The New World Disorder

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When the bodies and belongings of 298 people tumbled out of the sky on July 17, and then lay unhallowed and uncollected in the fields of eastern Ukraine, clarity seemed to follow in the silence. John Ashbery’s lines in “Soonest Mended” came to mind:

Rescuers searching for bodies at the crash site of flight MH17, eastern Ukraine, July 18, 2014

Jerome Sessini/Magnum Photos
It was still a shock when, almost a quarter of a century later,  
The clarity of the rules dawned on you for the first time.  
They were the players, and we who had struggled at the game  
Were merely spectators...

It no longer matters whether the charge against President Putin is direct  
iccitement of those who shot down the plane or reckless endangerment by  
supplying them with the weaponry. By reaffirming his support for secession, he  
has made his choices, and it is up to Western leaders to make theirs. It no longer  
matters whether the West brought this new Russia upon itself by expanding  
NATO aggressively to its borders. What matters now is to be very clear, so that  
political responsibility is fixed where it belongs, so that actions have  
consequences, so that security guarantees are given to the vulnerable allies on  
Russia’s borders and that these guarantees are believed.

What matters, also, is to understand, without illusions but without alarm, the new  
world that the annexation of Crimea and the downing of MH17 have pitched us  
into.

Horror in Ukraine is not the only shock that brings clarity in its wake. With the  
proclamation of a terrorist caliphate in the borderlands of Syria and Iraq, the  
dissolution of the state order created by Mr. Sykes and Monsieur Picot in their  
treaty of 1916 is proceeding to a fiery denouement. The self-proclaimed Islamic  
State is a new thing under the sun: terrorist extremists who have tanks, oil wells,  
territory of their own, and a chilling skill in the propaganda of atrocity. Airpower  
can stop their advance but it cannot defeat them, and the ground forces available  
to the US—the Kurdish peshmerga—will have their hands full defending their  
own homeland. Assad of Syria has effectively surrendered his desert provinces to  
the IS, and as for Iraqis, the Shia will defend their holy places in the south but  
they cannot retake Mosul and the north.

If, as seems likely, the caliphate endures, no state in the region will be secure.  
Israel may again “mow the grass” in Gaza, but the bombardment of civilians will  
not secure it a peaceful future. Until Palestinians and Israelis recognize that there  
is an enemy they ought to fear more than each other—the utter disintegration of  
order itself—there will be no peace in their neighborhood.

In East Asia, US, Japanese, and Chinese naval fleets are circling each other,  
Chinese oil platforms are drilling in disputed waters, and belligerent accusations  
fly between Asian capitals. China no longer speaks the language of “quiet rise.”  
Xi Jinping’s muscular foreign policy creates alarm in Vietnam, South Korea,
Japan, Taiwan, the Philippines, and the United States.

We sense that all of these elements of discord are related, but it would be simplistic to claim that the common element is Barack Obama’s failure to master the tumult of the times. That would assume that a wiser US administration could have held together the tectonic plates of a world order that are being pushed apart by the volcanic upward pressure of violence and hatred.

The downing of MH17 and the rise of the caliphate make us think again about what held those templates together. Until the hopes of the Arab Spring were dashed, the moderate, globalized middle classes in the region believed they had the power to marginalize the forces of sectarian fury. We must have imagined, what with the Internet, global air travel, Gucci in Shanghai, and BMW in Moscow, that the world was becoming one. We fell prey to an illusion dear to the generation of 1914, that economics would prove stronger than politics and that global commerce would soften the rivalries of empire.

At first, it seemed so. In the phase of globalization inaugurated after 1989, Russia supplied Germany its gas, Germany supplied Russia its core industrial and manufactured goods, China bought US treasury debt, and Apple made its gadgets in China. With the coming of the Internet, we thought, at least for a time, that a shared global commons of information would consign the encamped ideological hostility of the cold war to history.

In reality, the third phase of globalization produced no more political convergence than the first one destroyed in 1914 or second one that ended in 1989. Capitalism turned out to be politically promiscuous. Instead of marrying itself to freedom, capitalism was just as happy to bed down with authoritarian rule. Economic integration actually sharpened the conflict between open and closed societies. From the Polish border to the Pacific, from the Arctic Circle to the Afghan border, a new political competitor to liberal democracy began to take shape: authoritarian in political form, capitalist in economics, and nationalist in ideology. Lawrence Summers has called this new regime “authoritarian mercantilism.”¹ This captures the central role of the state and state enterprises in the Russian and Chinese economies, but it underplays the crude element of cronyism that is central to Moscow’s and Beijing’s rule.

