases emissions as an unbearable constraint on American growth; he sees participation in the WTO as an obstacle to the trade policy he intends to implement; he regards NATO rights and obligations as fundamentally imbalanced; and he has deep reservations vis-à-vis the Bretton Woods institutions.

Should this stance be regarded as a temporary aberration? Apart from any judgement about the probability of President Trump being re-elected in 2020, it would be imprudent to assume than once he's gone, things will return to normalcy. There are several reasons to warn against the illusion that all we need is to get rid of Caligula:

- First, US grievances about the unfairness of the international rules predated Trump. They were for example well expressed by U.S. Trade Representative Susan Schwab in a 2011 article where she claimed that that the Doha trade talks were “doomed” and that “escaping the confines of the Doha Round could hasten the emergence of new models” (Schwab, 2011);
- Second, there was a need anyway for a serious discussion on leadership in the much more multipolar world of the 21st century – a world in which the US represents a smaller share of the global economy and in which emerging powers weigh more. Washington is bound to reconsider the balance of the costs and benefits of insuring the rest of the world against all sorts of adverse developments – something President Obama expressed quite clearly towards the end of his term (Obama, 2016). Rising powers are less and less willing to simply abide by the rules set by the US;
- Third, international agreements and institutions are fragile. Even if all countries go for a conservationist agenda and try to preserve whatever can be rescued after the US has walked out, a trauma of this magnitude is bound to elicit permanent strategic repositioning on the part of the other countries. Some irreversibility has been created. The genius cannot be brought back into the bottle;

It is hard to make sense of the strategy of the US administration. A recurrent theme in analyses by US scholars is that the key issue for the 21st century is the singularity of China. The problem it poses is not only that it is fast becoming a strategic rival to the US. It is also that it is not converging in the way expected 20 years ago. Economically, China does not seem to be on the way to becoming a standard market economy, because the role of the state and the party in coordinating economic activities remain far greater than in most other countries (Wu, 2016). Acquisition by Chinese companies of foreign businesses and foreign technology is therefore not driven by commercial interests only. It serves, or may serve, a strategic national interest. Geopolitically, China intends to “foster a new type of international relations” that departs from the model promoted by the US in the 20th century (Xi, 2017). Militarily, it has embarked on a major build-up.

Why, therefore, has the US President reversed the Obama strategy of building two mega trade and economic integration alliances, respectively with the Pacific (TPP) and Atlantic (TTIP) countries, from which both China and Russia were excluded? Why has he opened a trade rift with the EU whereas Europe could have been the United States’ best ally in a push for a stronger enforcement of intellectual property rules and the protection of strategic interests? Why is he furthermore attempting to undermine the EU by attacking chancellor Merkel politically and by encouraging nationalist currents in several European countries? It is hard to make sense of this strategy. A possible hypothesis is that it is an attempt to prevent the EU positioning itself as the third player in a US-China-Europe game and to re-establish an absolute American primacy that is not based on leadership but rather on the sheer display of force. In other words, is the US betting that after the EU has been undermined if not disbanded, weak and divided European countries will have no choice but to rally behind the Stars and Stripes?

For the European Union, this is a pivotal moment. Events, rather than its own choice, force it to redefine what it is about and what are the public goods it is providing to its members. Since the 1950s, EU integration has been built under the US security umbrella. This did not only mean it benefitted from US blessing, but also that it did not have to take care of its own security nor of the global order. The EU was an international relations experiment conducted under US protection and in the context of a US-led international system. For this reason the

external dimensions of the EU – be it economically, diplomatically or as regards security – have always been second to the internal dimensions.

The significance of the current crisis is that this does not hold anymore: Europe must urgently decide what it intends to do for its security and defence, its neighbourhood policy, and its border protection. It must also define its strategic stance vis-à-vis a more distant, if not hostile US, and vis-à-vis rising emerging powers that have no particular reason to be kind with it. If it does not succeed in this redefinition of the European public goods it will probably not survive as a meaningful institution. If it does, it may regain a purpose and a legitimacy that have been eroded by economic and political setbacks.

Does it mean that there can be European leadership? Not for sure anything equivalent to the US leadership. But economically, the EU still has the potential to be a global player. The size of its market, the strength of its major companies, a unified trade policy, a common regulatory policy, a single competition authority and a currency that is second to the dollar only are major assets. Europe could – it should – use them to push for a revamping of international relations that would address legitimate US grievances vis-à-vis China and legitimate Chinese concerns over its international role. For this however the EU would need to display unity, to define its priorities and to streamline its governance. It is far from being on this track.

References

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