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Running the World: Toward the Next Renaissance

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Parag Khanna

The past decade – from the 9/11 terrorist attacks to the global financial meltdown – has taught us the dangers of interdependence and that outsourcing leadership is a recipe for disaster. Some now fear a breakdown of our global order, but isn't it scarier to realize that the present order has already been broken for years? It's the kind of moment the philosopher Karl Popper had in mind when he argued that tearing down our existing order and constructing a new one from scratch might lead to a more workable system.

How bad is it? Well, today the powers that are expected to keep the peace sell the most weapons, the banks that are supposed to encourage saving promote living beyond one's means, and food arrives to hungry people after they've died. We are hurtling toward a perfect storm of energy consumption, population growth, and food and water scarcity that will spare no one, rich or poor. Our ever-growing list of crises includes financial instability, HIV/AIDS, terrorism, failed states, and more. Any one of these can magnify another, creating a downward spiral for individual nations and regions. Within just twenty years, we could see proxy skirmishes escalate into major war between America and China, more weak states crumbling, conflicts over submerged oil and gas resources at sea, drought-starved refugees streaming out of central Africa, and sinking Pacific islands.

Henry Kissinger said it best: "You do not design a new world

order as an emergency measure. But you need an emergency to bring about a new world order.” Finally, there is a global debate under way about how to redesign the way we run the world. It’s about time – and hopefully not too late. Globalization has thrust us into a chaotic era with which our leading powers and institutions only pretend they can cope. Americans believe they can lead a “multi-partner” world, Europeans think they can tame the world through “civilian power,” the Chinese try to buy the world off, most other states just want status without responsibility, and the United Nations is barely spoken of anymore. They all need to seriously rethink how the world is run.

The notion of a “G-2” axis between the United States and China is the latest misguided incarnation of our quest for a simple global framework – yet it ignores the fact that the two powers can’t agree on currency, climate, censorship, or many other issues, and that few if any countries want to be dictated to by either the United States or China.

There is no doubt that we need a global redesign to confront this perfect storm – one that doesn’t just react to crises, but proactively prevents them. What we have right now, though, is global policy gridlock: The West demands interventions and human rights, while the East prefers sovereignty and non-interference; the North is scared of terrorism and proliferation, while the South needs food security and fair trade. Stock prices are crucial for the capital rich; commodities prices for the resource rich. Americans are suspicious of Chinese state-owned companies, while the Chinese are suspicious of American regulators. We seem as far away as ever from a new consensus.

What we have today is a worldwide perpetual no-holds-barred contest for power and legitimacy between regimes, companies, nongovernmental organizations (NGOs), religious groups, and super-empowered individuals all pursuing their own interests. From economic nationalists to resource-hungry companies to religious fundamentalists, everyone is out for themselves. The best term for it: mosh pit.

Ironically, our ambition often prevents us from recognizing this reality. Because issues such as the climate and economy are

“systemic” in nature, meaning they have worldwide scope and impact, we reach for grand, silver-bullet remedies such as “America must take charge” or “strengthen the United Nations.” But just as there is no one nation that can rule the world, there is no one institution that can run it, either. Some experts offer strategies to “fix” the world, but their utopian schemes for new international bureaucracies are as boring in theory as they are unworkable in practice. There are also countless appeals to “save” the world through a variety of “grand bargains.” But running the world isn’t about one-off solutions.

“Diplomacy” is the one-word answer to how to run the world – and improving our global diplomatic design holds the key to running the world better.

We all know how technology has transformed the weapons of war from bows and arrows to robots and lasers, and from field armies to insurgent networks – but we often overlook how diplomacy has changed as well. More than two centuries ago, Thomas Jefferson mused, “For two years we have not heard from our ambassador in Spain; if we again do not hear from him this year, we should write him a letter.” When Lord Palmerston received the first diplomatic cable at Whitehall in the mid-nineteenth century, he proclaimed, “This is the end of diplomacy!” In the 1970s, Canadian premier Pierre Trudeau remarked that he could replace his entire foreign ministry with a subscription to *The New York Times*, whose correspondents presumably provided better information than embassy cables. Today’s communications technologies are doing to diplomacy what they have done to print media: demoralizing it and pushing it to the brink of extinction – while also reminding us just how important the media and diplomacy are.