Authoritarian capitalism—let me call it that—has become liberal democracy’s chief competitor, thanks to globalization itself. Without access to global markets, neither Russia nor China would have been able to shed Communist-style
economics while holding on to Communist politics.

The Russian and Chinese economies are open to the competitive pressures of global price systems, but the allocation of economic reward—who gets rich and who stays poor—is still largely determined by a state apparatus centralized in the hands of the president and his cronies. Russia and China are “extractive” oligarchies that exclude all but a few insiders from the fruits of economic and political power. In both societies, rule of law and an independent judiciary exist only on paper. Oligarchs and dissidents alike know that if they mount any political challenge to the regime, the law will be used to crush them.

Western experts still insist that the Chinese and the Russians are rivals not allies. It is true that when they were both Communist, they came to blows as recently as 1969. Even today, theirs is an “axis of convenience” rather than conviction. Stephen Kotkin has pointed out that they still trade much less with each other than they do with the West. But both have discovered a truth that will bind them together more tightly in the future. They have learned that it is capitalist market freedom that allows their oligarchies to maintain political control. The more private freedoms their citizens are allowed, the less they demand public liberty. Private freedom—to buy and sell, to inherit, to travel, to grumble in private—keeps the lid on discontent. Moreover, private freedom makes growth possible, and this could not be achieved under state control.

Now, in the wake of MH17 and the Crimea, the “authoritarian international” faces a choice: whether to stop defying the West or risk fracturing globalization itself.

In the downward spiral of recrimination and anger over Ukraine, each side in the conflict is seeking to reduce its economic exposure to the other. Putin bans agricultural imports from the countries that have sanctioned him and threatens to shut Siberian airspace to Western airlines. He wants to cut back on German machinery imports and Western defense technology.

Import substitution and autarchy—ideas that led the Communist world into an economic cul de sac—are suddenly back on the Russian agenda. In turn, the Germans want to reduce their dependence on Russian gas. The Chinese want to reduce their reliance on oil from the volatile Middle East. In the new atmosphere of mutual paranoia, states do not want to buy hardware or software from the other side, lest it expose their defense and intelligence systems to infiltration. In this rush for security, allies wish to trade only with allies. The Americans and
Europeans will surely accelerate a comprehensive free trade pact with each other to reduce their dependence on the new authoritarians.

At the same time, neither side wants to return to the cold war, especially not the Russians and Chinese, who need globalization to grow their economies and to contain domestic discontent. For the moment, the flows of imports and exports actually affected by sanctions remain tiny, compared to the vast volumes of global trade, but pushing their economies backward toward autarchy, in the name of self-reliance, is a temptation for leaders, East or West, as they discover just how much their margin of political maneuver is constrained by economic dependence on the other side. None of these leaders wants to undo globalization, but none may be able to fully control the march back into the autarchic past.

Autarchy already rules in the virtual world of information. In an age that was supposed to bring us a global information commons, based in a borderless Internet, it is remarkable just how autarchic each side’s information systems have already become. Long ago, China imposed sovereign control over its Internet, and police spies patrol the frontiers of the “Great Firewall” to make sure that chat-room grumbling never rises to the level of a regime threat. The Kremlin has wrapped a propaganda bubble around its people so effective that, as Angela Merkel recently remarked, even Vladimir Putin is enclosed “in a world of his own.”

As both sides reduce their economic exposure to the other and create closed but parallel universes of information, the new authoritarians are turning to each other’s markets and energy supplies. When Putin and Xi Jinping met recently, they signed a multiyear energy and infrastructure deal that sealed a thirty-year strategic alliance. Their longstanding border disputes have been in abeyance since an accord of 2005, and Russia, having neglected its Far East for so long, now effectively accepts Chinese hegemony in the Pacific region. What makes the authoritarian alliance stable if loveless is that China plays the predominant partner, while Putin makes the ideological noises.

What Putin makes clear, with venomous articulacy, of course, is resentment toward the “liberal leviathan,” the United States and its global web of encircling alliances. In this, he has a willing partner in China. While Crimea and MH17 marked the moment for the West when the post-1989 international order came apart, for the Russians and Chinese, the fracture occurred fifteen years earlier when NATO warplanes bombed Belgrade and struck the Chinese embassy. This moment soldered Chinese and Russian authoritarianism together on the world
stage. The Kosovo precedent—unilateral secession orchestrated, without UN approval, by a great power—provided Putin with justification for Crimea, with cautious approbation from Beijing.

