The Global Turn:

The West, the Rise of the Rest, and the Next World

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Chapter One:

The Turn

Over the course of the twentieth century, the West appears to have triumphed over its many antagonists. Nazism, fascism, and communism were tenacious challengers, but each proved unworthy to take on liberal democracy. The fall of the Berlin Wall, the collapse of the Soviet Union, and the ensuing advance of democracy confirmed the staying power and appeal of the Western model. China, Russia, Cuba, and much of the Middle East may have begun the twenty-first century as stubborn hold-outs. But the trend lines are unmistakable; they too will soon fall prey to the irresistible allure of the Western way. History, it has become fashionable to argue, is coming to an end.

Despite the prevalence of such optimism about the West’s good fortunes, the emerging global landscape suggests that the world is fast headed toward a turning point, not an end point. The liberal democracies of the West have been stumbling of late. The problem goes well beyond the global economic crisis that broke out in 2008, which was born and bred in the United States, the West’s architect and chief minder. Weak and faltering governance pervades the industrialized West. George W. Bush staggered through his second term with some of the worst popularity ratings on record. Barack Obama entered office committed to the restoration of bipartisanship and national unity, but Democrats and Republicans were able to find scant common ground. No wonder that by 2010 public confidence in Congress had hit an all-time low. The United States is not alone in confronting democracy’s discontents. Many European countries – Great Britain, France, Germany, and Italy, among them – as well as Japan have recently been afflicted by divided electorates and enfeebled governments.

Meanwhile, the world’s autocracies, far from being on their last gasp, are fast moving up the global pecking order. China has been enjoying rates of economic growth triple those of Western democracies, and its surpluses remain critical to underwriting America’s pendulous debt. The global downturn took a heavy toll on the Russian economy, but the Kremlin has nonetheless maintained firm control over the state and is pursuing a muscular foreign policy. Despite their autocratic ways, Chinese and Russian leaders, according to global surveys, are among the most respected in the world. Meanwhile, the oil-rich sheikdoms of the Persian Gulf have used their energy revenues not only to snap up assets in the United States and Europe, but also to build impressive financial sectors, universities, and museums. It is no accident that nonstop flights now run from Washington to Beijing, Moscow, and Doha – but not to Berlin. Even rising powers that are democratic, such as India and Brazil, are not following the Western way. On the contrary, they regularly break with the United States on geopolitics, trade, environmental protection, and reform of international institutions, preferring to side with other ascending states, whether democratic or not. Interests matter more than values.

Contrary to conventional wisdom, the emerging landscape is one in which power and politics are diffusing and diversifying, not one in which all countries are converging toward the Western
model. Indeed, the world is on the cusp of a global turn. Between 1500 and 1800, the world’s center of gravity moved from Asia and the Mediterranean Basin to Europe and, eventually, North America. The West has been at the leading edge of history ever since. History, however, appears to be moving on. East Asia has been anointed as the candidate most likely to assume the mantle of leadership. But it is doubtful that any country, region, or model will dominate. The twenty-first century will not be America’s, China’s, Asia’s, or anyone else’s; it will belong to no one. The emergent international system will be populated by numerous power centers as well as multiple versions of modernity. A global order, if it emerges, will be an amalgam of diverse political cultures and competing conceptions of domestic and international order.

Failure to foresee this global turn and adjust U.S. grand strategy accordingly has the potential to be an error of grave consequence. The misstep is already in the making. The problem is not a failure to recognize the ongoing diffusion of power. On the contrary, American strategists understand that new powers are on the rise and that U.S. primacy will inevitably wane. Indeed, the United States has taken the lead in transforming the G-8, a global directorate dominated by Western nations, into the G-20, a more representative grouping of major powers in which the Western democracies are in the minority.

American strategists are, however, misconstruing the nature of the fundamental challenge posed by the global diffusion of power. The prevailing wisdom holds that the United States should capitalize on the twilight hours of its primacy to corral countries into the liberal international order that has been constructed by the Western powers since World War II. According to G. John Ikenberry, the West should “sink the roots of this order as deeply as possible,” thereby ensuring that “the international system the United States leads can remain the dominant order of the twenty-first century.”

Provided that the West extends its values and institutions to the rest of the globe while it has the power to do so, its ordering principles will long outlast its primacy. Even Fareed Zakaria, who has recognized that a “post-American world” lies ahead, falls into the same intellectual trap. “The power shift . . . is good for America, if approached properly,” Zakaria writes. “The world is going America’s way. Countries are becoming more open, market-friendly, and democratic.”

To cast the grand strategic challenge of the era in such terms may be reassuring to Americans and their democratic allies, but it is wishful thinking. The Chinese ship of state will not dock in the Western harbor, obediently taking the berth assigned it. Rather than embracing the rules of the current international system, rising powers will as a matter of course seek to adjust the prevailing order in ways that advantage their own interests. They have been doing so since the beginning of time, and the coming era will be no different. The task at hand is not guiding rising powers into the Western harbor. Rather, it is establishing a new order whose fundamental terms will have to be negotiated by Western powers and newcomers alike. The West will have to give as much as it gets as it seeks to fashion a new international order that includes the rest.

For now, rising challengers are biding their time, choosing not to challenge the West outright until they have the power to do so. But the stirrings are unmistakable. Russia has been digging

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in its heels on issues ranging from the enlargement of NATO to the independence of Kosovo to missile defense. Russia’s invasion of Georgia in the summer of 2008 was in large part a product of the Kremlin’s perception that Tblisi was getting too close to the West, clipping Russia’s sway in its own backyard. China has been on a fierce offensive to obtain access to strategic resources – oil and gas, in particular – and has been quietly seeking to replace the United States as the strategic pivot of East Asia. The ongoing modernization of its military may soon give Beijing the ability to challenge the United States for naval primacy in China’s coastal seas. Efforts to organize a counterweight to Western power have prompted Moscow and Beijing to team up with the nations of Central Asia to form the Shanghai Cooperation Council (SCO) – a body that is no rival to NATO, but may well be a harbinger of things to come.

It is of course plausible – although highly unlikely – that Russia, China, and other autocratic states will be democracies by the time the clock runs out on the West’s primacy. But even if so, a new international order will need to be hammered out. The assumption that great powers will see eye-to-eye as long as they have democratic governments is as illusory as the proposition that the world will soon be populated only by democracies. India has been a democracy since its founding in 1947, but it tilted toward the Soviet Union, not the democratic West, during the long decades of the Cold War. And despite India’s new strategic partnership with the United States, its prime minister, Manmohan Singh, recently called for “new global ‘rules of the game’” and the “reform and revitalization” of international institutions. Meanwhile, a democratic Brazil has crossed swords with the United States in the Middle East, recognizing Palestine as an independent state and breaking with Washington’s efforts to isolate Iran over its nuclear program.

The world is fast headed toward not just multipolarity, but also toward multiple versions of modernity – a politically diverse landscape in which the Western model will offer only one of many competing conceptions of domestic and international order. Not only will well-run autocracies give liberal democracy a run for its money, but rising powers that are democratic will regularly part company with the West. Perhaps the defining challenge for the next two decades is managing this global turn and peacefully arriving at the next world by design. The alternative is a competitive anarchy arrived at by default as multiple centers of power and the conceptions of order they represent vie for primacy.

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This book has two primary goals. The first is analytic: to explore the causes and consequences of the coming global turn. Chapters two and three put the issue of global change in historical relief by demonstrating that the rise of the West followed a unique economic, social, and political trajectory that was not replicated elsewhere. Chapter two chronicles the last global turn – the shift in the locus of power and wealth from Asia and the Middle East to Europe. This tectonic shift stemmed first and foremost from the advantages afforded Europe by its feudal social structure. Competition among relatively autonomous feudal manors and between feudal authorities and imperial and ecclesiastical rulers made room for the rise of newly empowered merchants, entrepreneurs, and intellectuals. The growing wealth and influence of this nascent

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middle class posed a direct challenge to the power of the monarchy, aristocracy, and church. The rising bourgeoisie also helped provide the economic resources, intellectual wherewithal, and political latitude necessary to sustain the successive transformations that gave rise to Western modernity – the Reformation, Enlightenment, and Industrial Revolution.

Chapter three compares the rise of the West with contemporaneous developments in the Ottoman Empire, China, India, and Japan. These other regions had more hierarchical and centralized states, denying them the social and economic dynamism that fueled Europe’s ascent. Much of the rest of the world simply did not pass through the historic transformations that shaped modernity in the West, holding them back as the West sprinted ahead – and ensuring that modernity in these other regions has evolved along separate and unique paths.

Chapters four and five explore the next global turn – the rise of the non-West. Chapter four chronicles the diffusion of power to new quarters and shows that on many different dimensions – aggregate wealth, demography, education, manufacturing – the rest is fast catching up with the West. Chapter five examines the alternative political models that will challenge the Western way. Autocrats, strongmen, theocrats, and populists will for the foreseeable future offer viable alternatives to the Western model, not simply temporary detours along the road to a politically homogeneous world.

As the recent financial crisis has made clear, globalization does not necessarily advantage the Western democracies. Indeed, it has led to social and economic dislocation across the West, creating acute problems of governability. The European Union has been struggling to recover its economic and political momentum, while the United States is suffering from a paralyzing bout of political polarization. In contrast, capitalist autocracies, China in particular, have proved adept at cashing in on globalization while limiting its downsides. Indeed, emerging powers that are centrally controlled appear to be better able to generate economic growth and attain other policy objectives than democratic states such as India, bolstering the international credibility of autocratic governance. Autocracy is not the only form of government that poses a challenge to liberal democracy. In addition to examining the different forms of autocracy thriving in China, Russia, and the Persian Gulf, chapter five explores theocracies in the Middle East, strongmen in Africa, and populists in Latin America. The durability of these non-Western approaches to governance will ensure political diversity as emerging powers rise.

The second goal of this book is prescriptive: to map out how the West should prepare for and adjust to the coming global turn. Chapter six makes the case that the West’s first task is to revive itself: The economic downturn on both sides of the Atlantic, the renationalization of political life across the European Union, an intractable polarization in the United States – these developments have been sapping the West of its material and ideological strength. As the West rose to material preponderance, it became the primary supplier of the rules that provided order in the international system. The Peace of Westphalia (1648), the Concert of Europe (1815), the Versailles Treaty (1919) – through these and other seminal agreements the states of the West fashioned consensus on a set of ordering norms, and then went on to export those norms globally. Now, however, the Atlantic democracies are hard-pressed to sustain consensus among themselves, not to mention with rising states that will want to adjust both the international pecking order and the guiding rules of the road. If the West is to anchor the global turn, it will first have to right its economy, breathe new life into democratic politics, and reclaim its self-confidence.
The concluding chapter lays out a vision for adapting the international order to the coming global turn. The United States must take the lead in fashioning a new consensus, not insist upon the global spread of Western values and institutions. Instead of seeking to extend the Western model to all quarters of the globe, the West will have to compromise if a bargain is to be struck on the principles of a new order. American democracy must compete in the marketplace of political orders with other types of democracy and other orders altogether. Equating legitimacy with responsible governance rather than liberal democracy, tolerating political and ideological diversity, balancing between global governance and devolution to regional authorities, fashioning a more regulated and state-centric brand of capitalism – these are the types of principles around which a new order is likely to take shape. American deference to a novel set of legitimating and guiding norms would encourage rising powers to respond in kind, offering the most hope of arriving at a bargain that preserves stability in the aftermath of the West’s primacy. As Henry Kissinger recently cautioned, “America will have to learn that world order depends on a structure that participants support because they helped bring it about.”

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CHAPTER FOUR

THE RISE OF THE REST:
ALTERNATIVES TO THE WESTERN WAY

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William McNeill ends his magisterial work on the rise of the West by boldly predicting that the West’s model of modernity will be replicated on a global basis. McNeill concludes his 800-page book with the following reflection:

No matter how it comes, the cosmopolitanism of the future will surely bear a Western imprint. At least in its initial stages, any world state will be an empire of the West. This would be the case even if non-Westerners should happen to hold the supreme controls of world-wide political-military authority, for they could only do so by utilizing such originally Western traits as industrialism, science, and the public palliation of power through advocacy of one or the other of the democratic political faiths. Hence ‘The Rise of the West’ may serve as a shorthand description of the upshot of the history of the human community to date.¹

Even though McNeill wrote his classic volume in the early 1960s, his view still predominates among Western scholars and policy makers, who maintain that there is only one main path to modernity – the Western one. According to the conventional wisdom, as the non-Western world modernizes, it will follow the West’s lead. Just as it did in northern Europe, socio-economic change and the rise of an urban middle class will spread liberal democracy and secular nationalism throughout the world. As Robert Kagan observes, elites in the West “have operated on the ideological conviction that liberal democracy is the only legitimate form of government and that other forms of government are not only illegitimate but transitory.”²

Such confidence about the irresistible allure of the Western way has profound geopolitical consequence. As detailed in the previous chapter, the global balance of power is shifting in favor of non-Western newcomers. Another global turn has begun; the pendulum is again swinging, just as it did between 1500 and 1800. If McNeill and fellow-travelers are right, then this next global turn will transpire smoothly. As they rise, the newcomers will Westernize and slip comfortably into the berth assigned them in the existing international order. But if McNeill’s linear version of history is wrong, then the coming global turn will be far more transformative. It

will not just alter the global distribution of power, but also recast the conceptions of political order and the core principles that will define the world that comes next.

