U.S. Foreign Policy:
New World Order, 1990–93

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Last updated: July 21, 2014

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By the grace of God, America won the Cold War.

G. H. W. Bush, January 1992

Now that you have lost your enemy, what will you do?

Georgy Arbatov, Soviet propagandist

1 The First Gulf War

There was one event in 1990-1991 that had little to do with the Soviets and nothing to do with the momentous changes in Europe. On August 2, 1990 Saddam Hussein invaded Kuwait.

1.1 Causes: Iraq’s Grievances and American Interests

Iraq had some legitimate grievances. First, and foremost, Iraq was in deep economic trouble. The long war with Iran and its million dead on each side had left Iraq’s economy in shambles, and the country was burdened with a hefty foreign debt to the tune of $80bn, most of it held by Saudi Arabia (about $26bn), and Kuwait (about $14bn). To recover, Iraq needed money, and it had two ways of getting it. One was the traditional strong export of oil: revenues from that would help with recovery, but that meant OPEC had to agree to raise prices. The other was the time-honored debt forgiveness: Iraq argued that its war had been fought on behalf of the Arab world against the revolutionary Iranians, and on behalf of the Sunni Muslims against the Shia. Iraq claimed that it had protected the Arab regimes and the Muslim faith, and therefore the fellow Arab states were obliged to help.

They did not. In fact, they positively obstructed Iraq’s recovery. Neither Saudi Arabia nor Kuwait agreed to forgive any of the debt. Kuwait went further and increased its oil production causing a drop in oil prices that was specifically designed to hurt Iraq and force it to be more amenable in their border dispute. The dispute itself was complex since Kuwait was an artificial state that used to be a British protectorate (since 1899), that had only recently gained its independence in 1961, an act Iraq bitterly challenged. The artificial border restricted Iraq’s outlet in the Persian Gulf too. To add insult to injury, the Kuwaitis had been illegally siphoning off underground oil deposits from Iraq by drilling at an angle from their side of the border.

Iraq tried to negotiate but it could obtain no concessions. Kuwait’s additional activities were further hurting Iraq’s economy just as the other Arab states were refusing to help. The historically questionable legitimacy of the regime provided a
useful pretext for an invasion that would solve Iraq’s problem at once, if successful: Iraq would control 20% of the worldwide supply of oil, it would not have to pay a significant portion of its debt, and it would be in a far better position to influence OPEC decisions (since its holdings would match those of Saudi Arabia).

One potential problem was American reaction. Saddam Hussein seems to have had ample reason to believe that the U.S. and its allies would not act to save Kuwait. After all, they had given him $40 billion worth of arms to fight Iran, nearly all of it on credit. At the time, Iran seemed the larger threat despite the well-known brutality of Hussein’s regime. Finally, the U.S. government reassured Iraq that Bush would veto any Congressional attempt to impose sanctions on Iraq over human rights abuses.

When in July 1990 Iraq’s negotiations with Kuwait ground to a halt, Saddam Hussein began a massive military buildup on the border to impress the Kuwaitis. He then outlined Iraq’s grievances to American ambassador April Glaspie, and promised not to invade before a final attempt to resolve the disputes through negotiations. The Ambassador did express concern over the buildup, but her non-committal response that the U.S. had “no opinion on the Arab-Arab conflicts, like your border disagreement with Kuwait,” was interpreted as giving Iraq tacit approval for the invasion.

Hussein, however, was wrong in his estimates, and he would have known that had he looked at U.S. policy in the gulf region since the Second World War. This policy has always been consistent: do not allow any one power, especially if hostile to U.S., to dominate the region. During the Cold War, the policy aimed at preventing the USSR from gaining significant leverage in the Middle East, with U.S. alliances shifting depending on which countries the Soviets befriended. At first, the USSR supported Israel, and the U.S. was not especially friendly to the new state, going so far as to clamp down on its allies in 1956 for conspiring with it. However, as the Soviets withdrew their support for Israel, the U.S. stepped in to take up the slack. By the early 1970s, the situation was almost cemented with USSR helping Syria and Egypt, and the U.S. countering with support for Israel and Saudi Arabia. Although both the USSR and the US supported Iraq, the U.S. sometimes helped Iran, although neither was pro-American. During the Iran-Iraq War, the U.S. only cared that world oil supplies continue without wild fluctuations, and neither country prevailed.

Before someone cries “no blood for oil” or comes up with some similarly specious slogan, let me make one thing clear: who controls the world supply of oil is a matter of crucial national interest and importance. It is not the case that the U.S. (or the British or the French) simply wanted to get their hands on Middle Eastern oil in order to enrich greedy corporations whose seedy government connections provoked such interventions in the first place. Nor was it that they wanted to ensure access to cheap oil so that their profligate imperialist societies could enrich themselves at the expense of the third world. (Notice how the two claims are usually advanced
simultaneously even though they contradict each other: if corporations are to profit, then oil cannot be cheap to consumers.) The concern with the supply of oil goes way beyond crude conspiracy theories.