In the days to come, the authoritarians can be counted on to use their seats on the Security Council to defend the Syrian dictator and to stymie multilateral humanitarian intervention in any place where their interests are directly involved. Both have been major strategic beneficiaries of American misadventures in the Levant and if we can safely predict more violence and chaos in the Middle East, it will be because it suits them both to remain as spoilers there, leaving America to take the blame for the fragmentation of state order from Tripoli to Baghdad.

The central questions now are whether the new authoritarians are stable and whether they are expansionist. Authoritarian oligarchies can make decisions rapidly, while democratic societies struggle to overcome opposition in the courts, a free press, and public opinion. They can also quickly channel nationalist emotions into overseas adventures. Following the takeover of Crimea, China’s Asian neighbors must be wondering when the Beijing regime will start using “the protection” of the Chinese as a justification for meddling in their internal affairs.

Authoritarian oligarchies, however, are also brittle. They must control everything or soon they will control nothing. Under Stalin and Mao, rising aspirations of people trying to make their voices heard could be crushed by force. Under capitalist authoritarianism, some private freedom has to be allowed. But as their middle class grows, their demands for expressing a political voice grow also, and such demands can become destabilizing. The Chinese moment of destabilization came in Tiananmen Square in 1989; the Russian regime was challenged by mass street demonstrations in Moscow in late 2011 and 2012. Both regimes survived by clamping down on domestic dissent, outlawing all external assistance for internal human rights organizations, and embarking on foreign adventures designed to distract the middle class with unifying nationalist causes.
China’s new assertiveness in Asia is driven by many factors—including the need to find energy supplies in the seas off its shores—but also by a desire to rally its rising middle classes around what Xi Jinping calls the “China Dream,” a strategic vision in which China displaces the Americans as the regional hegemon in Asia.

The Obama administration has pivoted to Asia to head off the Chinese challenge, but until the events in Crimea, it underestimated the Russians. It assumed that Putin was perched atop a decrepit society in demographic and economic decline. This was wishful thinking. Russia’s natural resource wealth gives Putin a certain source of state revenue, while private freedom creates a safety valve that allows the regime to contain democratic discontent. The new authoritarians are stable, and it is complacent to suppose that they are bound to collapse under the weight of the contradiction between private liberty and public tyranny. So far they have managed this contradiction well enough to bring power to their rulers and wealth to their people.

Nor do the new authoritarians lack “soft power.” Their model is appealing to corrupt extractive elites everywhere, even in Eastern Europe, where Hungary’s dissident turned authoritarian populist, Viktor Orbán, chose the week after the downing of MH17 to proclaim his vision of Hungary as an “illiberal democracy.”

The new authoritarians also do not lack for the appearance of legitimacy. The Chinese Communist Party sells itself as a meritocracy, and with every peaceful renewal of its top leadership, this principle of legitimacy is strengthened. Putin’s legitimacy is more uncertain because his oligarchy is anything but meritocratic. To build popular support, he has championed the Church, fostered toxic nostalgia for Stalin, and even cast himself as the heir of the organic conservatism of the nineteenth-century Russian intelligentsia.

He orders, for example, his regional governors to read the works of Ivan Ilyn, but presumably not those volumes in which the conservative anti-Bolshevik called for a Russia redeemed by “the conscience of the law.” Putin’s ideological camarata has revived Konstantin Leontiev, another nineteenth-century conservative Slavophile, but not the Leontiev who publicly despised homophobia. The hostility to homosexual equality—in both official China and Russia—is not an incidental feature but central to their self-image as conservative bulwarks against the decadent moral relativism of the West.

Notably, however, the new authoritarians make a national claim to legitimacy, not
a universal one. Mao may have encouraged Maoists from Peru to Paris, but the current regime has no such revolutionary ambitions and Putin is hardly likely to claim, as Stalin did, that his country is the inspiration for all those seeking emancipation from the capitalist yoke.

Chinese rulers’ global ambitions are held in check by the constant challenge of maintaining order at home. They know they still have several hundred million poor peasants to integrate into a modern economy. It will be decades before their per capita income comes close to Western levels. Putin also knows just how miserably poor the Russian hinterlands remain after fifteen years under his rule. As a result, neither China nor Russia are in a position to walk away from global economic integration or to play for higher stakes than hegemony in their respective regions.

Even so, it is still an open question what precisely Russia and China define as their regions, their exclusive spheres of influence. Putin’s actions, in particular, have made this an urgent issue. As a former KGB agent whose darkest moment was burning Soviet code books in the garden of the KGB station in Dresden in November 1989, he is bound to be nostalgic for the fear the Soviet state was able to instill in enemies at home and abroad. Putin is a voluptuary of fear, but any real master of the arts of fear needs to know how far to go. Putin seems to understand the limits of his capacity to intimidate.

