

America's Role in the World Working Group
Institute for the Study of Diplomacy
Edmund A. Walsh School of Foreign Service
GEORGETOWN UNIVERSITY

A Dangerous Inheritance: Converging Challenges that Will Face the Next American President

Sara Thannhauser

February 26, 2007

America's Role in the World Working Group

The Institute for the Study of Diplomacy of Georgetown University launched the America's Role in the World Working Group Series on November 28, 2006. It will focus on the geopolitical challenges that a new administration—Democrat or Republican—could face beginning in 2009, and seek to define the central foreign policy choices and responses that are likely to be available. While we do not intend to offer specific policy prescriptions, we hope to provide the candidates a comprehensive agenda of issues that could require attention and on which they should be forming views and taking positions. The aim of this working group is to look forward. The working group relies on a permanent “core membership” of generalists from the policymaking and research communities and academia, who are sometimes joined by respected authorities on specific regional or functional topics under consideration. The meetings are chaired by Schlesinger Professor of Strategic Studies Chester Crocker and ISD Board

Chairman Thomas Pickering.

The Institute for the Study of Diplomacy extends a special thanks to those core members and guest participants who laid the groundwork for discussion with their opening remarks. Listed below are the core members of the America's Role in the World Working Group. Not all members participated in the November 28, 2006 session. Core members of the working group were not asked to approve this *Report*. The *Report*, however, relies heavily on the discussions of the group. As such, this document reflects the general ideas of working group members, but is not a consensus document and cannot be ascribed to any individual member.

The report was written by Sara E. Thannhauser, Program Officer at the Institute for the Study of Diplomacy. She received her Master of Arts in International Affairs degree from American University's School of International Service.

Core Members

Gordon Adams
Harriet Babbitt
John Bailey
Hans Binnendijk
Michael Callen
Joseph Cirincione
Steve Cohen
Chester Crocker
Luigi Einaudi
Bruce Everett
Michael Farrell
Carl Ford, Jr.
Paul Frandano
Robert Gallucci
John Gannon
Michael Green
Brian Henderson
Richard Herold

Arthur House
Craig Johnstone
A. Elizabeth Jones
Geoffrey Kemp
Ellen Laipson
Carol Lancaster
Samuel Lewis
Robert Lieber
Dennis Lockhart
Princeton Lyman
Susan Martin
Wallace Mathai-Davis
Mark Medish
Thomas O. Melia
William L. Nash
Andrew S. Natsios
Janne Nolan
Phyllis E. Oakley

William Odom
Thomas R. Pickering
Daniel Poneman
William Rugh
Howard B. Schaffer
James Seevers
Samer Shehata
Richard Solomon
Elizabeth Stanley
Angela Stent
Robert Sutter
George Tenet
Arturo Valenzuela
J. Robinson West
Thomas G. Weston
Catherine Yoran
Casimir A. Yost

Schlesinger Working Group on Strategic Surprises
Institute for the Study of Diplomacy
Edmund A. Walsh School of Foreign Service
Georgetown University
Washington, D.C. 20057

Telephone: 202-687-2310
Fax: 202-687-2315
Web: <http://isd.georgetown.edu>

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I. INTRODUCTION

Election 2008 is off and running as candidates scurry to raise money and attract voters to their platforms. Hidden behind this early election enthusiasm is a troubling dose of foreign policy reality that will eventually be bequeathed to President Bush's successor. From immediate problems arising from a troubled and highly polarizing policy in the Middle East, to hotly-debated long-term potential transnational crises stemming from global warming and nuclear proliferation, the next American president will inherit a range of issues that threaten the continuation of economic growth, global security, and the focus and scope of U.S. preeminence. The latter of these three issues will be the central challenge facing the next U.S. administration.