Oil is crucial to the functioning of modern economies. A hike in crude oil prices will not only drive up the price of gasoline, but many other end products as well because of the way markets redistribute costs. For example, all of us will have to deal with very high prices for gas. For Californians, this is a direct problem, but it goes further than that. Petroleum runs almost everything that moves: trains, ships, trucks (diesel), jet airplanes (kerosene), and cars (gasoline). This means that an increase in the price of oil would lead to a hike in transportation costs, which in turn would make everything more expensive. In additional to fuel, petroleum has a lot of other uses. Oil is used to heat houses, and provide power for electric utilities, factories, and large buildings. Products that depend directly on the oil industry include plastics (although manufacture could be switched to materials dependent on natural gas), tires, and road surfacing (bitumen). Oil price shocks can slow down the rate of growth, and lead to a recession (reduction of output). In the last thirty years, oil price shocks have either caused or contributed to all recessions both in the U.S. and worldwide. For example, some estimates suggest that a persistent 10% increase in the price of oil would reduce growth in the U.S. and the G7 countries by nearly 1% of GDP!

Because of this dependency on oil, countries (not just the West, China’s growth accounted for over 40% of the increase in the demand for oil in 2004) will be especially careful to cultivate links with the oil producers, especially the most important ones in the Middle East. This gives these regimes uncommon political leverage, and they can expect a lot of support if they are threatened by anything that might destabilize the region and produce shocks in the oil prices due, for example, to falling production. The flip side is that anyone who controls large enough reserves can influence these prices and in a way have his hand on the windpipe of oil-dependent countries.

The Arab oil embargo of 1973-74 hit the U.S. economy hard because it caused a four-fold increase in the price of crude oil from 10/17/73 until 3/18/74. The NYSEX shares lost $97 billion in six weeks, factories cut production, and unemployment soared. Even though the root causes of the severity of the downturn were in economic problems caused by the Vietnam War, and the devaluations of the dollar, the oil shock did worsen and deep the energy crisis considerably. This was an example of a politically-motivated move: OPEC refused to ship oil to countries that supported Israel in the Yom Kippur War even though the American military airlift to Israel had its counterpart in the Soviet military lift to Egypt. OPEC’s strategy had shown just how vulnerable industrial economies could be to disruption of oil supplies, and correspondingly its members could exercise significant leverage over them. Western Europe in particular abandoned Israel for pro-Arab positions. When the Europeans issued a statement demanding Israel’s withdrawal to pre-1967 lines
on November 6, OPEC duly lifted the embargo against them.

This underscores just how important politically control of oil can be. Iraq’s invasion of Kuwait was unacceptable because it would concentrate too much power in Baghdad: Iraq would double its oil capacity, and become the dominant power in the region (next to Israel). It would control 20% of the world supply of oil, and if it conquered Saudi Arabia, a full 40%. There was no way that the West in general and the U.S. in particular would allow such a strategically vital region to fall under the sway of a single hostile power like Iraq.

1.2 Crisis and War

Still, the U.S. response in the first few days after the invasion was cautious: Kuwait had been pro-Soviet and anti-Israeli for a long time. Iraq, on the other hand, had been playing the role previously held by the Shah of Iran: containing the spread of communism in the Middle East. This is why the U.S. had been providing Hussein with intelligence, military hardware, credit for purchase of military supplies, and “dual-use” technology (which enabled him to produce chemical and biological weapons). Although the relationship soured with the end of the Iran-Iraq War, Bush had continued Reagan’s “hands off” policy toward Iraq. Congress also seemed in no mood to authorize the use of force.

As Iraqi forces concentrated along the Saudi Arabia’s border, the threat that Hussein might invade that country and assume control of 40% of the world oil reserves (which would enable him to dictate terms to OPEC) finally provoked hostile responses. The U.S. launched a “wholly defensive mission” (as Bush called it) to prevent Iraq from invading Saudi Arabia by moving 250,000 troops to the Saudi kingdom on August 7. Operation Desert Shield fulfilled a request by the Saudis who had panicked when Iraqi forces began re-grouping along the border with Saudi Arabia after their successful conquest of Kuwait. This was the first time American forces were stationed in the kingdom, in a move that would later produce many grievances among some more extremist Muslims (like Osama bin Laden) who resented infidel presence in the Holy Lands. It is worth remembering that these troops went there to protect the country from invasion.