This chapter takes on the conventional wisdom and makes the case that the world is headed toward multiple versions of modernity, not political homogeneity. It presents three main arguments as to why rising states, rather than taking the Western way, will follow their own developmental paths and embrace their own views about domestic governance and how best to organize the international system of the twenty-first century.

First, the rise of the West followed a trajectory which was unique to the political and socio-economic conditions of the early modern era. Traders and entrepreneurs gradually emerged as a counterweight to monarchy, aristocracy, and church, opening up the political space that proved to be fertile ground for the Reformation and the eventual onset of constitutional rule. To be sure, emerging powers such as China, India, and Brazil are experiencing the rise of a middle class that will to some extent play the same role that the bourgeoisie did in Europe between 1500 and 1800. But the setting in which today’s emerging powers find themselves bears little resemblance to that of early modern Europe. As detailed in chapter two, topography, demography, and the relationship between town and countryside were all critical to the timing and nature of the West’s ascent. As explained in this chapter, demographic and socio-economic conditions among today’s rising powers are altogether different. The story of the West’s rise will therefore not be replicated elsewhere.

Second, culture matters. The Reformation was arguably the seminal event shaping the rise of the West. But even as a middle class grows in the Middle East, an Islamic Reformation is unlikely to transpire. In a part of the world where religion and politics have been inextricably intertwined since the seventh century, state and mosque are poised to remain inseparable even in the face of widespread socio-economic change. Meanwhile, East Asia’s communitarian and familial culture contrasts sharply with the liberal traditions that are a hallmark of the West. As a consequence, an illiberal brand of capitalism – as exists in China, Singapore and Vietnam – may well be not just a temporary deviation from the Western version of modernity, but a durable alternative to the Western model. And in much of Africa, where colonial powers drew artificial boundaries that often cut across tribal and linguistic borders, ethnic rivalries continue to spoil even the best attempts to fashion stable democracies.

Third, today’s emerging powers are moving up the pecking order in a very different international system than the one that hosted the West’s rise. In the early modern era, weakness was strength. The fragmented political structure of Europe enabled traders, artisans, and professionals to escape the grasp of states intent on retaining a monopoly on wealth and power. The dynamism unleashed then enabled the West to pull ahead of the Ottomans, Indians, Chinese, and Japanese. In an era characterized by highly structured and centralized institutions of political, economic, and religious authority, the emergence of newly autonomous social actors played a central role in setting free the forces of progress. In a world of stasis, such progress had to come from below.

Not so today. Even non-democratic and centralized states like China are intent on improving the lives of their citizens, not just extracting resources from them. The country’s middle class grows by the day and hundreds of millions of Chinese citizens have left behind poverty. Admittedly, the Chinese government, even though intent on sharing wealth, has yet to share power with its people. But the country has, at least for now, found an effective way of mobilizing the talents
and satisfying many of the aspirations of its populace. Traders, artisans, and professionals no longer need to escape the state’s grasp to realize their potential. Instead of standing in the way of entrepreneurs, smart autocracies like China and Singapore are aiding and abetting their growing prosperity, in so doing co-opting them into the state apparatus.

While countries have become more responsive and responsible, the global system itself has also changed, becoming much more decentralized, fast, and fluid. Vast quantities of capital, goods, services, and people cross borders on a daily basis. The digital age and globalization have combined to disseminate information and allocate investment with unprecedented rapidity. In a world characterized by speed, porous borders, and interdependence, more centralized states may well regularly outperform their laissez-faire and democratic counterparts. As the recent financial crisis made clear, regulated markets and planned economies can have distinct advantages over their Western competitors. China emerged relatively unscathed from the Great Recession in no small part because its economy is more regulated and its government more able to adjust economic policy quickly and effectively to the global downturn. Meanwhile, the United States and Europe had inadequate financial regulations to begin with and reacted more slowly and fitfully to signs of trouble because their governments were stymied by recalcitrant legislatures and polarized and disaffected electorates.

The upshot is that deviations from the Western way represent not temporary detours from the one-way road to global homogeneity, but credible and durable alternatives to the Western model of modernity. This chapter explores the main alternatives to Westernization by surveying recent political developments across a wide range of countries. In China, Russia, and the sheikdoms of the Persian Gulf, capitalist autocracy is demonstrating an impressive staying power. In Turkey, Egypt, Iraq, and Indonesia, the advance of modernity is consolidating the links between Islam and politics, not fostering the separation of mosque and state. Israel is an embattled outpost of democracy and modernity in the Middle East, but it too faces profound dilemmas when it comes to the relationship between religion and politics. Across Africa, strongmen and the cults of personality they nurture regularly prevail against institutionalized democracy. And in Latin America, a populist brand of social democracy is sinking deep roots. These alternatives to liberal democracy are just that – alternatives indicative of the political diversity that will characterize the next world.

The final section of this chapter makes the case that even states that consolidate stable democracy should not be expected to quietly take their places in the international system erected during the West’s watch. Conventional wisdom holds that nondemocracies, such as China and Russia, will pose the greatest threats to international stability; they will want to change the existing system rather than play by its rules. Meanwhile, democracies like India and Brazil are expected to obediently take their seats in the Western tent.

Such expectations, however, are already proving illusory. India, the world’s largest democracy, has of late parted company with the United States on Iran, Pakistan, Afghanistan, and trade. Brazil, a stable democracy since 1985, has regularly broken ranks with the United States over policy in the Middle East; Ingacio Lula da Silva, who served as president from 2002 until the beginning of 2011, took the lead in recognizing Palestine as an independent state and met with the Iranian president, Mahmoud Ahmadinejad, at the same time that Washington was trying to isolate Tehran. Turkey, one of the few democracies in the Muslim world, has since 2008 been steadily drifting from its previous Western orientation. The policies of these rising democracies
suggest that a country’s place in the international pecking order and its unique national interests will be a much better predictor of its statecraft than the nature of its domestic institutions of governance.

The political landscape poised to emerge as the global turn proceeds is one of striking diversity, not comfortable homogeneity. Indeed, liberal democrats will have to share the stage with leaders of quite different stripes. Autocrats, theocrats, strongmen, and populists will all play a role in ensuring that liberal democracy is only one of the multiple variants of political order that will populate the next international system.

**The Autocrats**

Merchants, artisans, and entrepreneurs – the constituents of an emerging middle class – provided the impetus behind the rise of the West. In Europe, as well as in the Middle East and Asia, states clinging to traditional sources of power and legitimacy resisted the ascent of these new social actors. But it was only in Europe, where states were too weak to prevail, that the rising bourgeoisie succeed in overturning the status quo. The result was the Reformation, the onset of constitutional monarchy, the industrial revolution, and the consolidation of the West’s global hegemony.

Since the Cold War’s end, Western-style capitalism and entrepreneurship have spread far and wide. But liberal democracy has not followed in step. One of the main reasons is that today’s rising powers, rather than resisting and seeking to keep down the expanding middle classes, are doing exactly the opposite: co-opting entrepreneurs and business elites and incorporating them into state structures. Not only are autocratic states neutralizing the political threat posed by the bourgeoisie, but they are cultivating a professional class invested in preserving the political and economic status quo. As a consequence, autocracies are enjoying considerable stability and legitimacy. Even die-hard neoconservatives, formerly convinced that markets and democracy inevitably go hand-in-hand, are admitting they erred. As Robert Kagan laments, “Growing national wealth and autocracy have proven compatible, after all.”

Three main variants of autocracy are exhibiting considerable staying power. *Communal autocracy* entails a mutually reinforcing partnership between the private sector and the state apparatus. The middle class gets what it wants – wealth – while the ruling party gets what it wants – the retention of power. Legitimacy is a function of economic performance and political order; communal autocracy succeeds when it delivers broadly distributed gains to a society that privileges stability and economic progress over individual opportunity and personal liberty. China is a prime example.

*Paternal autocracy* entails a more hierarchical relationship between the state and the bourgeoisie; bureaucrats and other public employees make up much of the middle class, leaving the private sector and civil society small, weak, and under the intimidating eye of state authorities. The broader citizenry sees the state as its caretaker, expecting economic and social benefits in return for political obedience. Legitimacy is a function of authority and predictability; whereas communal autocracies fashion a less than voluntary bargain with a

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relatively engaged citizenry, paternal autocracies offer a package deal to a more submissive and passive population. A prime example is Russia.

*Tribal autocracy* entails the incorporation of the middle class into a political community defined more by tribe and clan than by the state. Legitimacy stems from lineage and the disbursement of jobs and wealth to powerful families; political order is a function mainly of tribal patronage. The sheikdoms of the Persian Gulf are prime examples.

**Communal Autocracy: China**

China is destined to become one of the world’s leading powers over the course of the next two decades; its political fate looms large in determining the character of the international order that comes next. China’s economic and geopolitical weight will inevitably give it considerable sway over the rules of the post-Western order. Equally important, China promises to be a trend-setter. If Beijing continues to deliver out-sized rates of economic growth coupled with sustained political stability, then its brand of capitalist autocracy will enhance its luster as a credible alternative to liberal democracy.

Many Western observers of China contend that the country will democratize in step with its economic advance. This optimism derives in large part from the Western experience. As China’s middle class grows, the arguments runs, it will play the same role that the emerging bourgeoisie did in Europe, pushing back against the state and translating its economic power into political power. Yet this transition is not occurring. China’s middle class is rapidly expanding, but democratization is failing to advance in step. On the contrary, the rise of the middle class appears to be consolidating the political status quo, not fostering liberalization.

This departure from the Western experience is in large part a product of the adaptive nature of the Chinese state. Beginning in 1978, after Deng Xiaoping consolidated his position as Mao’s successor, the Chinese Communist Party (CCP) began to transition the country toward a market economy. The results were stunning. Between 1978 and 2002, the Chinese economy grew by more than eight-fold and per capita income rose more than 600 percent. The output of the private sector rose from .2 to forty-one percent of GDP. Over the course of the last decade China’s annual growth rate averaged 10.9 percent, roughly five times that of the West. Such sustained growth has succeeded in lifting over 400 million Chinese citizens out of poverty. It has also dramatically expanded the country’s middle class. As of 2005, China was home to some 30 million private businesses.

Were China to have followed the Western model, this pattern of growth should have been accompanied by the advance of political liberalization. The advent of a prosperous and upwardly mobile middle class should have created a counterweight to the state and loosened the grip of the CCP on power. But it has not done so, revealing a historical trajectory that represents a stark departure from the West’s.

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China’s communitarian culture provides a partial explanation for the durability of its autocratic institutions. Chinese society has long privileged stability, solidarity, and communal welfare over personal gain – in contrast with Western traditions of liberalism and the autonomy of the individual. Some scholars trace this cultural disposition to China’s early dependence on state-led irrigation projects, which led to a powerful bureaucracy, centrally controlled economy, and embedded social hierarchy. Others focus more on Confucian traditions of family loyalty and communal solidarity. The premium that contemporary Chinese society places on order and stability became particularly pronounced after Mao’s tumultuous rule, during which the social upheaval and economic hardship produced by the Cultural Revolution and other radical programs heightened aversion to radical change.

Political culture matters, but the pattern of China’s socio-economic development has played a far more important role in buttressing the staying power of its autocratic institutions. For starters, the economic progress produced by the transition to a market economy has been broadly distributed, not restricted to the rising bourgeoisie. One of the CCP’s first moves in liberalizing the economy was to dismantle agricultural communes. The allocation of land to peasants and the resulting accumulation of agricultural surpluses created a strong rural constituency in favor of privatization. Indeed, the earliest cohort of private sector entrepreneurs came from rural areas, not from the urban population. Peasants in the rural interior also benefited from the industrial boom that took place in major cities along China’s eastern seaboard, with millions of farmers migrating to take up jobs in construction and manufacturing. In addition, China’s gradualist approach to privatization protected employees in the state sector. As a consequence, China did not confront the high unemployment and large-scale dislocations that accompanied “big-bang” transitions of the sort that took place in the former Soviet bloc. From the start, peasants and workers, not just aspiring entrepreneurs, had a vested interest in the success of China’s economic transition.