It is this troubled inheritance that was the focus of the Institute for the Study of Diplomacy's second meeting of the "America's Role in the World Working Group," which took place on February 26, 2007. During the meeting group members examined emerging forces that are circumscribing U.S. power, and they identified the fundamental challenges that will face the next American President. At the end of the Cold War, lacking a rival ideology to free market economics and democratic politics, the U.S. became the "indispensable nation," and American markets provided the engine for unprecedented global economic growth. Nevertheless, despite its overwhelming military and economic power, by the end of the 1990s the U.S. was losing influence as new threats evolved in the form of al-Qaeda terrorism and existing threats expanded. Proliferation was spreading

with Pakistan and India's addition to the nuclear club, and Palestinian-Israeli peace remained elusive. The post-9/11 response, particularly in Afghanistan and Iraq, exposed not only the limitations of American influence, but also the weaknesses of American power. At the end of 2006, the U.S. faced an emerging competitive ideology in militant Islam and growing domestic resistance to the direction and priorities of the Bush Administration's foreign policy. The United States also met a partly orchestrated resistance movement on the part of particular states who find political, or geopolitical, benefits to opposing America's value agenda (Venezuela, China, Russia, Zimbabwe, and Iran). In addition to these emerging realities, several participants pointed out that a lot of the challenges now facing the U.S. are not just ones thrust upon us by outside forces, but rather ones of our own making. American hubris has driven the discretionary military interventions and wars of choice that have come to characterize U.S. foreign policy and that have diminished our leverage and standing abroad.

Dreary as this context appears, participants agreed that American unipolarity will continue for some time. As such, the next American president will have a great deal of power and ability to effectively deal with the challenges at hand. Creative leadership will be required to fundamentally reshape America's role in the world, especially in a fluid geopolitical environment with relatively few firm U.S. allies, expanding anti-American hedging on the part of larger powers like China and India, and rising petrodollar enhanced regional states like Iran, Russia, and Venezuela.

II. OUTLINE

In the first session of the working group, members identified six major assumptions¹ that may characterize the global environment that will face President Bush's successor:

- the geopolitical context will be more complex and less centralized;
- the predictability of change will decrease;
- there will be new challenges to U.S. authority;
- there will continue to be globalization winners and losers;
- there will be a shift in U.S. regional focus;
- transnational issues outside of the control of states will lead to instability and governance challenges.

Working from these assumptions, participants outlined potential challenges in three different categories. The first series of challenges were defined as the inherited economic "inbox." The second set was defined as security challenges, and the third set examined long-term transnational problems that might be ameliorated by early action. Finally, the group discussed two final challenges: China's geopolitical potential and the capacity of international and domestic institutions. It is important to note that the basis for selection of these challenges was strictly on the group's collective assessment on what it believed would be most pressing for the next administration.

III. POSSIBLE ECONOMIC DISRUPTION TO OPTIMISTIC ECONOMIC FORECAST

The first potential challenge discussed by members of the group was the ever-present possibility of a sharp down-turn not only in the U.S.

1. For more on these assumptions see Sara Thannhauser's "Characteristics of an Emerging World: Assumptions about the Drivers of Change," Report No. 1, America's Role in the World Working Group, *Institute for the Study of Diplomacy*, November 28, 2006 .

economy but globally as well. According to the World Bank, the medium-term outlook for the world economy remains fairly bright. While the pace of economic expansion is slowing, developing economies are projected to grow by 7 percent in 2006, more than twice as fast as high-income countries, with all developing regions growing by about 5 percent or more.² Adding to this positive outlook, World Bank forecasters predict that widespread adoption of sound macroeconomic policies will continue to help accelerate globalization and raise incomes around the world. Taken together these shifts will fundamentally rebalance global economic power towards the rising developing nations and especially the BRICs. Although the world economy has long depended on access to the U.S. market, this dependency may be shifting as evidenced by the intra-regional trade in Asia and elsewhere.

The benefits of continued globalization are likely to be uneven across regions. Behind the Chinese and Indian economies, East Asia and South Asia will experience extremely high growth rates, while Sub-Saharan Africa and Latin America will continue to lag behind. Though commodity exports have spurred growth in the Middle East and North Africa, limited wealth distribution and economic inclusion will persist, increasing the risk for conflict as domestic populations question the legitimacy of their governments. Participants discussed other stresses that have the potential to the slow global economic growth. Growing tensions in the labor market due to the continued marginalization of unskilled workers could result in regional crisis and influence governments to take more protectionist stances. Technological progress will not only widen this gap, but it will also make relative poverty more visible. Such stresses may result in a "pushback" against the forces of globalization. Some experts have argued that, "institutional foundations of globalization—such as the rules that oblige governments to keep their markets open and the domestic and international politics that allow