Margaret Thatcher, who was visiting in Camp David at the time, exhorted Bush to a vigorous response: after all, the Kuaitis had billions of dollars in investments and bank deposits in Britain. Bush responded to her “George, this is not the time to get wobbly” by likening Hussein to Hitler, and declaring that this was Munich 1938 all over again. Aggression had to be checked, Bush said, and then spelled out the meaning of the post Cold War era — Saddam Hussein was challenging the new world order, where “peace and security, freedom, and the rule of law” would reign.

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Hussein was quick to use those. In 1988 he gassed the Kurdish city of Halabja, killing between 3,200 and 5,000 and injuring somewhere between 7,000 and 10,000, most of them civilians.
Bush mobilized the U.N. with help from Gorbachev and the British. On August 6, UNSC passed Resolution 661 that initiated economic sanctions against Iraq, but this had no appreciable effect on Hussein. Instead, he began embracing pro-Islamic ideology (at least for rhetorical purposes), denounced the Saudi family as usurpers of the Holy Places of Mecca and Medina (echoing some of the Iranian propaganda), added the words “Allahu Akbar” to the Iraqi flag, and took to praying. All of this sounded as a prelude to invasion of that country, and elimination of yet another creditor to Iraq along with the acquisition of the valuable Hama oil fields.

On November 29, UNSC passed Resolution 678 which set a deadline for Iraq’s withdrawal (January 15, 1991), and authorized the use of force to evict Hussein if he failed to comply. The military buildup in the region continued with Secretary of State James Baker assembling a formidable coalition of 34 countries deploying some 660,000 troops. The international enthusiasm was not matched at home, where Congress had been distinctly lukewarm to the idea of using force to eject Hussein from Kuwait. Many feared that the action would degenerate into another Vietnam War, and there were also protesters against “blood for oil”. After extensive debate, the Senate narrowly approved the intervention in a 52-47 vote on January 12, 1991. Bush spoiled the effect of this constitutional authorization by declaring that he had the ‘inherent right’ to take the country to war without Congressional approval. He had, in fact, started the massive buildup and troop deployments without asking for authorization. Colin Powell, the chairman of the Joint Chiefs of Staff, was assured by Bush that the requirements of his doctrine would be met, and so on January 16, 1991, following the expiration of the deadline, the U.S.-led forces began the month-long bombing campaign called Desert Storm.

Iraq attempted to resist in various ways. On the 23rd, they dumped oil in the Gulf (at over 1 million tons, this is the largest spill in history). They attacked and briefly occupied the Saudi city of Khafji on the 30th, but were driven out by U.S. Marines and Saudi forces. Iraq fired missiles at Israel, hoping to draw the country into the conflict, and thereby precipitating a split in the Coalition: Arab states were expected to oppose any involvement by Israel. Under enormous pressure from the U.S., Israel desisted in responding to the provocations. Finally, the Iraqis set Kuwait’s oil fields on fire once retreat began. On February 22, Iraq attempted to use a Soviet-sponsored cease-fire agreement that would have given it three weeks to withdraw, but the U.S. rejected it and demanded that Iraq began withdrawing within 24-hours. When this ultimatum expired without any change in Iraqi behavior, the coalition began the ground offensive, Desert Sabre, on the 24th. The 100-hour campaign liberated Kuwait City, and led to a cease-fire on February 28.

The war was clean, successful, and very cheap for the U.S. In terms of casualties, there were 294 Americans lost (180 of these deaths were due to accidents and friendly fire), and the total Coalition losses were about 489. On the Iraqi side, the bombing campaign killed an estimated 10-12,000 soldiers, and a further 10,000 in the ground war (some estimates put the total at 35,000). It is unclear how many
civilians perished in the war, but some estimates put the number at about 2,000 during the air war. As for the monetary cost, about 85% of the $61bn were paid for by allies, most of it by Saudi Arabia and Kuwait, and some $16bn by Germany and Japan (which could not send troops due to international treaties in the first case and constitutional restrictions in the second). Iraq was forced to vacate Kuwait, and the emirate’s rather undemocratic regime was restored to power.

1.3 Why Not Remove Hussein?

In retrospect, the most controversial issue about this war is the failure to topple Saddam Hussein. It should be emphasized that this is one of those instances in history where the decision looks bad only retrospect because we know what happened next. In 1991, there were many good reasons not to remove Hussein’s regime.

First, the UN mandate was to expel Hussein from Kuwait, not to remove him from power. UNSC Resolution 678 authorized the use of force to implement UNSC Resolution 660, which in turn demanded that Iraq withdraw its forces to the positions they held before the invasion (August 1, 1990). Going to Baghdad would have exceeded the authority under international law. This did not make it impossible, of course, but it did increase the expected costs of the operation because in the absence of international support the U.S. would have to go it alone, and it was unclear that the American public would approve of such unilateral action.