For all his talk about “protecting” Russian speakers in the “near abroad,” it appears unlikely that he will intervene in any of the Baltic states, provided NATO’s Article 5 security guarantee remains credible. He will be content to keep the Baltic peoples on the qui vive, to force them to respect Russian minority rights, and to spend more on defense than they would like to. Nor will he touch Poland, the Czech Republic, Romania, or Bulgaria, or the Balkan states. He accepts that they have left his orbit though his secret services will do what they can to destabilize their politics.

Georgia and Ukraine, however, border the Black Sea and that makes their position a vital national interest of Russia. Were either state to cede NATO base rights in the Black Sea, it could impinge upon Russia’s access, through the Turkish straits, to the Mediterranean and thus limit Russia’s role as a Middle Eastern power. These strategic concerns would be entirely recognizable to Count Gorchakov or any nineteenth-century tsarist diplomat. Equally traditional—and Russian—has been Putin’s establishment of privileged relations with the Muslim kleptocracies on his southern frontier. Their corrupt Muslim rulers have been
tributaries since tsarist times.

Putin’s strategic objectives may be traditionally Russian, but this is precisely what alarms Ukrainian nationalists. Before the downing of MH17, before he doubled down on his support of the eastern Ukrainian insurrection, it was reasonable to suppose that his strategic goals were limited, and to believe that he wanted to destabilize Ukraine without having to own its many problems. It was also reasonable to suppose that he was only too happy to have the EU lumbered with the burden of righting the capsizing Ukrainian economy.

After the downing of MH17, after Ukrainian forces closed in upon Donetsk and began to cut off the insurgents from their supply lines into Russia proper, predicting Putin’s path has become more difficult. Will he double down again and seek to break the encirclement of the separatists? Will he seek to stabilize a Russian enclave and freeze it in place, as he has frozen Russian client territories inside Moldova and Georgia? Or will he cut his losses and sell the separatists out for the sake of geostrategic peace and further global integration? He has backed himself into a corner and while it would seem rational to seek peace, he has not been rational when it comes to Ukraine.

Nor is he confronted with rational forces. Ukraine is not a chessboard, and geostrategic games there have a way of getting out of the control of those who start them. Simmering just beneath the surface are emotions of volcanic force, powered by two competing genocide narratives—one Russian, the other Ukrainian—that will not acknowledge each other’s truth. The Russian narrative of Ukrainian nationalists as “fascists” exploits the fact that many Ukrainians did welcome the Nazi invasion of 1941 and some went on to collaborate with the Germans in the extermination of their Jewish neighbors.

According to the competing Ukrainian narrative, Putin is seeking to reimpose Soviet domination, the same domination that resulted in the forced starvation of millions of Ukrainian peasants between 1931 and 1938. In the “bloodlands” of Ukraine, the memory of this famine—called the Holodomor—confronts the memory of the Holocaust. It is not as if the provocateurs, those who exploit this poisonous past to divisive ends, are only on the Russian side. There are armed and exalted Ukrainian nationalists who would like nothing more than to provoke the Russian bear. It would take only a spark to set Ukraine ablaze and for the Russians to intervene, this time, in full force, to “protect” ethnic Russians by consolidating a rump state in the east, contiguous with the Russian frontier.

Wise Western policy has to keep this cauldron below boiling point, by helping
Ukraine to defeat the secession as soon as possible. Once military victory is achieved, conciliation is possible and the West can use its influence to tame the Ukrainian extremists who want to impose a Carthaginian peace. Western constitutional experts should help Ukraine to devolve power to the regions and guarantee Russian speakers a full place in the Ukrainian political future. In the long term, Europe should give Ukraine a timetable toward accession into the EU. International financial institutions should use conditional loans to force a corrupt Ukrainian political elite to clean house. In 1994, the US and Britain refused to guarantee Ukraine’s security when it gave up its nuclear weapons. Now, following the threats to Ukraine’s sovereignty, NATO will simply have to. Finlandization—neutrality for Ukraine—isn’t a workable option as long as Crimea remains annexed and there remains a risk of a further Russian enclave in eastern Ukraine.

Persuading the shocked but deeply war-weary publics in Europe and the United States to accept all this will be difficult. Incorporating Ukraine into the EU and protecting it through NATO—i.e., “more Europe”—is a tough sell at a time when so many Europeans want less of it. Many reformist Ukrainians and European leaders think joining NATO is premature.

However reluctant Europeans may be, allowing Europe to split in two while nations like Ukraine on its southeastern frontier languish at the doors is a recipe for civil war and Russian expansion. Until MH17, convincing Western European electorates of this was impossible. Since MH17, it has become easier.