Amid China’s transition to markets and private ownership, its entrepreneurs have certainly enjoyed much greater gains than its peasants and workers, leading to substantial inequalities. Class-based wealth disparities have stoked labor unrest and political protest, prompting China’s leadership to set as a top priority the reduction of inequality. Nonetheless, the widely distributed benefits of economic modernization have done more to bolster, than to undermine, the legitimacy of the CCP. An opinion survey conducted in 2010 revealed a high level of public contentment, with eighty-seven percent of Chinese citizens expressing satisfaction with national conditions. (By means of comparison, only thirty percent of Americans in 2010 felt the same way about conditions in the United States.) Such high levels of public satisfaction in China favor the status quo at the expense of political reform. Minxin Pei, a renowned scholar of China – and ardent advocate of democratization – acknowledges that China’s rapid economic growth,

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8 Tsai, *Capitalism without Democracy*, p. 169.
9 Pei, *China’s Trapped Transition*, pp. 26-27.
rather than fueling calls for political liberalization, has consolidated the CCP’s rule and forestalled public pressure for greater freedoms.\footnote{Pei, \textit{China’s Trapped Transition}, p. 207.}

Nonetheless, the connection between rising incomes, public satisfaction, and the stability of the political status quo is not enough to explain why China’s rising bourgeoisie has not challenged the CCP’s exclusive hold on political power. After all, Europe’s ascending middle class reacted to its economic success by doing just that – chipping away at the power of traditional institutions of authority. A similar process of liberalization has not taken place in China largely because its traditional institution of authority – the Communist Party – decided to co-opt rather than to repress the middle class. By incorporating into the state the one social sector with sufficient wealth and influence to upset one-party rule, the CCP has succeeded in making the middle class conservative stakeholders in, rather than mobilized opponents to, autocratic rule.

As the private sector has expanded, the core strategy of the CCP has been to build a symbiotic relationship with entrepreneurs, professionals, and intellectuals. The result is that a wide swath of China’s upwardly mobile citizenry has either been brought into the state apparatus or lured into a mutually cooperative relationship with it. The rising middle class thus acquired neither the will nor the capacity to develop autonomous power. Indeed, the state has so penetrated the private sector and most quarters of civil society that, in the words of Bruce Dickson, “autonomy is akin to powerlessness.”\footnote{Bruce Dickson, \textit{Red Capitalists in China: The Party, Private Entrepreneurs, and the Prospects for Political Change} (Cambridge: Cambridge University Press, 2003), p. 159.}

This strategy of communal incorporation has taken three main forms. For starters, the CCP formed business associations – effectively private-sector guilds that brought entrepreneurs into regular contact with high-level government and party officials. Influence flowed in both directions; businessmen made known to officials what policy changes they wanted to advance their interests, while the CCP was able to monitor and shape the evolution of the private sector. As Kellee Tsai argues, the most important output of this interaction between the private sector and the state was informal and incremental adaptation and policy adjustment, which only later would result in formal changes to laws and institutions.\footnote{See Tsai, \textit{Capitalism without Democracy}.} Bruce Dickson agrees that business associations generally succeeded in promoting consensus between entrepreneurs and party cadres. According to Dickson, “China’s private entrepreneurs and their business associations are developing a propensity to assert their interests and to use their business associations to pursue individual and collective goods. However, they see themselves as partners, not adversaries, of the state. Moreover . . . the views of entrepreneurs have converged with those of the local party and government officials regarding the roles and policy influence of business associations.” The result is “increasing embeddedness, not greater autonomy” for the private sector.\footnote{Dickson, \textit{Red Capitalists in China}, pp. 57, 83.}

The flow of party cadres into the business community constitutes a second means through which the CCP has penetrated commercial enterprise. This cross-fertilization occurs through the appointment of party cadres to managerial positions in state-owned enterprises (SOEs) and through the involvement of party members in the privatization of SOEs. The CCP appoints roughly 80 percent of the managers of SOEs. Since many of these managers are party members,
cadres effectively become businessmen. The New York Times recently reported that among China’s 129 huge state-owned conglomerates, roughly one-half the chairmen and more than one-third of the CEOs were appointed by the party. In addition, a good number of party members directly engage in private enterprise. Some of them leave their government or party posts to work full-time in the private sector, while others retain their formal links to the state. Initially, party members – so-called “red capitalists” – called their privately held firms “collectives” in order to side-step criticism from ideological purists. But such pretense is no longer needed. Today, CCP members frequently engage in private enterprise and often take advantage of the patronage system that accompanies membership to augment their income. This practice gives party members a self-interested stake in creating a political and legal environment conducive to private-sector profits.

The third vehicle for cooptation of the private sector has been the recruitment of entrepreneurs into the CCP. The key turning point in this respect came in July 2001, when party leader Jiang Zemin gave a speech sanctioning the entry of businessmen into the party. The decision was highly controversial. A party populated primarily by workers and peasants was opening its doors to capitalists who had for decades been their ideological adversaries; economic modernization was formally displacing class struggle as the CCP’s defining objective. But despite the formidable resistance within it ranks, the party had little choice. With China’s private sector already booming, the CCP needed the skills of entrepreneurs, financiers, and technocrats to manage an economy that was increasingly operating according to market principles.

Although the linkages between the party and the private sector had deepened considerably during the 1990s, the impact of the formal opening of the CCP to the business community had a dramatic impact. Over 100,000 entrepreneurs reportedly applied for party membership soon after Jiang’s speech. Tsai estimates that over one-third of entrepreneurs have since become party members. Moreover, the incorporation of large numbers of businessmen into the party both made the CCP more favorably disposed toward the private sector and helped integrate the private sector into the state apparatus. As Dickson notes, “The CCP’s adoption of new recruitment policies to match its shift from class struggle to economic modernization was generally successful.”

The CCP pursued a similar strategy of communal incorporation with intellectuals. In the aftermath of the bloody confrontation in Tiananmen Square in 1989, which the leadership blamed in part on activism among students and professors, the party began a vigorous recruitment effort on college campuses. By the mid-1990s, party membership among college students had more than doubled. In 2001, the Chinese press reported that one-third of the country’s college students had applied for party membership. Dickson reports that some forty percent of college professors and administrators belong to the CCP. Especially at elite

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15 Pei, China’s Trapped Transition, pp. 31, 93.
17 Tsai, Capitalism without Democracy, pp. 65-66.
18 On party recruitment during the reform era, see Dickson, Red Capitalists in China, chap. 2.
19Dickson, Red Capitalists in China, p. 104.
20 Tsai, Capitalism without Democracy, p. 123.
21 Dickson, Red Capitalists in China, p. 37.
22 Dickson, Red Capitalists in China, pp. 35-36.
universities in Beijing, many professors maintain strong ties to government and party institutions; the vast majority of the intelligentsia is aligned with, not against, the state.

To be sure, a small cohort of intellectuals and political activists resists the state’s overtures and suffers from its coercion, choosing instead to campaign for democratization and the enlargement of civil liberties. But the effective cooptation of most intellectuals makes it relatively easy for the state to isolate and repress dissidents. The intelligentsia, like the business community, is for the most part invested in the preservation of the political status quo.

China since 1978 has thus followed an evolutionary path that defies the Western model of modernization. The onset of capitalism and the rise of a middle class have not been accompanied by political liberalization. On the contrary, China’s entrepreneurs and intellectuals have been efficiently incorporated into the autocratic state. As Dickson concludes, “For those who expect entrepreneurs to be agents of political change in China, the evidence so far . . . does not lend much support.”

Tsai agrees that “China’s capitalists are pragmatic and creative but they are not budding democrats.” “Economic growth,” she concludes, “has not created a prodemocratic capitalist class.” Moreover, the more prosperous the region, the more satisfied its entrepreneurs – and the more willing they are to work hand-in-hand with the state. At least in China, growing prosperity appears to be inversely related to civic activism and political resistance. Those in the West waiting for economic liberalization to bring democracy to China may be waiting a very long time.

The Advantages of Autocracy Chinese-Style

China’s brand of one-party rule has its distinct advantages. The main one is self-evident: Chinese leaders are able to make policy decisions absent the pulling and hauling of the democratic process. The government must of course manage factional and bureaucratic rivalries, tame corrupt party members and officials, and worry about its popular legitimacy. But it does not have to deal with the constitutional and institutional constraints that are the hallmark of liberal democracy. Deng Xiaoping was notably frank in acknowledging as much: “The Western type of checks and balances must never be practiced. We must not be influenced by that kind of thinking. Efficiency must be guaranteed.” The benefits of this top-down approach to governing are especially pronounced at a time when the Western democracies are confronting sluggish economic growth and divided and angry electorates.

During Mao’s rule, which was marred by the excesses of ideology and his cult of personality, the absence of checks and balances had clear costs. But the Chinese government is no longer on an ideological crusade. On the contrary, it is now ruthlessly pragmatic, mercantilist, and shrewd in its pursuit of political order, prosperity, and national power. The result has been a remarkable track record of economic growth, domestic stability, and expanding geopolitical reach.

Heady projections of China’s continued rise presume sound macroeconomic policy and the investments in infrastructure and intellectual capital made possible by a centralized, autocratic state. China has embarked on a monumental project to build a nation-wide highway network

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23 Dickson, Red Capitalists in China, p. 85.
24 Tsai, Capitalism without Democracy, pp. 4, 201.
25 Dickson, Red Capitalists in China, p. 84; Tsai, Capitalism without Democracy, p. 16.
26 Pei, China’s Trapped Transition, p. 55.
linking every city with more than 200,000 residents. The ongoing construction program is producing roughly 4,000 kilometers of roadway per year and will result in a system of some 85,000 kilometers, surpassing the size of the interstate highway network in the United States. High-speed rail, long the exclusive preserve of Japan’s bullet train and France’s TGV, is fast spreading throughout China. By 2012, China plans to have more high-speed track than the rest of the world combined. The line connecting Beijing and Shanghai is set to open in 2011, cutting travel time from eight to four hours. Moreover, China is incorporating into its trains improvements in technology that will enable them to reach top speeds of almost 240 miles per hour, besting the competition. In 2010, China invested $120 billion in high-speed rail, compared with the $8 billion the United States earmarked for the same purpose in its 2009 stimulus package.

Although China has displaced the United States as the globe’s top emitter of greenhouse gases, it is also leading efforts to expand green technology. China offers a compelling combination of technological know-how, lower wages for manufacturing than in the United States, Europe, or Japan, and healthy government subsidies. The subsidies are especially important since most green technology is not yet profitable. Chinese production of photovoltaic panels has reduced the price of solar energy by thirty percent, and Chinese firms are at the forefront of developing processes to turn coal into gas. China is also the world’s leading producer of wind turbines. As the New York Times recently commented, China’s “efforts to dominate renewable energy technologies raise the prospect that the West may someday trade its dependence on oil from the Middle East for a reliance on solar panels, wind turbines and other gear manufactured in China.”

China’s rising fortunes on the technological front stem in no small part from sustained investment in its universities, particularly in areas of science and engineering. In 2004, China, by conservative estimates, graduated at least 200,000 engineers, roughly three times the number in the United States. Between 2006 and 2008, Beijing boosted spending on education by some forty percent. Generous support for scientific research has recently lured back to their homeland some 200,000 Chinese scientists trained abroad, some of whom are leading experts in their fields.

Such state-led largess is focused on the humanities as well as science and engineering. The New York Times reported that, “The Communist Party, which three decades ago tried to wipe out classical music, now deems it an essential component of the ‘advanced culture’ it vows to create in its effort to make the country a true great power.” There has been an explosion in the number of music students, applicants to the top conservatories, and manufacturers of pianos and violins. China also plans to open roughly 1000 new museums by 2015.

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32 Check mahbubani, pp. 60-64.
34 mahbubani, pp. 147-148.
Beijing’s handling of the country’s foreign policy has been as purposeful and shrewd as its management of the domestic economy. Indeed, China’s statecraft is reminiscent of Bismarck’s guidance of Germany’s foreign policy during its rise. Bismarck succeeded in making Germany Europe’s diplomatic pivot; he pursued a muscular brand of statecraft, but knew when to pull back in order to forestall the formation of a balancing coalition. In similar fashion, Beijing is pursuing an ambitious brand of statecraft aimed at making China the diplomatic pivot of East Asia. Even as its regional influence grows, however, China generally treads with care, fully aware that a more assertive approach would prompt its neighbors to form a countervailing coalition.