Second, as the Bush administration repeatedly emphasized continuing on to Baghdad would have been grievously costly, would have necessitated an occupation, and would have turned the Arab states against the U.S. Although the war is now remembered as a cakewalk by the American forces, it was no such thing, the “ease” with which military victory was won did not come from Iraq being a pushover, but from brilliant planning (by General Schwarzkopf and his staff), and high competence of the military. In terms of weaponry (quantity), the Iraqis matched the Coalition, it was in skill, training, morale, and quality that they were far inferior. This, however, did not mean they would not resist an invasion on Iraq much better than they had fought for Kuwait. There was good reason to believe the war would be costly, and would cause many more casualties.

Third, the Coalition was likely to fall apart. The Arab states had already indicated that even though they supported the expulsion of Hussein from Kuwait, they stopped far short of wanting him removed from power. For most Arab states, Iraq was an important buffer between them and a threatening Iran, and there was no wish to weaken it any further. Hussein contained was the best option.

Fourth, toppling Hussein would not be enough. In the ensuing power vacuum, the Islamic revolution could spread from Iran, and such a development would be most unwelcome by the Arab allies both because of its inevitable Shia character, and because without a stable Iraq, there would be no buffer between them and the Iranians, and certainly nothing to counterbalance Iran’s military power in the region.
An occupation by a Western-led coalition would also cause several public relations problems in the Muslim world anyway. The Palestinians had already backed the wrong horse when they supported Hussein (and had to pay dearly for that when Kuwait expelled all 400,000 Palestinians who lived and worked there), but the sentiment could spread further. Any partitioning of Iraq would only encourage Syria and Iran to expand their influence.

Fifth, one has to remember that in 1991, the Soviet Union still existed, and nobody knew just how fragile it was, or how close its collapse was going to be. Even though the USSR had not vetoed the UNSC resolutions, it was by no means clear that it would sit idly by and acquiesce to the Western domination of Iraq that would have resulted from the toppling of Hussein.

In short, there were many reasons for stopping short of removing Hussein’s regime, and (as we now know for a fact) many of them were quite correct. Nobody knew just how obstructionist Iraq would become, just how prolonged and costly the American and British involvement would be (in policing the no-fly zones), or that Hussein would attempt to assassinate Bush, or that he would sponsor terrorism, and encourage the Palestinian suicide bombers with direct monetary payments. Nobody had foreseen the human suffering that Hussein would cause when he drowned in blood the rebellions against his rule: the Kurds (in the North) and the Shia (in the South) attempted to throw off his yoke only to be murdered en masse. It was to prevent future massacres there that the two no-fly zones were created.

The war is a good example of a successful military coercion under the Powell Doctrine that illustrates well the enormous military advantage accruing to the U.S. if it acts with overwhelming force, but also the vulnerability to challenges by local adversaries who may underestimate its ability to generate such commitment. It is very likely that a strong deterrent posture by the United States would have prevented this particular adventure by Hussein, saving us all a lot of trouble in the process.

2 America’s Grand Strategy

The end of the Cold War produced little celebrations in the United States. Almost immediately the elites began an open argument about the proper place of the U.S. in this new world: what goals should it have and how it should achieve them. For its part, the public seems to have great expectations about the “peace dividend” — now that the U.S. no longer had the awesome Soviet adversary, it would not need to continue its military spending and could instead focus on solving domestic and international problems. And problems there were aplenty: the gap between the rich and the poor was growing, both within the U.S. and globally, the environmental degradation was proceeding apace, the disintegration of the Soviet Union left a multitude of nascent states some of which were armed with nuclear weapons and all of which faced uncertain political and economic transitions from Soviet rule, and
the collapse of the global rivalry unleashed regional forces that had been restrained by their patron superpower. The emergence of a unified Germany in Europe revived old fears and ignited a debate about the future of NATO. It was fragmentation, however, not integration, that would pose the greatest challenges: in Yugoslavia, Armenia, Azerbaijan, Tajikistan, Georgia, Somalia, and Iraq, among others. What was the United States to do?

By historical standards, the U.S. was now the sole remaining superpower, a global hegemon whose economic and military might were simply out of reach even for its nearest competitors. Should it focus on security or economic development? Should it rely on multilateral institutions — many of which it had helped create — or act unilaterally in what it considered its own best interest? What were these interests? Should it engage in humanitarian assistance and support peace-keeping operations or focus on combating terrorism and preventing nuclear proliferation? Should it drastically curtail its military spending or aim to maintain its status as the sole superpower for the foreseeable future?