At the NATO summit in Wales in September, it will also be easier for the United States to convince their European partners to reinvest in their own defense. The more difficult challenge is to impose sanctions on the Russians without tipping them into the arms of the Chinese. Keeping lines open to both authoritarians, while forcing one to pay the price for MH17 and Crimea, requires sophisticated judgment. This is more than just an exercise in balancing signals to authoritarian competitors. At stake in the calibration of sanctions is the future direction of globalization itself, whether the world economy moves toward greater openness or backward toward autarchy.

Policy needs to be designed to avoid the slide back to autarchy, especially in a climate of fury and recrimination. An open international economy—in which capital markets are not politicized, and in which free peoples trade with unfree ones—has, on the whole, been good for everybody, even when it means that authoritarian regimes are able to stabilize extractive and predatory rule.
If globalization has been good for liberal democracy and capitalist authoritarianism alike, it is important not to dig the divide between them into an impassible abyss. Some may find it refreshing to feel loathing for Putin and his ilk, but it is a poor guide for policy. The only global order that has any chance of keeping the peace is a pluralist one, which accepts that there are open and closed societies, free and authoritarian ones. A pluralist order is one in which we live with leaders we can barely abide and societies whose principles we have good reason to despise.

We can and should contain the new authoritarians, but it bears remembering that George Kennan’s doctrine of containment did not seek to roll back the authoritarian regimes of his day or to convert them to liberal democracy. His doctrine sought instead to avoid war in a pluralist world and to give liberal democracy the time it needed to grow and prosper in peaceful competition with the other side. Those who call for a united ideological front, a warring liberal creed, in the face of the new authoritarian international would do well to recall Isaiah Berlin’s reply when he was once asked to contribute to a rousing credo for cold war liberals:

Certainly I do not think that the answer to communism is a counter faith, equally fervent, militant etc.; because one must fight the devil with the devil’s weapons. To begin with, nothing is less likely to create a “faith” than perpetual reiteration of the fact that we are looking for one, must find one, are lost without one etc. etc.

Ideological self-dramatization during the cold war led to McCarthyism at home and adventurism overseas from Vietnam to Nicaragua. Besides, it is unconvincing to go into ideological battle for liberal democracy abroad when it stands in such obvious need of renewal at home.

American power remains overwhelmingly credible when used sparingly, with discrimination and care. The real problem is democratic dysfunction at home: the generation-long impasse between Congress and the executive branch, the reality-fleeing polarization of political argument, the gross failure to control the invidious power of money in politics, while inequalities in wealth are more flagrant than ever. The result is a weakening of shared public goods and increasing disillusion with democracy itself. Other liberal democracies face similar challenges, but they have got the influence of money under better control in their politics and rebalanced their political systems so that executive and legislative branches function effectively. In the battle of ideas with the new authoritarians, it is good to
know that there is a rich variety of liberal democracies on offer, a wide array of plausible ways of “getting to Denmark.”

America, however, still remains the democracy whose state of health determines the credibility of the liberal capitalist model itself in the world at large. The past fifty years since Vietnam have not been happy ones for the United States at home and abroad, but gloomy narratives of secular American decline, however eagerly America’s enemies may lap them up, neglect the plain evidence of past American capacity for institutional renewal—in the Progressive era, the New Deal, the New Frontier. It also neglects the hard facts of American companies’ commanding positions in the leading technologies that are shaping the twenty-first century.

If Vladimir Putin and Xi Jinping—or the IS for that matter—are betting on American decline, they are betting fools. At the same time, Richard Haass, president of the Council on Foreign Relations, is surely right when he says that a revived foreign policy capable of meeting the dual challenge of the new authoritarianism and the new extremism must begin with some sustained nation-building at home.

If democratic dysfunction continues, the risk is not just domestic paralysis, but ugly adventurism abroad, since US administrations, just like their authoritarian competitors, have found it tempting to distract discontented domestic audiences with wars on foreign soil. After MH17, Crimea, the bloody caliphate rising on the banks of the Tigris, and the mounting tension in the China Sea, we do not need violent adventures abroad, still less words not backed up with deeds. We need a Europe and a United States whose people believe, once again, in their own institutions and their reform and accept the chance to prove, once again, that they can outlast their authoritarian and extremist adversaries.

—August 27, 2014


16 Richard N. Haass, *Foreign Policy Begins at Home: The Case for Putting America’s House in Order* (Basic Books, 2013); see also President Barack Obama’s speech at West Point, May 2014.