To be sure, its neighbors in East Asia are nervously watchful of China’s rise, prompting a modest uptick in their military preparations. Australia is planning to spend $10 billion on new warships – its largest naval buildup since World War II. Vietnam recently ordered six new submarines and advanced fighter jets from Russia. And Japan in 2010 released a new national security doctrine that called upon its defense forces to end their focus on threats from the north and instead concentrate on the threat posed by China to its southern islands. Japan has also been seeking to strengthen its military ties with South Korea.35

It is also the case that Chinese foreign policy does have its bouts of excess. Until quite recently, the Chinese leadership as a matter of doctrine pursued a foreign policy of limited and modest aims – one that would enable the country to focus on economic growth. China kept a low diplomatic and military profile while it concentrated on building up the resources needed to give the country more geopolitical heft and greater prominence and stature. China’s leadership now believes that is has reached that threshold; the country has the wherewithal to flex its muscles. As it has begun to pursue this new and more assertive diplomacy, Beijing on occasion overreaches, as was the case during the second half of 2010. Beijing warned that the South China Sea was an area of “core interest,” had a run-in with Japan over the disputed Senkaku/Daiyou islands, and refused to overtly condemn North Korea’s torpedoing of a South Korean naval vessel or its shelling of a South Korean island.

The international response was immediate. The United States embarked on a flurry of diplomacy to elevate its strategic partnership with India, shore up its alliances with Korea and Japan, and deepen its engagement in Southeast Asia.36 Its overtures were generally welcomed throughout the region. Beijing appears to have received the intended message. By the end of the year, the Chinese had pulled back. Beijing toned down its rhetoric, adopted a noticeably more restrained brand of regional diplomacy, and exerted constructive pressure on Pyongyang to rein in its behavior. At least for now, China seems to be able to curb its foreign ambition whenever it begins to provoke pushback from its neighbors.

China has demonstrated similar shrewdness beyond its neighborhood. Just as Bismarck’s Germany took advantage of the stability provided by British hegemony to expand its trade and

influence, China is reaping the benefits, but not sharing the costs, of the global public goods provided by the United States. The U.S. Navy guards the world’s sea lanes, making it safe for tankers and freighters to circumvent the globe on their way to and from China’s ports. The United States has been sacrificing the lives of its soldiers and spending about $100 billion annually to bring stability to Afghanistan, while China makes strategic purchases of the country’s mineral deposits. While Washington organizes sanctions to convince Iran to shut down its nuclear program, China buys its oil. American engagement in troubled parts of the developing world is often in the service of security – combating extremists, preventing civil conflicts, and addressing the socio-economic causes of instability. Meanwhile, China heads to the same areas to secure raw materials for its industrial machine. China is also positioning itself strategically in emerging economies – in Brazil, for example, investing billions of dollars in ports and infrastructure. China’s foreign policy, just like its domestic policy, is guided by an effective, even if coldblooded, realpolitik.

For skeptics who might claim that China is enjoying these successes in spite of, rather than because of, its autocratic ways, a brief comparison with India suggests otherwise. Over the past two decades, India’s annual growth rates have been roughly half of China’s. India has sufficient population and resources to keep pace with China, but what it does not have is an autocratic form of government enabling it to make command decisions about economic policy. Instead, India is a democracy whose governing institutions are made all the more unwieldy by the country’s striking ethnic and linguistic diversity. Decisions about resource allocation depend less on questions of efficiency than on spreading benefits across competing constituencies and servicing multiple political patronage systems. The electoral strength of India’s large rural population is especially important in this respect, standing in the way of state-led industrialization of the type pursued in China. As Fareed Zakaria notes in admiring China’s rising education budget, “Such a focus would be impossible in democratic India . . . where vast resources are spent on short-term subsidies to satisfy voters.” Meghnad Desai puts the point more broadly: “India’s bane is the politicization of all aspects of economic life . . . . This is because of and despite its democratic politics.”

To be sure, China’s brand of communal autocracy has plenty of weaknesses. On moral grounds alone, the absence of civil liberties, the violations of human rights, and the repression of dissent are glaring black marks. China may be the world’s leader in green technology, but its rapid economic growth has led to pervasive degradation of the environment. Despite the economic progress and expansion of opportunity, problems of governance persist on many fronts. Corruption remains rampant, especially now that the CCP and the private sector are so intertwined. Although privatization has led to rising standards of living in rural areas, income inequality persists and has the potential to pose a serious challenge to political stability. The

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38 See Edward Luce, In Spite of the Gods
socio-economic divide between the coastal cities and the rural interior presents perhaps the greatest risk to long-term stability.

But the central question is not whether China’s political system is free of flaws – which it surely is not – but whether it is able to deliver sufficiently competent performance on matters of economy and security to hold its own against its democratic competitors. If the country’s experience since 1978 is any indication, the answer is definitively in the affirmative. Skeptics such as Minxin Pei contend otherwise, arguing that autocratic regimes of the Chinese variant will inevitably become predatory and focus on extracting resources from their citizens rather than improving their lot. But especially in a globalized world in which performance will ultimately be judged in comparative terms, the CCP fully appreciates that its survival depends upon its ability to deliver to its citizens. China may not be a democracy, but its leaders know well that their legitimacy rides on their ability to promote prosperity and enhance the country’s international position. They have thus far been quite mindful of this reality, exactly why over eighty percent of Chinese citizens are content with their country’s direction. Under these circumstances, there is no logical reason why China’s government should shift course any time soon. On the contrary, a winning formula suggests continuity rather than change.

It is of course plausible, perhaps even likely, that China will eventually become a democracy. As its vast rural population continues to transition to the manufacturing sector, a growing working class may eventually demand and succeed in attaining universal suffrage – just as Europe’s working class eventually did. But it is worth keeping in mind how long it took for Europe to transition from the constitutionalism associated with the rise of its middle class to the liberal democracy that accompanied the rise of its working class. England after the Glorious Revolution of 1688 granted considerable power to its expanding bourgeoisie, but liberal democracy was not consolidated until the parliamentary reforms of the 1880s. In similar fashion, Germany’s ruling class was by the early nineteenth century sharing power with its rising commercial elites. But an alliance between aristocrats and industrialists effectively resisted the power of the growing working class for many decades thereafter. Germany was not a stable democracy until the middle of the twentieth century.

China has a long way to go before it might reach its political tipping point. After all, rural peasants still make up some sixty percent of its population. By means of comparison, when Britain consolidated liberal democracy in the late nineteenth century, roughly seventy percent of its population lived in cities and towns, the same percentage of urban dwellers today in North America and Europe. By these measures, it will be quite some time, if ever, before socio-economic change in China makes liberal democracy a safe bet. For at least the foreseeable future, China’s communal autocracy is poised to be a durable alternative to liberal democracy, not a fleeting detour on the way to the end of history.

**Paternal Autocracy: Russia**

Russia is a paternal autocracy. The heavy hand of the Kremlin, which is for the most part welcomed by a citizenry that looks to the state to provide for them, leaves little room for civil society. In China’s brand of communal autocracy, the state has co-opted most of the bourgeoisie; party leaders and the private sector have found their way to a bargain in which the

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42 Pei, *China’s Trapped Transition*, pp. 166, 207-208.
state retains a monopoly of political power in return for meeting the economic needs of the business community. In Russia’s brand of paternal autocracy, the state largely controls the bourgeoisie; political leaders have effectively coerced it into playing by the rules of the Kremlin. Russia’s private sector has not negotiated its way to a stable equilibrium with the state. Rather, it has been forced into submission.

This difference between Russian and Chinese variants of autocracy has deep historical roots. Tsarist Russia was hierarchical and intrusive; the central government ran the country with a tight grip. The same was true during the Soviet era. Not only did the Kremlin maintain control of political life, but healthcare, education, and the pension system were all run from Moscow. The Soviet state was at once repressive and expansive; it demanded obedience, and came with all the options included. When the Soviet Union collapsed, many Russians welcomed the freedom to speak their minds, but they longed for the services that had formerly been provided by the state.

As in Russia, China’s successive dynasties also wielded hierarchical and absolute control over political life. But Chinese emperors and their Mandarin bureaucrats penetrated much less deeply into daily life; the extended family, not the state, was the provider of last resort. The salience of loyalty to family and local community withstood even Mao’s coercive efforts to collectivize agriculture, industry, and much of China’s social life. Today, China’s healthcare system is largely privatized. Absent a national pension system, its elder citizens look to their extended families, not to the government, to provide for their needs. It is no accident that the savings rate in China is close to thirty-seven percent, compared with roughly eleven percent in Russia.

A comparison of residential public spaces offers a revealing window into the differences between communal and paternal autocracy. In China, publicly shared hallways, courtyards, and alleys – even in poor areas – tend to be clean and well-kept; they are cared for collectively by the community that uses them. In Russia, such spaces tend to be filthy, smelly, and run-down; residents may have spotless and neat apartments, but their responsibility ends at their front door. When they cross that threshold, they enter a civic no-man’s-land, occupied neither by the state nor by a sense of community that rarely strays beyond the private realm.

Post-Soviet Russia: The Consolidation of “Sovereign Democracy”

Even though the citizens of post-Soviet Russia continued to look to the state to play the role of caretaker, the state often was not up to the task. The dissolution of the Soviet Union in the early 1990s was accompanied by the atrophy of Russia’s political and economic infrastructure. Boris Yeltsin, who served as Russia’s president from 1991 to 1999, introduced long-anticipated democratic reforms. But liberalization was accompanied by the decay of the country’s main political institutions and its economy. Power flowed from Moscow to the regions, while Moscow itself became a lawless capital, home to mounting crime and corruption. Gun-toting body guards and traffic stops by policemen looking only for bribes were signs of the times.

The Soviet Union’s command economy was dismantled, but the transition to free markets stalled. Inflation was rampant, reaching almost 900 percent in 1993. As privatization proceeded, Russians with the right connections, often through shady business deals, snapped up at basement prices assets being sold by the state. By the second half of the 1990s, an exclusive circle of

oligarchs had amassed sizable fortunes – and political influence to match. Inflation ensured that the quality of life for the average Russian plunged at the same time that income inequality soared. Moscow’s main avenue – Tverskaya – was lined with the world’s finest designer stores, yet they were off-limits to all but the wealthiest few. The financial crisis that hit in 1998 transformed a downturn into a freefall. Between 1997 and 1999, Russia’s GDP fell by fifty percent, and the ruble, trading at roughly six to the dollar at the end of 1997, was trading at almost 29 to the dollar two years later – a devaluation of close to 500 percent.

Vladimir Putin, who was elected as Yeltsin’s successor in 2000 and then became the prime minister in 2008, dedicated himself to rebuilding the state, centralizing power, and revitalizing the economy. He succeeded admirably on all fronts. Putin reestablished the Kremlin’s authority, brought inflation under control, and achieved average annual growth rates of roughly seven percent during his presidency. The return of the state, however, came at the expense of the democratic reforms that had been introduced during the previous decade.

Elections are still held for the parliament and the presidency. They are regularly marred, however, by control of the media, intimidation of the opposition, and irregularities at the ballot box. The Kremlin has recouped its power and reinstated the rule of law – but it is the Kremlin’s law, not that of an independent judiciary. The regional governors who had amassed considerable power during the Yeltsin era were elected officials. No longer; under Putin they began to be appointed by, and be beholden to, the Kremlin. Putin also cracked down on his political opponents, shuttered independent media outlets, and curtailed the activities of foreign organizations operating in Russia. And he went after the oligarchs. Those who agreed to support the Kremlin or stay out of politics were, for the most part, free to continue conducting business. Those who pushed back, such as Vladimir Gusinsky, Boris Berezovsky, and Mikhail Khodorkovsky, were harassed, coerced into exile, or put in jail.