Scholars and pundits alike called for a new grand strategy for America. In the aftermath of the Second World War, Americans had more or less come to agree that Communism represented an existential threat to the country, and as a result there was widespread support for the strategy of containment, even if its more militaristic descendants — like NSC-68 — had generated policies that commanded far less enthusiasm. But now Communism had been so thoroughly discredited that one prominent analyst declared an end of history, meaning that humanity has reached the pinnacle of political development in Western-style liberal democracy and no viable alternatives remained. Without communism, there was no containment, and without containment, there was no unifying purpose to U.S. foreign policy. Without such a purpose, there was no agreement about what constituted vital interests, and what priorities should be established in the allocation of resources. Without a clear sense of national goals, it would be impossible to implement coherent policies, making it difficult not only to reassure allies and warn potential adversaries, but even to identify friend and foe. During the Cold War, the clear opponent endowed U.S. policy with a sense of purpose that allowed it to assume leadership in the West and globally. Leadership, however, requires goals that the nation can agree on and that allies would support. Deprived of an enemy, the victorious superpower was now adrift, and inevitably its authority to lead suddenly evaporated. The U.S. had worked hard to create and preserve a global status quo that benefitted the West. Now, as new challenges to this status quo would inevitably arise, the U.S. would essentially take them on case-by-case basis, reacting to events without a vision that would link them and that could identify a strategy that would preserve the status quo at lower costs.

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2.1 **Isolationism**

Roughly, there were four competing visions for the role of the United States in the post-Cold War world. One possible, but improbable, strategy was isolationism. It envisioned a thorough retrenchment of U.S. foreign policy that would see the country disentangle itself from great power rivalries in Europe and Asia, disengage from Africa, and limit its priorities to the Americas, with an emphasis on North America. It would continue to compete aggressively in the world economy but will no longer intervene militarily and diplomatically in messy affairs beyond the Western hemisphere. It would withdraw from NATO, stay out of regional and ethnic conflicts, and abstain from humanitarian interventions. Its main task would be self-defense and its focus will be on ensuring the security, liberty, and prosperity for its own citizens. The isolationists tend to minimize potential threats to U.S. security by arguing that no other nation or reasonable combination of nations can come close to matching American military power, and that regional rivalries must be resolved regionally. For instance, even if Russia and China engage in military buildups, others will be able to contain them: Western Europeans will prevent the extension of Russian influence westward, Indians and Japanese will prevent the extension of Chinese influence eastward, while Russians and Chinese will contain each other in Asia. Isolationism emphasizes the power of the United States but instead of advocating using it (as other approaches do), it concludes that it would be safe to disengage and even go it alone if necessary economically.

There are serious problems with this approach, which is probably why it was never a serious contender for a new vision for the United States. For example, it is difficult to see how withdrawal of the United States from global affairs would not unleash regional rivalries and an intense competition for security worldwide. Former allies will have to fend for themselves and former enemies will be emboldened to seek redress for their grievances. This will produce arms races in conventional weaponry and possibly nuclear proliferation. Those who cannot compete with conventional weapons because they lack the resources or the manpower to do so, might opt instead for weapons of mass destruction (WMD) in an attempt to deter their opponents. These competitions are going to be far more complicated than the neat balance-of-power view would have it. It will be difficult to discern the direction of events until very late, which means that the United States might be forced to enter the fray long after its opponents have secured favorable positions. These belated entries will result in much more expensive, protracted, and riskier engagements. Even though the isolationist strategy could save billions in defense expenditures, the loss of global influence itself entails costs that are likely to far offset any such savings.
2.2 Primacy (Hegemony, Unilateralism)

The second strategy, primacy, agreed with isolationism that America’s power was unchallenged, but did not share the optimistic assessment that it was going to remain so for the foreseeable future without active effort to keep it that way. If the United States were to reduce its military spending, the end of bipolarity would quickly give way to a multipolar world, where the U.S. would be first among relative equals. This would be a return to the traditional balance-of-power state of affairs that had characterized most of history prior to the Second World War, and that had been unstable and violent. The key to American security was not in alliance politics where potential coalitional partners have to be bribed, cajoled, and threatened into helping counter a rising challenger. It was also not in the bland hope that Germany and Japan will not find it worthwhile to re-militarize once deprived of the American security umbrella, and thereby trigger security concerns in France, Britain, Eastern Europe, and China. It was certainly not in the unwarranted optimism that somehow all potential revisionist aggressors would contain each other. Russia and China in particular could not be counted upon to blindly charge into each other. The advocates of primacy assert that peace can only be durable when backed up by a clear preponderance of power, and that no such clarity will exist unless the United States has sufficient resources to ensure this preponderance on its own. The unipolar moment at the end of the Cold War would need to be preserved to ensure a Pax Americana in a world that would otherwise rapidly descend in violence and disorder. This meant that the United States would maintain its lead in military and economic matters, and that it would seek to prevent the emergence of a new rival that would pose a threat on the order of the one that had been posed by the USSR.