2. See *Global Economic Prospects: Managing the Next Wave of Globalization 2007*, The World Bank, Washington D.C., 2007.

policymakers to liberalize their economies—have weakened considerably in the past few years.”³

Demographics may also play a role in stemming global growth. Aging populations with limited savings will place enormous stresses on government coffers. In the U.S., domestic economic fissures are likely to increase as the Baby Boomer generation starts retiring during the next presidential term. Such populations will place increasing demands on the national treasury forcing the necessity of entitlement reforms upon unwilling politicians. Similarly, youth bulges, without adequate employment opportunities, may also disrupt growth.

Domestically, U.S. market volatility is tethered to the huge global account imbalances. According to the Congressional Research Service, “Foreign investors now hold more than fifty-five percent of the publicly-held and traded U.S. Treasury securities.”⁴ During the meeting there was debate over whether U.S. fiscal and trade deficits represent a significant vulnerability. Some participants worried that there could be a sudden rush to dump dollar assets, and that the costs of foreign obligations will absorb a growing share of U.S. export earnings so that it will require an even greater turnaround in the trade balance and compression in domestic growth to stabilize the debt-to-GDP ratio. Alternatives to dollar assets are emerging and there are reports that the Euro has started to displace the dollar as the currency of choice in the international bond markets. More sanguine members countered that the current large global imbalance reflects underlying structural factors that will persist for some time. Furthermore, they argued that a significant dollar depreciation would not be in the interests of countries like China and Japan who hold large dollar-based foreign exchange reserves.

Given these emerging economic realities, group members agreed that a critical challenge for the next American president will be to pur-

sue policies that will mitigate the potential volatility of these stresses. Globally this will require actions to ensure that the poor are incorporated into the growth process through investment in education and infrastructure. It will also require the promotion of more effective international institutions to deal with threats to the global commons. Domestically, successive administrations have had little success curbing the demands of the American public, especially the demand for imported energy: 4.6 percent of the world’s population consumes 25 percent of the world’s annual petroleum production. For some participants, such huge imbalances in the American economy make it even more vulnerable to the possibility of shocks arising out of another surprise terrorist attack, a significant rise in oil prices, or a panic selling of dollar assets. Stabilizing these imbalances will be a critical challenge for the next administration.

IV. SECURITY FACTORS

Though the next president will inherit a somewhat positive economic situation, Bush’s successor will be handed a volatile security environment. During the meeting, group members identified four broad security challenges that will immediately face the next administration: the Middle East, terrorism, proliferation, and weak states.

The Challenge of the Middle East and Beyond

During the first meeting of the working group, participants agreed that a key emerging reality is a world in which American preferences and norms are likely to be increasingly challenged. In no other region is this trend more evident than in the Middle East. For many years the U.S. benefited from a combination of fear, respect, admiration, and affection from Middle Eastern governments. However, members agreed that the U.S. has suffered numerous strategic failures in the region. Not only has the U.S. severely constrained itself by continuing its commitments to a chaotic Iraq, but it has failed in its efforts to broker a lasting Palestinian-Israeli peace. Factors further complicating the prospects for peace and stability in the region

3. See Rawi Abdal and Adam Segal, “Has Globalization Passed its Peak?,” *Foreign Affairs*, January/February 2007.

4. See James K. Jackson, “Foreign Investment in U.S. Securities,” *Congressional Research Service Report for Congress*, April 24, 2006.

include the radiating Sunni/Shiite split within Islam being played out in bloody sectarian violence in Iraq, the growing number of Iraqi refugees, and the rise of an emboldened and nuclearizing Iran. Group members contend that too many Muslims resent and view America's policy of regional democratic transition as hypocritical (especially when the U.S. maintains close ties with authoritarian regimes in Saudi Arabia and Egypt) and only intended to serve narrow interests.

There is global dismay that the U.S. has allowed things to deteriorate so badly in Iraq. But, certainly among governments of the Middle East, there is also a growing fear that the U.S. might withdraw and leave things even worse.⁵ Complicating the situation, there is a fundamental battle between the forces of modernity and newly mobilized religious sentiment. Secular authoritarian regimes and democratic politicians now face powerful opposition from surging Islamist parties.