Russia’s economic elites have been cowed, not co-opted. As a consequence, the private sector in Russia has been less politically influential than its counterpart in China. In Russia, the private sector has been subordinated to the state; in China, it enjoys a symbiotic relationship with the state. Russia has therefore ended up with a less hospitable and predictable business environment that is still hostage to the whims of the Kremlin – one of the main reasons foreign investors have kept their distance. Doing business in China entails working political connections (and offering the occasional bribe) as well as clearing bureaucratic hurdles – but the result is a reasonably secure investment. Doing business in Russia entails a similar amount of red tape – but the result is an investment more vulnerable to predation by the state. The World Bank’s 2010 “Ease of Doing Business Index” ranks China at number eighty-nine, well ahead of Russia at number 120.44 Foreign investors have responded accordingly. As of the end of 2009, aggregate foreign investment in China stood at roughly $460 billion (tenth in the world), compared with $260 billion in Russia (nineteenth in the world).45

Another obstacle facing today’s Russia is the questionable competence and limited reach of its governing institutions. The Kremlin has certainly regained authority, but implementing policy

44 http://www.doingbusiness.org/economyrankings/
requires reliance on bureaucracies stymied by inertia, incompetence, and corruption. Policy issues overseen and implemented by a few key officials – such as macroeconomic policy – are generally well handled. But those that require coordination across different agencies and regions – such as infrastructure – are routinely a mess. Russia has lagged way behind China when it comes to developing roads, railways, and other types of transportation and industrial infrastructure.\footnote{Anders Aslund and Andrew Kuchins, \textit{The Russia Balance Sheet} (Washington, DC: Peterson Institute for International Economics/Center for International and Strategic Studies, 2009), p. 51.}

The “oil curse” is partly to blame. With the sale of oil and gas representing upwards of fifty percent of the country’s exports and of federal revenues, Russia has failed to develop the high-tech know-how and manufacturing base so crucial to economic growth in many other countries. Energy income is too easy; it has both forestalled diversification and, by enriching the Kremlin, advanced its efforts to centralize power. State ownership of huge energy, transportation, and industrial enterprises also means that roughly one-third of the labor force works in the public sector. Officially, Russia’s middle class now encompasses some thirty percent of its citizens. But the real number is closer to ten percent; most of the rest are state employees who are part of the middle class only in terms of their income, not in terms of their mentality or the nature of their economic activity.\footnote{Aslund and Kuchins, \textit{The Russia Balance Sheet}, pp. 40–42; Masha Lippman, “Russia’s Apolitical Middle,” \textit{Washington Post}, June 4, 2007.}

With Russia’s true entrepreneurial class so small and its ultra-wealthy elites having been intimidated into political submission, the country lacks an engine of political and economic change. Such change could conceivably come from the top down. President Dmitry Medvedev (a former lawyer) is more liberal in inclination than is Putin (a former KGB agent), and has stressed the importance of economic diversification. But Medvedev has made only incremental changes in policy since taking office in 2008. And Putin is likely to remain on the scene for years to come, suggesting plenty of the same for the indefinite future. Moreover, fewer than twenty-five percent of Russian citizens believe that their country needs Western-style democracy, with a majority preferring either Soviet-style government or a unique form of participatory government in keeping with “national traditions.”\footnote{The polling data is from December 2009. See http://www.russiavotes.org/national_issues/national_issues_politics.php?S776173303132=d23e94164c884dea6cde6776ed33fcd8} Most Russians desire the stability of paternalism to the uncertainties of democracy – especially after the experience of the 1990s encouraged them to equate democracy with corruption, chaos, and economic decline. Russians have warmed up to capitalism – but not to liberal democracy.

Due to its sluggish politics, energy-centric economy, and continuing population decline, Russia, in contrast with China, is not poised to offer the world a business model that others will rush to emulate. Nonetheless, Russia’s brand of “sovereign democracy” – Moscow’s own term for its particular hybrid of democracy and autocracy – may well represent the ill-defined, half-way house in which many other countries will find themselves in the coming decades. Indeed, Russia already seems to be setting the standard for its neighborhood. Democratic liberties have been in retreat in most of the former Soviet republics. Freedom House reported in 2010 that according to standard measures of political liberty, eleven of the twelve former Soviet republics (excluding
the Baltic states) are worse off than a decade ago.\(^49\) China’s “neater” brand of communal autocracy may be the standard bearer, but Russia’s muddy mix of autocracy, paternalism, and democracy may well prove to be the more pervasive.

Russia’s brand of modernity will challenge the West on matters of foreign policy as well as politics. Putin sought from the outset not only to rebuild the country domestically, but also to reclaim its geopolitical influence. He proved uniquely adept at tapping into Russian nationalism and stoking as well as stoking the nation’s great-power aspirations. Indeed, Putin perfected the art of burnishing his popularity at home and abroad by standing up to the United States and clamoring for a world in which influence is more equitably distributed. In 2007, for example, he referred to U.S. hegemony as a “world in which there is one master, one sovereign.” “And at the end of the day,” Putin continued, “this is pernicious not only for all those within this system, but also for the sovereign itself because it destroys itself from within.”\(^50\)

As on the domestic front, the Kremlin has come up with a hybrid approach to exerting its muscle abroad. On the one hand, it casts itself as a member of the great-power club, joining the G-8 and working with the United States and its European allies to reduce nuclear weapons or rein in Iran’s nuclear ambitions. On the other hand, Moscow regularly bolsters its credentials as a counterweight to the West. The Kremlin has crossed swords with Washington over U.S. missile defense and NATO enlargement; Russia invaded Georgia in 2008 and recognized the breakaway regions of Abkhazia and South Ossetia as independent states; Moscow in 2010 fueled Iran’s Bushehr nuclear reactor; and it has been investing in groupings such as the Shanghai Cooperation Council and BRIC summits as alternatives to institutions dominated by the West.

In this respect, Russia may have a unique role to play as a potential bridge between the last order and the next. Moscow has considerable credibility among emerging powers, yet also a long history of diplomacy and engagement with the West. If the West plays its cards right and does more to integrate Russia into Western institutions it may well find Moscow a particularly useful arbiter in negotiating the shape of a post-Western order.\(^51\)

**Tribal Autocracy: The Gulf Sheikdoms**

The oil-rich sheikdoms of the Persian Gulf represent a third brand of autocracy – a tribal variant. Rather than drawing on the communal solidarity of China or the paternalism of the Russian state, the conservative regimes of the Arabian Peninsula rely for their legitimacy on tribal traditions of patronage and loyalty. With ample energy revenues filling government coffers, the Gulf’s rulers are able to redistribute wealth among their citizens, effectively buying off dissent. Despite their distinction as some of the world’s most illiberal states, this combination of tribal authority and economic largess gives the Gulf sheikdoms remarkable staying power.

In terms of geopolitical heft, the Gulf states cut small figures when compared to autocracies like China and Russia. The largest state on the peninsula, Saudi Arabia, has a population of some 28

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million – less than two percent of China’s. The United Arab Emirates (UAE), which is the second largest, has a population of roughly 6 million, only fifteen percent of which are citizens; the rest are expatriate workers. Nonetheless, for a number of compelling reasons, these states will continue to punch well above their weight and figure prominently in shaping the emerging global landscape.

For starters, even with the investment being poured into renewable sources of energy, the world will remain heavily dependent upon fossil fuels for the foreseeable future – especially as China’s and India’s demand for energy grows. Including Iran and Iraq, the region is home to nearly two-thirds of the world’s known crude oil reserves, ensuring that the Persian Gulf will stay center stage. The region’s influence is magnified by its state-led sovereign wealth funds, which are amply fed by energy and investment income. The states of the region are also close strategic partners of the United States. Kuwait, Bahrain, Qatar, and the UAE play host to a sizable U.S. military presence. During the Iraq War launched in 2003, the UAE became the largest overseas liberty port for U.S. sailors. The winding down of the wars in Iraq and Afghanistan has reduced the U.S. footprint, but not the closeness or the importance of the strategic bonds. Indeed, Washington has of late been beefing up the defense capabilities of the Gulf states to help them ward off the threat from Iran.

It is also the case that the trajectory of democratic reform in the Persian Gulf is an important litmus test of the global appeal of the Western model – especially in the wake of the U.S.-led invasion of Iraq, a war touted by the Bush administration as a jump-start to liberalization in the region. With the exception of Israel, democracy has had a hard time putting down roots in the Middle East. Democratization in the staunchly autocratic Gulf would therefore mark a particularly auspicious turn in the region’s politics.

This democratic turn, however, does not appear likely any time soon. The traditions of tribal society run deep, and will act as a powerful brake on political reform for generations to come. Leaders are drawn exclusively from ruling families, with succession either hereditary or decided by closed deliberation among the reigning monarch and his inner circle. The Gulf’s rulers consolidate their authority by reaching out to powerful clans and family lines, which in turn extend the patronage system through their own tribal and familial networks. In his study of the UAE, a federal state comprised of seven different emirates, Ali Mohammed Khalifa observes that, “most of the cabinet members appointed were either members of the ruling family or citizens aligned with such families in the configuration of tribal politics in the area.”52 Lower-level appointments are similarly aimed at co-opting influential families. Christopher Davidson notes “the continuing relevance of kinship loyalties both inside and outside of the immediate ruling family, the ongoing need for powerful tribal support.”53

The legitimacy and authority of autocratic regimes in the Gulf, as in China and Russia, also depend on their ability to fulfill the economic expectations of their citizens. In the Gulf, the key medium for doing so is wealth redistribution: the government hands out income from energy exports in the form of direct subsidies and jobs. When the UAE was formed in 1971, Abu

Dhabi, the emirate with the largest territory and energy income, bankrolled the state, providing roughly ninety percent of the union’s budget. The federal government built roads, electricity grids, and telecommunication infrastructure, and provided land, housing, and jobs to those in need. It also offered funds to cover the cost of weddings among Emirati nationals. As Davidson observes, “a material pact has emerged throughout the UAE, an unwritten and unspoken contract in which almost all of the population accept the legitimacy of the polity in exchange for the constancy and rewards of their well-paid employment.” Since the UAE’s citizens, including the more educated and professionally accomplished elite, depend upon the largess of the state for their income, they have little material incentive to alter the political status quo.

If pressure for political change is to mount, it will come primarily from popular frustration about the limited opportunities for upward mobility. Although energy revenues provide governments the wherewithal to buy off dissent through direct subsidies, the “oil curse” has led to mounting numbers of citizens – especially among the young – without the skills necessary for professional advancement. In Saudi Arabia, almost forty percent of the population is under the age of fifteen; the median age for males is twenty-three, and for females nineteen. The employment prospects for many young Saudis are not encouraging. Women, in particular, generally remain outside the workforce and have limited professional opportunities in male-dominated tribal societies. In the UAE, expatriates dominate the workplace; they represent close to ninety percent of the workforce. Emiratis, even if financially secure, increasingly resent living in a country in which they represent a tiny minority in a sea of foreigners, many of whom are better educated and have far more promising career paths.

Well aware of the need to raise the skills and employment prospects of their citizens, some of the Gulf states are trying hard to diversify their economies and invest in the educational institutions needed to cultivate a more capable workforce. Qatar has opened Education City, a sprawling campus at which Georgetown, Cornell, Texas A&M, Carnegie Mellon, and other U.S. universities offer degree programs. In the UAE, New York University, among other distinguished institutions, has set up shop. Meanwhile, Saudi Arabia is in the midst of building six new cities to serve as centers of commerce and manufacturing, which by 2020 are intended to provide one million new jobs.

Over the next several generations, the investments of the Gulf sheikdoms in the intellectual capital of their citizens promise to yield concrete payoffs – a more educated and gainfully employed citizenry. Even so, as an educated middle class expands, it is poised – as in China and Russia – to be an ally, not an opponent, of the autocratic state that enriches it. And in the meantime, traditions of tribal rule coupled with energy revenues sufficient to sustain comfortable standards of living for most will continue to secure the political compliance of the bulk of the population.

Kuwait is the one Gulf sheikdom to have embraced a more democratic form of government; the parliament is elected rather than appointed, and its role is legislative and not, as in other Gulf

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states, merely advisory. In 2010, Freedom House ranked Kuwait as the most democratic country in the Arab world. The concrete benefits of its more open political system, however, have been less than apparent. Kuwait’s parliament has of late been dominated by Islamists and tribal conservatives. Stalemate between the ruling family and the parliament has blocked economic reform and diversification, dampening growth. In April 2009, amid disagreements over succession as well as economic and social policy, the Kuwaiti emir dissolved the parliament – not the first time the monarch has chosen to do so. These political trials hardly went unnoticed; governments and state-controlled media in Kuwait’s neighbors frequently referenced the country’s troubles to tout the advantages of autocracy. Moreover, foreign investors have favored the more predictable business environments in absolute monarchies such as Qatar and the UAE.

Kuwait is not the only country in the region giving democracy a questionable name. Iraq’s bloody experimentation with electoral rule – in stark contrast to the expectations of the George W. Bush administration – is not making a compelling case for the advantages of participatory government. Iraq’s Gulf neighbors hardly miss Saddam Hussein. But they do see a deeply dysfunctional country in which elections have produced governments beset by ethnic, sectarian, and factional divides. The ongoing confrontation between Sunnis and Shiites in Iraq continues to intensify a schism that extends throughout the region. If anything, the Gulf sheikdoms have interpreted developments in Iraq as a warning against, not an endorsement of, democratic rule.

Change is as unlikely to come from outside the region as within. Although Washington regularly embraces the rhetoric of democratization in the Arab world, in reality it is likely to do little to alter the status quo – especially after the sobering experiences of trying to export democracy to Iraq and Afghanistan. The conservative sheikdoms of the Gulf are generally gracious hosts to a U.S. military presence that Washington will want to sustain for years to come. The United States has little incentive to upset the absolutist regimes with which it has a tight and mutually dependent economic and strategic relationship. Tribal autocracy in the Gulf is alive and well, and will remain so for the indefinite future.