An overt strategy of dominance like primacy was bound to cause unease even among faithful allies, but it was also likely to generate opposition among less committed third parties, not to mention outright fear and hostility among anyone who did not fancy themselves members of the American peace. Supporters of primacy brushed these concerns aside with the assertion that the United States was a benign hegemon that would not exploit its global advantage for its own ends only but would spread the wealth around. They fully expected most everyone to subscribe to this view, with the remaining holdouts so marginalized that they would be easily deterred from trying to upset the equilibrium. The only means by which the United States was going to reassure everyone of its benign omnipotent rule was, apparently, a declaration of the purity of its intentions. Other than that, the United States would support the spread of democracy, free-market economies, and the rule of international law as long as those did not conflict with its need to maintain primacy. Thus, the best way to ensure that Russia did not need to be deterred militarily would be by ensuring that it becomes a liberal democracy that would presumably harbor no ill will about being defeated in the Cold War and would accommodate itself to the new
order. Analogously, a strengthened and enlarged NATO would provide for external security of Europe but also deprive Germany of any need to provide for its own military muscle. Moreover, it would also prevent the closer cooperation between France and Germany, and thus make it less likely that the European Union would be able to create a common defense policy that might challenge the United States. Similarly, the U.S. would maintain significant military presence in the Far East to ensure that neither Japan was encouraged to militarize nor China was encouraged to throw its weight around.

There are serious problems with the strategy of primacy too, and one can immediately identify several of them from the alternative names that this strategy often goes under: American hegemony or unilateralism. Despite protestations of American benevolence, it is a long stretch to assume that most important regional powers would be content to dwell in the shadow of U.S. hegemony. The common perception of the Cold War as a bipolar world is actually a poor guide in that respect. The purported division of the world into two poles actually tended to mask a far more complex reality, in which countries in the Communist bloc challenged the USSR both openly (Yugoslavia) and somewhat less so (China), in which American allies pursued more accommodating policies with the East (West Germany), in which some states alternated patrons to maintain freedom of action (Egypt), in which the United States supported both sides of violent conflicts (Israel and several Arab states, Greece and Turkey), and in which the U.S. sometimes had to coerce its own allies (France and Great Britain). One wonders why China would be so accommodating to U.S. hegemony as Great Britain was, and to what extent the combined pull of a common Anglo-Saxon cultural heritage and defeat in two wars (American Revolutionary and War of 1812) had brought the British around. In fact, one might even wonder whether it was the British that accommodating American rise or the Americans who wrested hegemony from the British (along with other European colonial powers) when they assisted them during the Second World War but made sure they got paid for their troubles in cash, bases, and postwar influence.

Working outside of constraints of multilateral institutions must inevitably undermine the rule of law, a fatal weakening of the institutional framework that the United States had worked so hard to establish after the Second World War, and that was so instrumental in maintaining the preeminence of the West. Among these are the United Nations, NATO, the IMF, and the WTO. Every time the U.S. acts unilaterally and refuses to submit to a collective (non-binding!) judgment of other nations or to obtain approval for its actions, it reduces the usefulness of these institutions to others and therefore increases the willingness to go outside them. This deprive the U.S. of its traditionally strong powers of informal governance within these institutions, encourages the creation of rival organizations, and makes it more difficult and more expensive to coordinate policy and overcome opposition. Being unconstrained does not necessarily mean being powerful in the sense of being able to get one’s preferred policies through. Others might not be capable of preventing
the U.S. from acting with scant regard for legal niceties or international opinion but they might be just capable enough to impose significant costs on U.S. policies, making such unilateral activism self-defeating.\(^3\)

Whereas containment was criticized as potentially too aggressive — because it sought to react to real or imagined threats of communist expansion around the globe — primacy is potentially even more so because the U.S. would have to be willing to wage preventive war (possibly alone) to forestall the military rise of a large state or to deprive a rogue state from WMDs, and it does not even have to have the veneer of combating communism. Preventive war has always been exceedingly difficult to justify domestically (in fact, both such instances, the Vietnam and the 2003 Iraq wars, have also been the most divisive and with most contested legacies) and even harder internationally. Since a hegemon’s motives are always suspect simply because the hegemon does not have to hold itself accountable to others, a preemptive war might provoke balancing behavior. The lack of international support for a preemptive war, especially when it comes from trusted allies, can also undermine domestic support for the policy, making it that much harder to achieve its goals.

Like containment, primacy is open-ended, and as containment sought to fill every nook and cranny in the basin of world power to deny the Soviet Union the opportunity to do so, so can the search for hegemony lead to constant expansion of the area of influence, leading to that traditionally killer of global power, imperial overstretch. The U.S. is overwhelmingly powerful, but this power is neither boundless nor cheap. Attempting to maintain primacy around the world can drain the national treasury and produce the very collapse primacy is seeking to avoid.