The implications of America's loss of influence and initiative in this vital oil producing region are dire. Some participants were concerned that other emerging countries may move in to replace the U.S. as the dominant external power. China, which now shares America's unquenchable thirst for oil, is re-positioning itself diplomatically in the Middle East as a strategic counterweight to Washington.⁶ Unlike the U.S., China has imposed no political governance demands on Middle Eastern countries. Thus, there is a growing understanding among Middle Eastern governments that the transaction costs of doing business with the U.S. are much higher than the marginal benefits that Americans can provide over other actors. Similarly, although few members were prepared to anoint Iran as the regional hegemon, many believed that as long as global energy prices remain high, the Islamic Republic will continue to mold itself as the only Muslim antidote to

western imperialism. This leads to a sense among Muslim countries that there is a need to cooperate with Iran in some ways because for the first time in fifty years there is a widespread unwillingness to entrust their security to the U.S. However, with Iran, there also exists a deep desire among Sunni governments to have some protection from Iranian designs. Some members were concerned of the potential risk that the Shiite-led Iraqi government will join the ranks of Hezbollah as an Iranian proxy. While it is true that Iran has been very successful establishing its soft power presence in Iraq, other participants did not see this as a likely possibility.

The Iraq War is not the sole source of America's decline in the Middle East. Ongoing conflicts in both Lebanon and Palestine continue to sap American legitimacy in the region. There was little optimism among the group that these conflicts would be resolved in a peaceful manner. One member even predicted a second Levant War, this time between Israel, Lebanon's Hezbollah, and Syria.

Promoting sustained, gradual political openings and improved governance by existing regimes without destabilizing even more of the Middle East will be a paramount challenge facing the next American president. But the Middle East is not the only region where American leverage is slipping. China, India, Brazil and petro-powers like Russia and Venezuela are rising counterweights to U.S. influence, both in their respective regions and globally. At times, these powers are working collectively to hedge against American power. At the end of World War II, U.S. influence in the world was mostly self-restrained via an international system of laws and norms that it abided by and largely expected others to abide by. What has changed since 9/11 and the Iraq War is the perception of an unrestrained United States. Previously, there was a global sense that a restrained U.S. was an important partner that could help lead to positive outcomes. Today, an unrestrained U.S. is seen as a threat. The challenge for the next president will be to transform this perception in the Middle East and abroad. President Bush's successor must present the U.S. as a predictable power whose friendship can lead to more positive long-term results.

5. See Jon Alterman's Remarks in an Open Conference Call, "Can the U.S. Regain its Global Influence?" *Oxford Analytica*, March 28, 2007.

6. See Eric Teo Chu Cheow, "China's Emerging Role in the Middle East," *Pacific Forum Center for Strategic and International Studies*, February 2006, available at <http://www.csis.org/media/csis/pubs/pac0607.pdf>.

The Challenge of Terrorism

The next challenge group members focused on was the potential possibility (probability) of another major terrorist incident against the U.S. or one of its allies. Participants agreed that the global counterterrorism effort has experienced great success in dismantling the financial networks that once funded global terror organizations like al-Qaeda. The effort has also been effective in limiting state-sponsored terrorism. One participant pointed to the many fissures between the leaders of the broader jihadist movement as another victory for the counterterrorism effort. Despite the success and resilience of the global counterterrorism movement, there are worrisome signs that terror organizations may be regrouping. First, the Iraq War has done little to dissuade potential terror recruits from joining the ranks of groups like al-Qaeda. The divisions within the jihadist movement have been papered over by the unity of hatred towards U.S. actions in Iraq. The improvised explosive device (IED) tactics used in Iraq are spreading, as evidenced by the recent attack in Algeria and Afghanistan. Second, there has also been evidence of a reinvigoration of al-Qaeda and Taliban forces in Afghanistan. Finding shelter in the lawless border regions between Afghanistan and Pakistan, Taliban fighters and al-Qaeda militants have been able to regroup. Now these forces have converged in the frontier areas of Afghanistan and are threatening to destabilize the Karzai government. Third, Islamic extremism is not strictly a Middle Eastern or South Asian phenomenon. The radicalization of sections of the large and growing European Muslim population adds a new dimension to the terrorism threat.