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China, Russia, and the Gulf sheikdoms are only three of over one hundred non-democracies that populate the world. Some of these illiberal states will surely make the transition to democracy in the coming decades. Many will surely not. Whether communal, paternal, or tribal in nature, autocracies are here to stay and are poised to out-number democracies well into the coming global turn.

The Theocrats

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58 According to the rankings of Freedom House in 2010, forty-seven countries were “not free” and fifty-eight were “partly free.”
The Gulf sheikdoms are notable for not just their tribal brand of autocracy, but also their integration of Islam into politics. Although the region’s rulers are tribal heads, not religious leaders, they govern in close alignment with Islamic authorities. State and mosque are separate institutions, but intimately intertwined. Religion penetrates virtually all aspects of political and social life, including the legal code, dress and diet, gender roles, and foreign policy. The Gulf Cooperation Council, a regional grouping of six Gulf countries, notes in its founding charter that its members enjoy “mutual bonds of special relations, common characteristics and similar systems founded on the Creed of Islam.” While the Gulf sheikdoms link state and mosque only in spirit and practice, Iran links them also in form. In Tehran, religious leaders sit atop the political hierarchy. Although the Iranian president, Mahmoud Ahmadinejad, is a layman, the country is an effective theocracy run by the Supreme Leader, Ayatollah Khamenei. He is supported by the Assembly of Experts, a body comprised of eighty-six religious scholars. The mullahs generally call the shots.

Although the influence of Islam on politics is particularly pronounced in the Gulf states, religion plays an important role in political life across the Middle East. To be sure, a majority of countries in the region are governed by laymen, not religious authorities. But most of these states have maintained their secular orientation through coercion, not consent. Secular regimes in the Middle East have generally been imposed from above by leaders fearful that Islamic movements will foil their quests for absolute authority. In contrast, secular politics in the West emerged from below – as the product of a popular struggle for religious and political pluralism. Accordingly, secular governments in the Muslim world often rest on contrived and fragile foundations; they are not polities that have emerged naturally from underlying socio-economic conditions.

Egypt’s government has long ruled with an iron hand in no small part because of concern that the Muslim Brotherhood, a main opposition party, would otherwise take the country in an Islamic direction. Iraq was for decades governed by a secular regime, but Saddam Hussein maintained his grip on power only through the brutal repression of dissent. Now that he is gone, Islam is playing a much greater role in political life. Algeria is governed by a secular regime – but only because the Islamists who won free and fair parliamentary elections in 1991 were blocked from taking power by the military. Even in Turkey, which was governed by staunchly secular regimes from its founding as a republic in the 1920s until a decade ago, the military long stood ready to keep the Islamists at bay, on occasion seizing power in order to do so. Moreover, as discussed below, economic growth and the broadening of Turkey’s middle class have been deepening, not diminishing, the role of religion in political life – in sharp contrast with the Western experience.

In a further departure from the path followed by the West, the spread of participatory politics in the Middle East has strengthened rather than weakened the political sway of religious parties. In the aftermath of the U.S.-led invasion in 2003, Iraq embraced a truncated form of democracy; Islamist forces have been one of the main beneficiaries. When Palestinians held elections in 2006, Hamas – a militant Islamist party committed to confrontation with Israel – came out on top. After a power struggle with the other main Palestinian party, Fatah, Hamas seized control of the Gaza Strip and proceeded to impose its radical brand of Islam on Gazans while carrying out missile attacks against southern Israel. Recent elections in Lebanon have had a similar impact.

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enhancing the influence of Hezbollah, a party wedded to Islamic fundamentalism and confrontation with Israel. Indeed, after the fall of the Lebanese government in January 2011, Hezbollah succeeded in installing its man, Najib Miqati, as the new prime minister.

**An Islamic Reformation?**

That religion is not withdrawing from politics in the Muslim world should come as no surprise. The Western experience was just that: the Western experience. The Reformation emerged from a unique doctrinal split within Christianity, and the Protestant movement found fertile socio-economic ground among merchants, professionals, and others seeking more autonomy. Separating state from church came naturally in Europe; secular power and religious authority had always been independent realms, even if in a temporary marriage of convenience from the time of Constantine. And Christianity is a religion of faith, not law, giving it political consequence only when attacked to secular institutions. The break between monarch and pope was thus an irreparable blow to the church’s political influence.

The advance of modernity has followed an altogether different path in the Islamic world. Islam was subjected to doctrinal diversity almost from the start. The split between Sunnis and Shiites provided Islam a degree of heterogeneity and doctrinal pluralism unknown to Catholicism. In contrast to Catholic tradition, which vested unitary authority in the pope and honored the institutionalized hierarchy of the church, Islamic authorities have long debated theology and practice. Bernard Lewis points to “the notion, deep-rooted in Islam, that a certain measure of diversity of opinion is harmless and even beneficial." Islam thus proved less brittle than Catholicism when opinions diverged. Islam also faced far fewer challenges from social change than did Catholicism. Socio-economic conditions in the Ottoman realm did not lend themselves to the development of a middle class ready to overturn the status quo; imperial authorities maintained tight control over markets, merchants, and intellectuals. Finally, Islam is a religion of law as well as faith, meaning that politics and religion in Muslim countries have always been inextricably intertwined – and will likely remain so for the indefinite future.

For these reasons, an Islamic Reformation is not around the corner, nor can it be imposed from outside. As Olivier Roy observes, “a theological reformation makes sense only if it turns on cultural, social, and political issues perceived by those involved.” If secularization in the Muslim world is to emerge, he continues, it can only do so through “the underlying trends of Muslim societies.”

Another fundamental difference between the West and the Muslim world has to do with the concept of nationhood. The nation emerged as the primary political unit in the West late in the game – well after the Protestant Reformation and the embrace of religious pluralism. European nation-states thus tended to crystallize with the institutionalized church formally outside the realm of politics. In addition, nations in Europe tended to be relatively organic units that consisted of affiliated linguistic and ethnic groupings, facilitating their ability to become the main source of political identity and allegiance.

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The nation-state was then exported globally, largely via the imperial projects of Europe’s great powers. Since nationalism arrived in a Muslim world in which Islam was still very much a part of political life, nations in the Middle East generally crystallized with religion as part of their core identities. And instead of being organic polities, nations in the Middle East were contrived entities that cut across pre-existing political, ethnic, and tribal loyalties. Accordingly, the nation-state in the Muslim world has not enjoyed the primacy it has in the West; religious and tribal identities have in many countries remained far more powerful than national allegiances. In the West, secular nationalism has supplanted religion as the primary source of identity. In most of the Muslim world, nationalism is neither secular nor does it trump religion, sect, and tribe as the main anchor of political identity. Indeed, as Bernard Lewis points out, the Arabic language had no real equivalent to the Western notions of nation and patriotism – and developed them only after the concepts were imported from the West.62

A secularized, Western-style modernity in the Muslim world is thus at best a remote prospect. Across the Middle East, religion and politics are poised to remain inseparable – although Iran, paradoxically enough, may prove to be one of the exceptions. Iran is today the leading exemplar of theocracy, but may well end up being one of the few Muslim countries to eventually push religion out of politics by popular demand.

Despite the long-running confrontation between Iran and the West, significant parallels exist between Iran’s political evolution and the Western path of development. In a manner similar to Catholicism, Shiite clerics in Iran have developed the mosque as a formal institution that is directly and intimately involved in politics. In Olivier Roy’s words, in the aftermath of the Islamic revolution of 1979, “in power is no longer a religion but a political-clerical apparatus that uses the moral order to conserve its position of power.”63 As Iran’s citizens tire of the economic duress and social constraints that have accompanied theocratic rule, they may well seek to remove the mosque from politics – just as Europeans did with the Catholic church. After all, Iran has a broad and educated middle class that yearns for better business conditions and more autonomy. And Iran, as the inheritor of centuries of Persian history and culture, enjoys a relatively organic sense of nationhood – despite its ethnic diversity. A secularizing swing of the pendulum in Iran is hardly foreordained, but it is entirely plausible.

Elsewhere in the Muslim world, the linkage between religion and politics, although intimate, is more subtle and less direct; it stems from matters of identity, faith, and political culture, not from the formal penetration of the state by religious institutions. Indeed, clerics in many parts of the Middle East deliberately avoid direct engagement in politics in order to cordon off religion from the temptations and compromises that accompany political ambition. In Iraq, for example, Ayatollah Sistani is one of the country’s most influential figures. But he deliberately avoids direct involvement in politics. The same goes for Afghanistan. President Hamid Karzai presides over a secular government that is formally detached from the country’s religious institutions.

But the Ulema Council, which is composed of some 3,000 mullahs from across the country, exercises considerable influence over policy. In the West, the separation of church and state came about to save politics from religion. The same may one day soon be true of Iran. But in

63 Roy, Secularism Confronts Islam, p. 64.
most of the Muslim world, the opposite is the case: clerics keep their distance from the state in order to save religion from politics.  

Recent developments in Turkey make crystal clear that the Muslim world will be taking its own path to modernity – one in which economic advance and the broadening of the middle class promise to weaken rather than strengthen the secularization of politics. Following the close of World War I, Kemal Ataturk enforced a rigid secularism based in part on the presumption that Islam had long held back economic and social progress in the Ottoman Empire. His determination to craft a Turkish version of modernity based on the Western model of secular nationalism was backed by the military, the courts, and, as it developed in strength, a business elite that resided primarily in Istanbul and the country’s other main cities. Four times during the second half of the twentieth century the military seized political control of the country to defend the secular republic against Islamist alternatives.

This staunchly secular brand of Turkish politics came to an end in 2002, when elections brought to power the Justice and Development Party (AKP). The AKP, a party with Islamist roots, has been in power ever since. Under the leadership of Prime Minister Recep Tayyip Erdogan, the AKP dramatically scaled back of the influence of the enforcers of secularity – the military and the courts – in favor of the power of the presidency and parliament. The main vehicle for doing so was a popular referendum passed in 2010, which approved the revision of the constitution that the military had put in place after seizing power in 1980. The AKP has also realigned Turkish foreign policy. The country’s economic and geopolitical orientation was for decades almost exclusively westward – toward Europe and the United States. Now Turkey spends at least as much time and effort looking south and east, keen to deepen its economic and geopolitical engagement with its Muslim neighbors. Turkey’s formerly close relationship with Israel has been one of the main casualties of this strategic reorientation.

This shift in Turkish politics has stemmed in large part from the economic and political empowerment of the country’s urban and rural working class. More conservative and religious than the urban elite, this rising sector of the Turkish population is the AKP’s electoral base – and the primary backer of the party’s Islamist bent. The emergence of a new economic elite committed to Islamic practice and values is not unique to Turkey. As Roy comments, “Conservative in faith and beliefs, but modern in terms of business, a middle class of Islamic puritans with a Weberian work ethic can be seen to be emerging. . . . This neo-bourgeoisie adheres to traditional values and is eager to perpetuate them in a modern environment.”

Turkey’s rise is thus diverging quite starkly from the Western model. Economic advance and the broadening of the middle class are bringing religion back into politics, not ensuring the separation of mosque and state. And with Turkey on the way to becoming a top ten economy by 2020, it may well be a trend-setter for the broader Middle East. As the middle class expands in the Muslim world, religion may strengthen, not lose, its influence over political life.

What likely lies ahead is an Islamic brand of modernity, not the secularization of Islam. As Tariq Ramadan, a devout Muslim intellectual based at Oxford University, has argued, this

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Muslim version of modernity will not converge with that of the West, meaning that the two must learn to coexist comfortably. Ramadan is correct to seek a synthesis that enables Muslims to preserve their beliefs and traditions while living with and within the Western world. The West should not be advocating or waiting for an Islamic Reformation; it is not in the offing. Rather, it should be advocating a tolerant and moderate brand of Islam that is as respected by as it is respectful of the political and religious traditions of the West.

The Israeli Exception?

Israel is commonly seen as a liberal and democratic outpost of the West in the midst of a Muslim world in which both liberalism and democracy are in short supply. But in actuality, Israel is a hybrid; it has imported to the Middle East many of the values and institutions of the West, but then mingled them with the values and institutions of the Middle East.

Israel is a liberal democracy which embraces an institutionalized separation of synagogue and state. But unlike Christianity and like Islam, Judaism is a religion of law as well as faith. The five books of the Torah lay out laws covering religious practice and moral conduct as well as mundane matters such as business transactions, farming, and cooking. The Talmud is a lengthy discourse on Jewish law revolving around 613 mitzvot – commandments related to virtually every aspect of daily life. Moreover, as in the Muslim world, the Jewish concept of nationhood is intermingled with that of religion. Israel is a nation-state for Jews, a people defined to a significant degree by their religion. The identity of Israelis as well as Jews living in the Diaspora contains strong religious as well as cultural and historical elements.