2.3 Cooperative Security (Liberal Internationalism, Multilateralism)

If the advocates of primacy suspect every great power of potential aspirations for regional hegemony at least, the advocates of cooperative security draw a sharp distinction between liberal democracies and non-democracies. Building on Kant’s idea that states, which (1) are governed by an elected representative government (democracy), (2) uphold the rule of law (constitutionalism), and (3) protect individual rights (liberalism), will not engage in violent conflict with each other, and on the empirical finding that democracies tend not to fight wars with each other, proponents of this strategy assert that the United States has nothing to fear from established democracies like Germany and Japan, that it can alleviate any security concerns with mixed regimes like Russia’s by supporting a transition to liberal democracy, and most effectively deal with authoritarian regimes like China’s by promoting their transformation into democracies instead of containing them militarily in an inferior position. In other words, the best bet for the U.S. is to support

\(^3\)We have seen some of this already, both in Russia’s attempts to construct an Eurasian Economic Union, and with the recent foundation of a development bank by the BRICS states (Brazil, Russia, India, China, and South Africa) in direct challenge to the World Bank and the IMF.
the spread of democracy irrespective of whether it allows other democratic states to rise in prominence and power.

Since liberal democracies are also assumed to be more likely to cooperate with each other in general, it will be easier to agree upon and coordinate joint policies through multilateral institutions. Doing so would allow others to bear their fair share of defense burdens and confer legitimacy on the actions. Even though the United States reigns supreme in military technology and war-fighting prowess, its global tasks would be made much easier if there was less opposition to them; that is, if the U.S. chose to go through multilateral channels. Thus, proponents of cooperative security tend to be very keen on NATO and the UN.

Some of the problems with cooperative security come from its proponents’ willful disregard of the implications of their own assumptions. Take, for instance, the idea that the spread of liberal democracy will enhance security. Let us grant the democratic peace — the claim that democracies (suitably defined) do not fight wars (suitably defined) — and let us instead ask whether multilateral security arrangements through international institutions will be reliable guarantors of peace.

Cooperative security generally tends to overlook the problem of free-riding, which we saw in stylized form in the Prisoner’s Dilemma game. Providing security is a public good for all states that get to enjoy the peace, but the costs of such provision must be paid privately. Each state is better off if the others pay, which will inevitably produce conflict over the distribution of these costs (who must pay and how much) over the goals (what constitutes desirable security) and over the strategies (what should be paid for). These disagreements will weaken the credibility of the threat that the collective poses and encourage challengers to test its resolve and ability to coordinate. When push comes to shove, the ones affected most by the failure to deter a challenger might be forced to bear the burden of defense on their own. Aside from providing a much weaker force than the putative total that the collective was supposed to be able to wield, this will engender lingering resentment, which will further weaken the collective security arrangements. It will inevitably cause some to fend for themselves while others drop out of the collective security institutions altogether. When states rely on others for their security, they might be ill-prepared to act in contingencies where such help fails to materialize, which further encourages aggression. Collective security might well be less than the sum of its parts because of free-riding.

The free-riding problem can actually be more acute when many states are democracies. This is because security policies generally, but the use of force in particular, will have to be justified domestically. Publics in different countries who are exposed to the threat to various degrees and who are facing different economic trade-offs would have to agree to support expenditures on a common action. Even if their governments can initiate this action without obtaining such support (e.g., because of executive prerogative), they would generally find it very difficult to sustain their involvement against domestic opposition. In the U.S., such opposition can
eventually cause Congress to deny funds for continuing the military action, and in
many countries the opposition can force the government to resign through votes of
no-confidence. When the threat is vague and public support slim, even low casu-
alties might quickly overwhelm the desire to continue the engagement and force a
democratic state to drop out of collective action. In other words, democracies might
be especially ill-equipped to support multilateral peace institutions when peace re-
quires deterring potential non-democratic adversaries from challenging the status
quo or compelling them to reverse destabilizing policies.

Moreover, proponents of collective security also favor free-market capitalism and
globalization in the belief that interdependence will enmesh countries in a frame-
work of mutual benefit and reduce the temptation to disrupt it for transitory gains
from aggression. Whether interdependence actually dampens conflict is a matter of
controversy, but here we only need to highlight one consequence of an open eco-

nomic world order: diffusion of technology. As technological and economic know-
how spread around the world, various potential opponents will inevitably improve
their military capabilities: their economic base will improve and stabilize, their ad-
ministrative and communications capacity will expand, and the wealth available to
the government will increase. All of these mean that these governments will be able
to acquire or build more sophisticated weapons, raise more troops, train them better,
and sustain them longer in conflict. Even though proponents of collective security
envision some form of arms control to act as a brake on these developments, it is
highly unlikely that the mostly voluntary measures of these agreements will be able
to stop determined adversaries from acquiring the technology and means they de-
sire. In this way, a central pillar of collective security is likely to create many more
threats for the suspect collective security apparatus to deal with than proponents
seem to want to admit.