Though there was a certain degree of debate, participants for the most part agreed that the U.S. remains ambivalent about the nature of the enemy and the proper mix of policy tools to forestall a future terrorist attack. The Bush Administration chose to focus on terrorism as an existential threat rather than as an asymmetric tactic. The real problem behind terrorism is the United States inability to effectively engage Islamic political forces. Furthermore, U.S. counterterrorism efforts often conflict with American

democratization programs. Pakistan is a case in point. The Musharraf government is caught in a vice between American demands to do more to stop al-Qaeda and Taliban forces, and U.S. pressures to liberalize. President Musharraf's close alliance with the United States has led to increasing domestic political resistance, including from elements within the Pakistani army and intelligence establishment. Group members agreed that the government of Pakistan is teetering towards a crisis. The implications of a future where a new Pakistani government is more interested in harboring anti-American fighters than in capturing them are enormous. Pakistan is a nuclear power. The single greatest threat to global security is weapons of mass destruction in the hands of terrorists. Given the gravity of such a threat, the next American president must work to minimize the risk of such a scenario from occurring in Pakistan.

The Proliferation Challenge

Group members also agreed that the next administration is also likely to inherit a U.S. foreign policy that failed to stop either North Korean or Iranian nuclear programs. Though there is some degree of hope that a positive result may flow from the recent U.S./DPRK negotiations in February 2007, Iran continues to defy both the United States and the international community. Participants agreed that the accelerating trend toward nuclear technology acquisition is alarming. Many members argued that the U.S. accelerated the erosion of the nonproliferation regime by turning a blind eye to enrichment in certain countries. Making matters worse, the U.S.-India nuclear cooperation agreement abandoned a long-standing international approach to nonproliferation that prohibited nuclear cooperation with any states that do not apply international safeguards on all their nuclear facilities.⁷ Other members argued that the potential downside of this agreement should be balanced against the upside of a strengthened U.S.-Indian relationship.

7. See George Perkovitch, "Democratic Bomb: Failed Strategy," *Carnegie Endowment Policy Brief*, November 2006.

The combination of this accelerating trend toward nuclear weapons technology acquisition and an erosion of the nonproliferation regime may lead to a tipping point for nuclear weapons proliferation. Should Iran develop nuclear weapons, regional neighbors like Saudi Arabia will follow suit. Interest in nuclear energy development among Middle East nations is on a sharp uptrend. Similarly, if North Korea acquires such a weapon, Japan will react accordingly. The next American president will face serious choices with respect to would-be nuclear states – whether or not to utilize force or diplomacy, whether to engage bilaterally or multilaterally, whether or not to “live with” new members of the nuclear club, and, perhaps most challenging, how to prevent the diversion of fissile materials to other states and non-state actors? Working group members concurred that it is in the interest of the United States to prevent future proliferation of weapons of mass destruction. Thus, the next president should prioritize the question of how to restructure the Nuclear Nonproliferation Treaty or develop fresh approaches to the problem.

The Challenge of Weak States

Group members agreed that the next American president will have to be more concerned with weak states. The Bush Administration recognized this emerging reality in its 2002 National Security Strategy, but was hesitant and has struggled to formulate a successful approach to building state capacity. When governments collapse a vacuum of power emerges, and non-state actors fill the void. These actors range from street gangs, organized criminal networks, religious militants, and even terrorists. Furthermore, poorly performing states are linked to humanitarian catastrophes; mass migration; environmental degradation; regional instability; energy insecurity; global pandemics; international crime; the proliferation of weapons of mass destruction; and transnational terrorism. Leading thinkers such as Francis Fukuyama have said that, “[s]ince the end of the Cold War, weak and failing states have arguably become the single-most important problem for international order.”⁸