It is precisely because Judaism inextricably links faith, law, and nationhood that Israel is in a no-man’s-land when it comes to the relationship between religion and politics. In form Israel is a secular democracy, but in substance religion infuses political life. As a consequence of legislation pushed through the Knesset by religious parties, El Al Airlines and other major companies do not operate on the Jewish Sabbath. The Ultra-Orthodox are exempt from military service. Many Israelis who reside in the West Bank do so for religious reasons – a biblical commitment to Judea and Samaria – precisely why dismantling the settlements is so politically divisive. Civil marriages do not exist – Israelis travel abroad if they want one – and rabbis perform weddings only if bride and groom are both Jewish. Even the basic question of citizenship – who is a Jew and therefore enjoys a legal right of return to Israel – turns on religious law.

Although the Orthodox represent only about twenty-five percent of the population, their political power is magnified by a parliamentary system that regularly makes small religious parties key to the viability of governing coalitions. And the influence of the Orthodox will only grow over time due to their comparably higher rates of birth. The demographic trends suggest an intensification of already tortured struggles within Israeli society between religious and secular Jews. The differences in lifestyle and outlook are so substantial that a physical separation of sorts is emerging. As Jerusalem becomes increasingly populated by religious families, secular Jews are moving out and heading to Tel Aviv and other cities where they dominate. Although a

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rare exception, these cleavages have the potential to turn violent – as made tragically clear by the 1995 assassination of Prime Minister Yitzhak Rabin by a militant Jew opposed to Rabin’s pursuit of a peace settlement with the Palestinians. Violence also occurs for far more mundane reasons. During the summer of 2009, for example, Orthodox Jews clashed with police in Jerusalem over a public parking garage that was open for business on the Sabbath.

In important respects, Israel is a microcosm of the complicated interface between a Western version of modernity and an alternative one unique to the Middle East. Most of the main beach in Tel Aviv is teeming with bikini-clad women and bars blaring rock music. But at its northern end is a walled-off enclosure where Orthodox women can bathe without coming into contact with men. Herzliya, a coastal town just north of Tel Aviv, is one of the world’s centers of high-tech innovation. It is a vital node through which Israel’s thriving economy plugs into global markets. But in nearby B’nei Brak lives a large Ultra-Orthodox community intent on cordonning itself off from globalization and the Western version of modernity it represents. Herzliya and Bnei Brak offer the competing versions of modernity that will roil politics in Israel for the foreseeable future. So too will the West encounter these competing versions of modernity as it engages the broader Middle East in shaping the world that comes next.

The Strongmen

If the Middle East will for the foreseeable future be notable for its intimate connection between religion and politics, Africa is set to be the continent of strongmen – leaders who amass personal power at the expense of constitutional constraints on their rule. The tradition of strongmen predates the era of independence; decades of governance by Europe’s imperial powers bequeathed to Africa a legacy of top-down rule. Colonial governors wielded overweening power and, backed by armed force, exercised virtually unchecked control over their imperial territories. Upon independence, local leaders replaced European emissaries, but top-down rule continued. As Martin Meredith remarks, “The sediment of colonial rule lay deep in African society. Traditions of autocratic governance . . . were embedded in the institutions the new leaders inherited.”

As they departed, Europe’s colonial powers also left behind political boundaries that cut across ethnic and linguistic boundaries. As mentioned, Europe’s nation-states tended to be organic constructs, fashioned among peoples that shared linguistic and cultural ties. In contrast, post-colonial Africa was populated by states with few natural sinews holding them together. As Felix Houphouet-Boigny, president of Côte d'Ivoire from 1960 to 1993, remarked, “We have all inherited from our former masters not nations but states, states that have within them extremely fragile links between ethnic groups.” A final legacy of the colonial era was the connection between political loyalty and economic patronage. Colonial governments regularly cultivated local collaborators, who relied on controlling the flow of goods and arms to build political networks and wield influence. Doling out resources was the currency of political power.

67 In accordance with general practice, I use the term “Africa” to refer only to sub-Saharan Africa.
69 Meredith, The Fate of Africa, p. 154.
After making the transition to independence in the years after World War II, most African states were either autocracies or one-party electoral regimes. Among countries that held elections, outcomes were foregone conclusions; of 106 presidential contests held between independence and 1989, the winner on average received ninety-two percent of the vote. African leaders maintained that a monopoly on power was needed to bring stability and economic growth to impoverished countries comprised of disparate ethnic and linguistic groups. As Meredith notes, the newly independent states “possessed no ethnic, class or ideological cement to hold them together, no strong historical and social identities upon which to build.” Authoritarian leadership would have to compensate – and many African leaders were unabashed about the scope of their powers. As Hastings Banda, the leader of Malawi from 1964 to 1993, put it in 1972, “Everything is my business. Everything. The state of education, the state of our economy, the state of our agriculture, the state of our transport, everything is my business. Anything I say is law. Literally law. It is a fact in this country.”

The Façade of Democratization

During the 1990s, a wave of democratization swept Africa. One-party rule had clearly failed to deliver positive results. In many African countries economic conditions had actually declined during the decades since independence. Foreign debt had mounted while corruption spread. Meanwhile, the emergence of a more urbanized and educated sector of the population provided a vocal constituency for change. Pressure from foreign donors combined with economic stagnation and domestic discontent to prompt a widespread move to more open electoral competition. Over the course of the 1990s, forty-two of forty-eight African states held multiparty elections. As of 2006, Somalia and Swaziland were the only two African countries not to have held elections. In addition, transitions in power began to occur through constitutional mechanisms. From the 1960s through the 1980s, most African rulers left office through a coup or violent overthrow. Since 1990, a majority have left office in a manner consistent with established laws and procedures.

Despite this widespread political transition, however, most African states have embraced democracy only in form, not substance. They hold multiparty elections in order to deflect domestic opposition and win the approval of Western donors. But such elections more often than not serve only to consolidate the power of the ruling party. According to Larry Diamond, a good number of the states labeled as democracies by Freedom House are better described as “competitive authoritarian states.” Richard Joseph observes that, “African rulers today avoid denying democracy outright, and instead seek to outflank it by expanding their personal powers at the expense of institutions that might constrain them.” Nicolas van de Walle agrees, noting

70 Michael Bratton and Nicholas Van de Walle, Democratic Experiments in Africa: Regime Transitions in Comparative Perspective (Cambridge: Cambridge University Press, 1997), chap 2.
71 Meredith, The Fate of Africa, p. 154.
72 Meredith, The Fate of Africa, p. 165.
that in most cases “the turn to multiparty competition amounted to little more than an erstwhile authoritarian ruler donning the garb of democracy and tolerating regular elections as a successful strategy for holding on to power.”

H. Kwasi Prempeh concurs: “the modal African presidency has emerged from the recent round of democratic reforms with its extant powers substantially intact.” Africa is home to a few success stories – Botswana is one of them – in which reasonable standards of liberal democracy have been upheld. But across most of the continent, the move to multiparty democracy has been little more than a façade.

Rule by strongmen has come to be called neopatrimonialism – patrimonial because power is vested in an individual who governs through prestige and patronage, neo because this type of governance has only recently become consolidated in political institutions and embedded in bureaucracies. The institutionalization of patrimonialism gives strongman rule exceptional staying power. It has become a system, not just a temporary political order dependent upon the charisma and authority of a specific individual.

The electoral outcomes produced by Africa’s recent turn to multiparty democracy reveal just how shallow the political reforms have been. When they stand for reelection, incumbent presidents still win eighty-five percent of the time. In the rare instances in which an opposition party is able to win the presidency, it readily gravitates to strongman rule; the new government finds it difficult to resist the advantages that come with a monopoly on power. Nigeria’s elections in 2007 marked the first time that the country experienced the orderly transfer of power from one civilian government to another (albeit between two leaders of the same political party). But the new president promptly resorted to “the doling out of patronage along ethnographical lines,” ensuring that the country remains “a classic rentier state in which politics revolves around personal and factional competition for control over the precious oil resources, rather than a contestation among political coalitions with alternative policy programs or reform agendas.”

The story is the same in most other African countries. Senegal enjoyed a peaceful and rule-based change of power in 2000, but soon slid backwards to “electoral authoritarianism.”

Kenya held multiparty elections in 2007, but accusations of fraud were widespread and the outcome contested. After the incumbent, Mwai Kibaki, declared victory, violence broke out along ethnic lines. An awkward coalition between Kibaki and his competitor, Raila Odinga, eventually emerged. In Tanzania, the ruling party controls the media and resorts to illegal forms of coercion to neutralize the opposition. Ghana held relatively free and fair elections in 2008, but a new “hegemonic presidency” replaced the one that came before and “power remains overly concentrated in the hands of the executive branch, which has undermined institutional checks and balance.”

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79 Bratton and van de Walle, Democratic Experiments in Africa, chap 2.
80 Posner and Young, “The Institutionalization of Political Power in Africa,” p. 64.
The legacy of colonialism certainly contributes to this stunted form of democratic rule, but strongman politics persists in Africa in part because most of the continent has yet to experience the socio-economic transformations that undermined authoritarian rule elsewhere. Absent a level of economic development able to sustain class formation and nurture a sizable bourgeoisie, politics throughout Africa still runs along ethnic lines. Governance is primarily about distributing resources to one’s kin group, and much less about devising and implementing public policy. As Diamond notes, “Contending patron-client networks organize along ethnic or subethnic lines, and the president sees his ethnic kin as the most reliable loyalists in the struggle for power,” Meredith elaborates on the degree to which ethnicity anchors Africa’s politics, a trend left behind by the establishment of post-colonial borders that cut across ethno-linguistic lines:

In a continent where class formation had hardly begun to alter loyalties, ethnicity provided the strongest political base. Politicians and voters alike came to rely on ethnic solidarity. For politicians it was the route to power. They became, in effect, ethnic entrepreneurs. For voters it was their main hope of getting a slice of government bounty. What they wanted was a local representative at the center of power – an ethnic patron who could capture a share of the spoils and bring it back to their community. Primary loyalty remained rooted in tribal identity. Kinship, clan and ethnic considerations largely determined the way people voted. The main component of African politics became, in essence, kinship corporations.

Legislatures have been unable to chip away at presidential power and the ethnic patronage on which it relies in part because constitutions deny them the ability to do so. In many Western countries, authority not expressly assigned to the executive falls to other branches of government. In Africa, constitutions tend to grant to the presidency all powers not specifically assigned to other branches. African presidents often have the sole authority to originate legislation. Ministers are regularly picked from the legislature, blurring the significance of a separation of powers. In a recent Kenyan government, roughly forty percent of the legislature held a cabinet post.

Even when legislatures and courts have statutory primacy, their power is regularly trumped by informal systems of patronage. As Prempeh observes, “unfettered presidential discretion and informal access to the president became more important than compliance with formal rules.” Members of opposition parties do regularly call for constitutional reforms intended to contain the power of the executive branch. But they also work hard to curry favor with the president in order to reap the benefits of patronage. And when the opposition does succeed in winning the presidency, it regularly refuses to implement the reforms it formerly advocated, and instead chooses to partake of the privileges of unchecked power.

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85 Larry Diamond, “The Rule of Law versus the Big Man,” p. 54.
86 Meredith, The Fate of Africa, p. 156.
89 Prempeh, “Presidents Untamed,” p. 19.
**The Weak Middle Class**

The informal sway of Africa’s presidents stems in no small part from their control over resources and their ability to sustain patronage networks through doling out economic favors and jobs. Kenneth Kaunda, Zambia’s president from 1964 to 1991, reportedly controlled 40,000 patronage positions in Lusaka alone. In Kenya, legislators make 150,000 dollars per year, while forty percent of the population lives on less than one dollar per day. A significant portion of government revenue in many countries comes from trade tariffs and foreign assistance, enabling the executive branch to control the purse strings and making “the legislature a marginal player in the realm of public finances.” And in countries fortunate enough to have substantial income from oil revenues, such as Nigeria, the pattern is the same.

The concentration of wealth in the hands of government officials and their patronage networks creates a self-reinforcing cycle. Economic activity, including that of the private sector, depends upon the state, preventing the emergence of a middle class able to push back against strongman politics. In Uganda, for example, where almost ninety percent of the population lives in rural areas, the business community is “is too thoroughly dependent on state patronage ever to challenge the status quo.” Michael Bratton and Nicolas van de Walle argue that the problem is structural and endemic. Through their reliance on executive power and patronage, neopatrimonial regimes enfeebles independent entrepreneurs and businesses, leaving “the weak national bourgeoisie of Africa . . . frustrated by state ownership, overregulation, and official corruption.”