Technology, capitalism, and moral agendas such as human rights have drastically multiplied the number of players in the diplomatic game. Diplomacy today takes place among anybody who’s somebody. There are about two hundred countries in the world that have relations with one another, close to one hundred thousand multinational corporations that constantly negotiate with governments and one another, and at least fifty thousand transnational NGOs that consult on international laws and treaties and intervene in conflict zones to provide assistance to regimes and

peoples in need. All these actors have acquired sufficient authority – whether through money, expertise, or status – to become influential. Cyberspace today is alive with virtual diplomacy: Sweden, Brazil, and other governments have opened virtual consulates in the universe of Second Life, where former U.S. undersecretary of state for public diplomacy James Glassman held debates with Egyptian bloggers. Senator John Kerry has even proposed the creation of an ambassador for cyberspace. Now that Google and the U.S. Department of Defense’s research and development office DARPA (Defense Advanced Research Projects Agency) have pioneered handheld universal translation devices, everyone is a diplomat.

Traditional models of diplomacy hold only one lesson for how to manage this world: that they are themselves totally insufficient. Rather than finding common projects through which to transcend their differences, the few leading powers of the world, from America and Brazil to China and Japan, are still feeling one another out about which red lines should not be crossed in each other’s affairs. Any time we turn to them for leadership – whether at the U.N. Security Council or the Copenhagen climate summit – we are let down. Where governments fail, great powers come to prop them up, not to reinvent them. Where people clash, they send peacekeepers, not peacemakers. And so we accelerate into a perfect storm.

All grand global schemes miss the point that representation – democratic or otherwise – is not enough to satisfy our visceral need to be in control of our own affairs. Today, for the first time, the underrepresented and disenfranchised have access to information, communication, money, and the tools of violent revolution to demand and effect real change, not just new variations on the status quo. They will constantly pressure the system to evolve. Out-of-touch governments and international organizations are already feeling the heat from a bottom- up awakening: labor unions and coca farmers in Latin America, the Arab underclass in the Middle East, the Pashtuns of south-central Asia, Maoists and Naxalite tribal groups in India, and migrant laborers in China. International bureaucrats should expect nothing less than a technologically empowered revolt against their plans – or perhaps they will simply be ignored altogether. It

would be too easy to suggest that all states must be strengthened, and that the world of strong sovereign nations should be re-created. That world never really existed. We should embrace the next one.

We are in the early phase of a new era in which each individual and collective has the ability to pursue its own ends. The information revolution has empowered individuals to claim their own authority, leading us into a world of mutuality among countless communities of various sizes. This unfolding epoch will force us to appreciate the second law of thermodynamics: the inexorability of universal entropy. Complexity is our permanent reality. The future will be about multiple sovereignties, not exclusive ones.

We must pursue an active evolution toward this more networked order. “Active” means not waiting for a more capable America, China’s adaptation to global leadership, or more blue-ribbon panels to reform the United Nations. In their own spheres of activity, governments should focus on internal stability and delivering the basics to the populations within their borders, NGOs should devote themselves singularly to empowering local communities, companies should view their employees and supply chains as their citizens and infrastructure, and religious groups should practice the Golden Rule themselves to be considered legitimate. Importantly, all of these actors should allow organic alliances to emerge to solve the problems at hand. We can admire the boundless creativity of human ingenuity all we want. Better diplomacy is how to harness it. If you can afford to buy this book, or have the technology to order it, you have no excuse to not contribute to the new mega-diplomacy.