Though the U.S. has experience in promoting elections and building democratic polities, American policy-makers have yet to experience similar levels of success encouraging institutional capacity building in weak or failing states. At a practical level, neither the United States nor its allies have the unlimited resources or attention spans required to launch ambitious state-building exercises in all corners of the world. Group members agreed that the next administration should spearhead a more coherent multilateral response to the linked challenges of state weakness and global threats. National governments and intergovernmental organizations are searching for new mechanisms and instruments to prevent and respond to state failure, but similar to internal U.S. efforts, progress has been hampered by fragmented institutional mandates. The next administration should advance common approaches to institutional capacity building and transnational threats within organization like the U.N., NATO, and the EU. According to Stewart Patrick, “Such leadership would provide a tangible expression of the administration’s espoused commitment to effective multilateral cooperation and of its willingness to help faltering states offer better futures to their citizens.”⁹

V. MANAGING NEW TRANSNATIONAL THREATS

A new category of challenges are arising that have the potential to undermine global growth and security. Group members agreed mitigating climate change, containing infectious diseases, and preserving bio-diversity and natural ecosystems, will be a central challenge facing the next American president. Rising industrial output and energy consumption have increased concentrations of greenhouse gases in the atmosphere. Climate change induced by carbon emissions has had significant impacts on the

8. See Francis Fukuyama, *State-Building: Governance and World Order in the 21st Century* (Ithaca, N.Y.: Cornell University Press, 2004), p. 92.

9. See Stewart Patrick, “Weak States and Global Threats: Fact or Fiction?” *The Washington Quarterly*, Spring 2006 .

global environment, and continuing emissions at current levels are likely to have severe implications for human welfare over the long-term. While controversy remains about the precise quantitative impact of emissions on climate change, increasing temperatures have already resulted in a deterioration of ice coverage at the two poles, retreating mountain glaciers worldwide, rising ocean temperatures, and rising sea levels.¹⁰ Studies by the Intergovernmental Panel on Climate Change have shown that the brunt of the damage from climate change will be felt by low-latitude developing countries. Such countries are typically more vulnerable because they are heavily reliant on agriculture (the sector most at risk to climate change), and limited ability to adapt due to weak public service institutions and low income levels.

In addition to the transnational risks associated with climate change, the growing interaction of national economies through trade and movements of people, while broadly beneficial, has increased the risk of spreading contagious diseases. HIV/AIDS, SARS, and the avian flu are prominent examples of the current potential threat. Measures by individual countries to contain such diseases may not always be sufficient. The risk of these diseases is most evident in developing countries where public health systems are ill-equipped to effectively manage and contain outbreaks. The international transmission of disease is not a new phenomenon, but, as group members pointed out, air travel and international contacts have greatly accelerated the potential speed of a global pandemic.

Increased global economic development has also led to environmental degradation and species annihilation. Bio-diversity, especially in the world's oceans, is declining. A significant number of the world's most valuable fish stocks have been depleted through overfishing and pollution. According to the Food and Agricultural Association, "fully 75 percent of the world's marine fish stocks are being exploited either at or above their maximum sustainable level."¹¹

10. See IPCC (Intergovernmental Panel on Climate Change). *Third Assessment Report—Climate Change 2001*. Geneva. Available at: www.ipcc.ch.

Since solutions to these problems are beyond the capability of any one nation, participants concurred that international institutions will be required to play a large role to alleviate the threat. However, at present, no single international entity exists with the jurisdiction to coordinate and manage such efforts. Participants argued that the U.S. government has a significant role to play in setting the example and encouraging developing countries to develop new eco-friendly models for economic growth. But, they also agreed that the U.S. is poorly positioned to shape what happens in this regard due to the fact that America is seen as having aggressively used natural resources to fuel its development, and as having failed to step up to its responsibility for climate change once its effects became clear. China may soon become a bigger hydro-carbon polluter than the U.S., but persuading Beijing to do something about it will be nearly impossible in the absence of concerted U.S. leadership including setting a positive example. The challenge for the next American president will be to change this perspective. Since the establishment of institutions to address these issues requires considerable lead time, the next administration will need to give the most serious attention to the form and content of new environmental policy initiatives.