2.4 Selective Engagement

If the United States cannot abandon the responsibilities inherent in its dominant
international position (isolationism), sustain that position indefinitely on its own
(hegemony), or sustain the global order it created with the help of others (multilateral-
ism), then what? Although some scholars have dignified the fourth alternative
with a name, selective engagement, the ad hoc policy of reacting to events on

case-by-case basis is a fundamentally reactive stance that deprives the U.S. of any
leadership role. This is ironic because the proponents of this policy actually argue
that the U.S. should assume the leadership role in identifying potential challenges
to the distribution of power and in balancing against such threats. In other words,
they expect the U.S. to watch over regional rivalries (specifically in Eurasia), detect
cases where these can escalate into war among great powers, act to defuse such
crises, and, if that fails, throw its military weight against the aggressor to deny it
any possible fruits of victory. Unlike primacy, selective engagement will not have
to persuade the public to invest enormous amounts of money to maintain a military sufficiently imposing to the rest of the world. Unlike cooperative security, it will not have to persuade it to spend money and lives on distant conflicts because of hazy global duties. Unlike isolationism, it will not rely on wishful thinking and assume that great power war cannot occur.

In its essence, selective engagement is a recasting of the role that Great Britain seems to have played in Europe from the 18th to the 20th centuries, when its major concern was preventing one of the land powers from dominating the continent. The obvious problem with such a policy for the United States is that it goes against the grain of traditional American values: there is not commitment to any grand principle, only cool calculating action in service of an abstract balance of power. Since the U.S. would have to threaten war in order to prevent war, the public is very unlikely to take kindly to such a policy without a clear vision of what is at stake, especially if it is for an amorphous cause of preventing war among others. There will be no epic struggle between good and evil, no ideal that would make sacrifices of blood and resources worthwhile. It is highly unlikely that the public could be mobilized to sustain such a strategy for any significant period of time, which is a problem for the government because unlike its British counterparts of centuries past, it does have to account for public opinion, especially when it comes to use of force.

Such a strategy would require an extensive analysis on case-by-case basis and a public debate to decide whether action is justified. This means that the United States will be slow to respond even when it chooses to do so, and that it will be highly uncertain whether it will act at all or how involved it will get when act it does. With such unclear commitments, potential challengers might be encouraged to take their chances, and the policy might result in many more wars than its supporters are willing to countenance. Moreover, since the decision to act will be inherently political, policies might shift when politics do, which means that domestic political changes can result in large and unpredictable swings in foreign policy. This can further encourage adversaries to gamble on outstaying hostile U.S. governments in the hopes that a more accommodating alternative comes to power. As with any decision that is at the mercy of politics, this U.S. strategy could ignore many problems because they do not seem sufficiently important to a large segment of the population until it is too late. Then the U.S. would have to do a lot more or accept consequences that are a lot worse (e.g., failure to intervene in Rwanda and Bosnia). Of course, the opposite of this could be true as well: public outrage at some event that is otherwise insignificant from a security perspective could force the hand of the U.S. government, provoking an intervention when action would not be warranted.

Thus, all the alternatives had their problems and perhaps not surprisingly in the immediate decade after the end of the Cold War elites could not agree on what the appropriate grand strategy should be even though most of them agreed that having such a strategy was a good idea. While debates about grand strategy were
taking place in the rarefied heights of Washington and inside the ivory tower, the public seemed largely indifferent, content to assume that with the Cold War over, the United States had no serious enemies left, that whatever it needed to do, it could with ease, and that its global benevolent preeminence is likely to endure.

Foreign policy had become largely irrelevant domestically. President George H.W. Bush called Clinton and Gore “two bozos” who knew less about foreign policy than Millie (Bush’s dog), it was not foreign policy that voters cared about. The Republicans, once unified by the Soviet threat, now split, unable to agree what to do in this new world, some preferring isolationism, and others promoting a muscular hegemony. The President seemed incapable of getting even allies to open their markets to U.S. producers to help the ailing economy and the trade deficit. (Bush even threw up at a banquet hosted by the Japanese Prime Minister and then fainted although this was probably not meant as an expression of his disapproval of Japanese protectionist policies against American car-makers.) The Democrats slowly gained the upper hand campaigning on a platform of domestic economic reform. Even while the public largely approved President Bush’s handling of foreign policy — managing the disintegration of the Soviet Union, the emergence of Russia seemingly on the path to democracy, the unification of Germany, and the massive international war to eject Saddam Hussein’s Iraq from Kuwait — the economic recession that had hit the United States with its mushrooming deficits and galloping unemployment sealed his fate at the polls, paving the way for the first post-Cold War President, Bill Clinton.