The future of global governance is not as simple as talking about the “BRIC” countries. Instead, it is a bricolage of movements, governance arrangements, networks, soft law codes, and other systems at the local, regional, and global level. Some experts are skeptical that a world of connected but self-governing communities of various sizes – and many more transcending space altogether – can be more than the sum of their parts. But we don’t have to be skeptics to apply skepticism to evaluate what works in diplomacy today. Witness how central mechanisms have ceased to be useful proxies for human progress, and how it progresses nonetheless: The WTO is stalled, but global trade carries on by traders and merchants at the

top and bottom of the global economic food chain; the Copenhagen process did nothing for the climate, but clean-tech companies forge ahead with innovation undeterred; the U.N. Security Council may never be reformed, but regional organizations are picking up the slack. Each of those local experiments holds greater promise than banal global org charts. Compliance with weak treaties is not a measure of our collective evolution; increasing participation in the actions that produce global solidarity is.

If a new global social contract is to emerge, it will be as a result of the communities of the world – whether nations, corporations, or faiths – sharing knowledge and cooperating, but also learning to respect one another’s power and values. As they practice megadiplomacy, they leverage each other’s resources and hold one another accountable. In a world in which every player has a role in global policy, the only principle that can reliably guide us is pragmatism: learning from experience and applying its lessons. The dot-gov, dot-com, and dot-org worlds are converging toward such pragmatism. How will we know when we have succeeded? By lives saved and improved, crises averted, and networks built. This networked world need not be a tribal one. Webs of interdependence among diverse enclaves are the logical extension of globalization, not a break from it. The local to the local is still global.

Interdependence is one of the buzzwords of our age, but it is an observation, not a strategy. Perpetual resilience, not stiff governance, is the strategy that nations, economies, and communities must pursue irrespective of their degree of interdependence with the rest of the world. A world changing so quickly needs to be run in real time, and even anticipate the future. It has to be made up not of rigid states, but rather of networks of resilient systems. Resilience is about local stability rather than centralized dependence, a diversity of approaches rather than reliance on any one solution, flexibility of institutions to change as the tasks shift, and transparent collaboration to build trust and generate maximum resources. Resilience means Africans don’t have to wait for the United Nations to approve military interventions or for the World Bank to provide them loans; it means Europeans and Australians don’t wait for the United States to sign climate treaties before turning global warming into a commercial

opportunity; and it means emerging markets don't wait for G-20 meetings to launch stimulus packages or issue local- currency bonds. Resilience is how the local thrives amid the global.

We need risk management systems more than we need – or will ever have – powerful global institutions. Our goal should be an autopoietic world: self-regulating and re-creating. We must be vigilant, recognizing the fact that contagions can spread rapidly in networks, so we must code an operating template that builds immunities after failure and learns with each cycle of reproduction. Think of it like a world of wikis that everyone can access and navigate, and if one link breaks, there are alternative paths. If you poke a spider web, it doesn't fall apart.

A hybrid, diffuse, public- private world is not flawless, and is certainly far more complex than our existing order, but it is an improvement rather than a step backward. If the diverse groups populating the world can feel that they have a direct or indirect say in global policies, the next phase of diplomacy will be better than the last. It is said that the pessimist sees difficulty in every opportunity and the optimist sees opportunity in every difficulty. Winston Churchill was a pragmatist. He said, "I'm an optimist – it doesn't seem of much use to be anything else."

Parag Khanna is a geo-strategist and author. Presently a Senior Research Fellow at the New America Foundation, he is author of the international best-sellers How to Run the World: Charting a Course to the Next Renaissance (2011) and The Second World: Empires and Influence in the New Global Order (2008). During 2007, he was a senior geopolitical advisor to United States Special Operations Forces in Iraq and Afghanistan. From 2002-2005, he was the Global Governance Fellow at the Brookings Institution; from 2000-2002 he worked at the World Economic Forum in Geneva; and from 1999-2000, he was a Research Associate at the Council on Foreign Relations in New York. Khanna holds a Ph.D. from the London School of Economics, as well as B.S. and M.S. degrees from the School of Foreign Service at Georgetown University. He is a member of the Council on Foreign Relations. He is also a member of the Global Perspectives Office's Internationalization Advisory Board.