VI. CHINA AND INSTITUTIONAL CAPACITY (INTERNATIONAL AND DOMESTIC)

Though group members concurred that the period of American unipolarity will continue, there is a long-term prospect of the rise of a second superpower. According to some group members, China is gradually reclaiming its role on the world stage in proportion to its size and status. The Chinese doctrine of non-interference serves as an effective policy to expand its sphere of influence. China has developed diplomatic and economic ties with a multitude of countries

11. See Food and Agriculture Organization, "Report of the Expert Consultation on Economic Incentives and Responsible Fisheries," Rome. 2000.

and regimes without being subject to any political or ideological constraints. China benefits from the United States exhaustive engagement in the war on terror and the transatlantic discrepancies over security and foreign policy issues. The growth dynamics and the enormous dollar reserves put the Chinese government today into the comfortable position vis-à-vis international demands. Despite Beijing's enormous potential, other members cautioned that growing internal social and economic disparities, rising production costs, rambling corruption, and increasing environmental problems will preoccupy and challenge its leadership's ability to challenge U.S. preeminence.

The fostering of the Sino-American bilateral relationship will be a critical challenge facing the next president. Group members noted three potential risks to this relationship. First, the next President must be cautious of American hawks who fuel the security dilemma and make conflict with China a self-fulfilling prophecy by preparing too strenuously to confront a potential threat. The second is the opposite danger. It will be equally risky for the next administration to assume a benign China. The third risk is that American activism to prevent a Chinese sphere of influence in Asia will help push China and Russia into an anti-western alliance. In regard to this latter risk, group members argued that the next president can help reduce this danger by rebuilding positive relations with pivotal Tier I. allies—the EU, India, Mexico, Brazil, Japan, South Korea, and South Africa. It will also require repairing relations with states at risk—Pakistan, Indonesia, Egypt, Turkey, and Nigeria.

Faltering international institutions are another challenge that will face the next American president. The NATO alliance is facing a critical test of capacity and relevance in Afghanistan where it is pushing against its outer-limits. The U.N. is circumscribed by the apparent unwillingness of Permanent Five members to concur on decisive coercive action on issues ranging from Darfur to Iran. The World Trade Organization is coming up against its limits with the apparent failure of the Doha Round. As globalization continues, international organizations will be required to play a larger role in a wide spectrum of issues—maintaining global

security, keeping the trading system open, ensuring global financial security, and protecting global public goods like the environment, biodiversity, and energy. Spearheading fundamental reform of these and other multilateral organizations will be critical tasks for President Bush's successor.

The final challenge discussed during the meeting was the capacity of the U.S. government to craft effective policies and to implement them in a manner that maintains popular support. Though the Working Group will deal with this topic in greater detail at the next meeting, participants agreed that the next administration faces no greater challenge than how to organize itself to deal with the global challenges at hand.

VII. CONCLUSION: CONVERGING CHALLENGES

The next American president—Republican or Democrat—will inherit a precarious foreign policy situation at a time when the U.S. position is undermined by the inconclusive wars in Afghanistan and Iraq and the collective international resistance to American leadership. At present, too many states neither admire nor fear the United States. Our values-laden policies on proliferation and democratization are broadly viewed as deeply hypocritical or, in the case of the Middle East, as fundamentally threatening. In point of fact, U.S. priorities have been widely viewed as diverging from those of many of our traditional allies since the early days of the Bush Administration. Recent polling found that the global view of the United States' role in world affairs has significantly deteriorated over the last year according to a BBC World Service poll of more than 26,000 people across 25 countries. The poll shows that in the 18 countries that were previously polled, the average percentage saying that the United States is having a mainly positive influence in the world has dropped seven points from a year ago—from 36 percent to 29 percent—after having already dropped four points the year before. Across all 25 countries polled, one citizen in two (49%) now says the U.S. is playing a mainly negative

role in the world.¹² Unless the next administration is able to alter global perceptions, the U.S. will continue to lose its leverage and ability to shape foreign policy outcomes.

Making matters worse, none of these challenges operate in a vacuum. Vulnerabilities in the global security environment have the potential to destabilize global economic markets. Likewise, a global outbreak of an infectious disease will have an enormous impact on global security and economic markets. Thus, it will be critical for the next administration to grasp the gravity of risk associated with the convergence of these challenges and come up with timely, flexible, and potent policy instruments that can effectively respond to the issues at hand.

12. See Poll conducted for BBC World Service by GlobeScan and PIPA, November 2006–January 2007.