Neither Africa’s democratic activists nor foreign donors have been able to seriously challenge strongman politics. Coercive intimidation has enabled presidents across the continent to either squash or co-opt movements aimed at advancing liberal democracy. Foreign donors have made aid contingent on good governance – and the approach has yielded a few successes, such as Mozambique. But more often than not, governments make changes that are largely cosmetic; they keep donors happy and the aid flowing, but do little to curb presidential power or reliance on patronage. Rather than consolidating democracy, the move to multiparty elections has served primarily to mask the continuation of strongman politics. And with China steadily augmenting its strategic and economic presence in Africa – Beijing regularly invests in and gives assistance to regimes without regard to their standards of governance – the political status quo looks more robust than ever. Most of Africa will likely be run by strongmen for the foreseeable future.

**The Populists**

Among the world’s rising regions, Latin America is the one that is most closely following the Western model of development. Central and South America have been steadily urbanizing and democratizing over the past half-century. Since the 1980s, liberal democracy has spread widely; as of 2010, Freedom House ranked ten of the region’s nineteen countries as “free,” eight as

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93 Prempeh, “Presidents Untamed,” p. 25.
96 Bratton and Nicolas van de Walle, *Democratic Experiments in Africa*, p. 89.
“partly free,” and only one (Cuba) as “not free.” Many of the region’s longstanding rivalries have abated, and Mercosur, a South American trade bloc launched in 1991, has advanced economic integration among its members.

Beneath the surface, however, Latin America has followed its own path, based on a unique pattern of socio-economic development that has produced a unique version of modernity. The result is a left-wing populism which, although not that distant from a European brand of social democracy, leaves much of Latin America uneasy with the prospect of universalizing the Western order, opposed to the free-market ideology of the Washington Consensus, and predisposed to align itself geopolitically with the developing world, not the Atlantic democracies.

Latin America’s unique version of modernity has its origins in the political legacy of its colonial era. During Spanish and Portuguese rule, power was regularly concentrated in the hands of an omnipotent imperial governor – a tradition which, after independence, continued in the guise of the caudillo, a charismatic and authoritarian figure usually of military background. Europe’s imperial powers also left behind gaping inequalities in wealth stemming largely from the concentration of land ownership in the hands of a select few. Much of Latin America produced high-value goods – coffee, sugar, minerals – prompting landowners to amass substantial property holdings. Social stratification was racial as well as economic, with immigrants from Europe dominating the indigenous Amerindians as well as the population of African origin initially brought to Latin America as slaves.

Imperial rule in Latin America came to an end in the early nineteenth century. A good number of the military commanders that led the fights against colonial rule then became the political leaders of the independent states that emerged, beginning a long tradition of direct military involvement in governance. During the early decades of independence, the armed forces that provided order served at the behest of the caudillo. In the late nineteenth century, most of the militaries in Latin America professionalized and modernized. Nonetheless, efforts to create an apolitical officer corps under civilian command were largely unsuccessful. Instead, Latin American militaries developed an ethos of loyalty to la Patria – the homeland – not to a civilian leadership. Especially amid the economic downturns and political instability that arrived after World War II, military leaders cast themselves as guardians of the nation.97 Coups and military regimes were widespread; every country in Latin America, with the exception of Mexico and Costa Rica, experienced a significant period of military rule between the 1950s and the 1980s. Campaigns against left-wing insurgencies and democratic activists led to the bouts of repression and abuse for which some of Latin America’s militaries became infamous.

**Expedited Urbanization**

On the socio-economic front, halting attempts at modernization and industrialization began in the late nineteenth and early twentieth centuries. However, it was not until the second half of the twentieth century that most countries in the region embarked on systematic efforts to industrialize, urbanize, and democratize. The late start led to a rushed transition and a pattern of socio-economic development that diverged from the Western experience. In 1900, seventy-five

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percent of Latin America’s population was rural, and roughly the same proportion was illiterate. 98 Despite the rapid industrialization taking place in North America and Europe during the first half of the twentieth century, economic change came slowly to Latin America: in 1960, sixty percent of its population still worked the land. Thereafter, however, urbanization proceeded at a rapid pace. As of 2010, over seventy-five percent of Latin America’s population lived in urban areas. 99

Expedited urbanization gave the cities of Latin America a very different political complexion than the urban areas that drove modernization in Europe. Cities in Europe initially hosted primarily entrepreneurs, merchants, and professionals who were intent on breaking away from autocratic institutions of power; this emerging middle class served as the engine of political change. In contrast, urban populations in Latin America, which consisted of a nascent middle class and a burgeoning working class, were captured by autocratic states well aware that socio-economic development was bringing to an end the era of political dominion by the landed elite. Military dictators or civilian strongmen, many of whom worked closely with the military, effectively co-opted the bourgeoisie and the urban working class by trading economic favors for political obeisance.

The middle class won perks such as subsidies, protective tariffs on manufactured goods, construction contracts, and favorable tax codes. The working class, organized through unions and other labor associations affiliated with the state, reaped the benefits of social protection. During the early decades of urbanization, neither the bourgeoisie nor the working class pressed for democratization; both opted for economic gain rather than political liberalization. Landed elites accepted a similar bargain. They lost their traditional political sway, but in return staved off land reform and succeeded in retaining the bulk of their holdings. Still today, one percent of Brazilian land holders own fifty percent of the country’s rural property. 100 The principal social sectors absent from this political compact were the urban poor – laborers in the informal economy who were not members of a union – and the peasantry, which included many families of mixed race, black, and indigenous origin.

As a consequence of these class alignments, cities in Latin America, unlike their forerunners in Europe, began as conservative supporters of authoritarian rule, not agents of political change. This unusual mix of socio-economic evolution and political stasis yielded a distinct ideological by-product: right-wing populism. The centralization of power in the hands of a charismatic leader tapped into traditions left behind by colonial rule and the caudillo. Nationalist ideology helped unite societies divided by class and race. Populist leaders pursued the nationalization of major industries to access the revenue needed to allocate resources to the working class – without raising taxes on the economic elite. State penetration of markets encouraged the corporatism and corruption that still plague many Latin American economies. And populism tapped into the undercurrent of anti-American sentiment arising from the long history of U.S. intervention in the region and the excesses of U.S. policy during the Cold War. 101

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99 Reid, Forgotten Continent, p. 217.
100 Reid, Forgotten Continent, p. 226.
combination of military rule and right-wing populism proved to be a compelling formula; at the end of the 1970s, thirteen of nineteen Latin American countries were still ruled by military regimes.  

A Swing to the Left

In the 1980s, Latin America entered a period of democratization that relatively quickly brought military rule to an end. In most of Latin America, the transition to democracy and civilian rule was a top-down affair; the military was firmly in control. Military regimes chose to loosen their grip on power for a number of reasons. A combination of deteriorating economic conditions, discontent within the business community, and greater activism among civic groups eroded the military’s confidence in its ability to sustain political stability. More moderate elements within the officer corps, particularly in Brazil, were concerned about the growing power of hardliners in the security apparatus. Moderates saw engagement with civil society as a way of strengthening their hand and preserving the professionalism of the officer corps. Finally, the international community – with the United States in the lead – was putting increasing pressure on Latin American regimes to end repression and authoritarian rule.

Unlike in Europe, where the middle class drove political liberalization from below, in Latin America democratization has proceeded while the working class and urban and rural poor still represent a substantial majority of the population. On average, the middle class today represents only twenty percent of the population across the region, meaning that democratization in Latin America has occurred absent the sizable bourgeoisie that anchored political liberalization in the West. The result has been the political empowerment of an underclass long excluded from the economic bargains that authoritarian regimes struck with the business community and unionized workers. As a consequence, the political center of gravity in Latin America has swung decidedly to the left. The pro-market policies favored by the economic elite have not been abandoned, but they are now complemented by efforts to advance social welfare and address the needs of the poor.

The wave of democratization that has swept across Latin America since the 1980s has thus transformed the region’s political landscape, causing a dramatic swing from right-wing to left-wing populism. Among the nineteen countries that populate Central and South America, fifteen were as of 2010 governed by center-left or left-wing governments; the only exceptions were Colombia, Honduras, Mexico, and Panama. This pull to the left resulting from the mobilization and growing electoral power of the poor has broadened the social base of the region’s politics. Perhaps the most significant by-product is the proliferation of ambitious programs to alleviate poverty. A leader on this front was Luiz Inacio Lula da Silva, a union organizer turned politician, who was Brazil’s president from 2002 through 2010. Lula introduced Bolsa Familia, a program of direct cash payments to poor families, conditioned on their children’s attendance at school and participation in vaccination programs. During Lula’s first term in office, the poverty

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105 Reid, Forgotten Continent, p. 219.
rate in Brazil fell by over twenty-five percent. Although tilting to the right, Mexico administers a similar program, called Oportunidades, which reaches over one-quarter of the country’s population.\(^{106}\)

The expansion of social welfare from the organized working class to the poor has been accompanied by the continuation, if not the intensification, of populism. Even though Brazil and many other countries in the region have succeeded in reducing poverty, some forty percent of Latin America’s population still lives below the poverty line, and the region’s income inequality remains the world’s highest. More than two-thirds of Latin Americans believe that their countries are governed for the benefit of a powerful minority rather than the good of “the people.” Democratization has been accompanied by widespread disillusion about “the persistence of poverty and inequality . . . [and] the difficulty of establishing adequate mechanisms of participation, representation, and accountability.”\(^{107}\) These conditions have encouraged leaders to embrace a left-wing populism that targets social injustice and economic and political inequities.

Adding to the populist flavor of politics is the fact that many Latin American countries have electoral systems that combine presidential and parliamentary rule – a recipe for gridlock. Most legislatures in the region are elected through proportional representation, meaning that presidents often lack ruling majorities. In Brazil’s 2002 election, for example, nineteen parties won seats in the parliament and Lula’s Worker’s Party accounted for only eighteen percent of legislators. A 2005 study of recent elections in eighteen Latin American countries found that the president’s party on average enjoyed lower-house majorities in only one in six elections. Political fragmentation, clashes between the executive and legislative branches, and prolonged bouts of gridlock give leaders yet another incentive to govern through populist appeal.\(^{108}\)

A further source of left-wing populism is the continuing political marginalization of minorities. Although democratization and wealth redistribution have elevated the voice and living standards of blacks and indigenous groups, they remain underrepresented in governing institutions; the racial hierarchy of the colonial era has left a lasting imprint. In a recent session of Brazil’s lower house of parliament, for example, only fifteen of 513 members were black even though black and pardo (brown) citizens represent about forty-four percent of the population. In a recent Guatemalan congress, Mayan Indians, who represent over sixty percent of the population, accounted for only fourteen of 133 legislators.\(^{109}\)

The mobilization of underrepresented groups has, in some instances, led to a radical brand of left-wing populism, personified by Venezuelan president Hugo Chavez. After his election in 2002, Chavez, a Venezuelan of mixed European, African, and indigenous descent, became a champion of the country’s underclass. He resorted to “resource nationalism” to take on Venezuela’s own elite as well as foreign multinationals, asserting state control over the oil industry and other sectors. By garnering support among less advantaged sectors of the electorate through a mix of wealth redistribution, anti-American rhetoric, and the suppression of dissent,\(^{106}\) Reid, *Forgotten Continent*, p. 233.


\(^{109}\) Reid, *Forgotten Continent*, p. 280.
Chavez effectively toppled Venezuela’s political class. Evo Morales in Bolivia, Rafael Correa in Ecuador, and Daniel Ortega in Nicaragua, although they embraced milder versions of Chavez’s populism, all followed in his footsteps and rode to power by appealing to the poor through promises of wealth redistribution and social justice.

Chavez’s hard-edged brand of socialist populism is the exception, not the rule. It has generally prevailed in countries with fragmented party systems; stalemate within the traditional political class has enabled a more radical version of left-wing populism to prevail.\(^{110}\) It is also more likely in countries rich in natural resources – oil and minerals – in which nationalization promises to provide governments sizable revenues.\(^{111}\) Filling state coffers through nationalized industries, according to the likes of Chavez and Morales, is needed to advance the cause of social justice.

Throughout most of Latin America, where more stable party systems have led to compromise between the middle class establishment and political movements arising from the mobilization of the poor, left-wing populism has taken milder forms. Lula’s electoral success depended in large part on his appeal to Brazil’s underclass. But he defended private capital, macro-economic stability, and open markets – key ingredients of the country’s impressive economic growth. On foreign policy, Lula avoided Chavez’s taunting anti-American rants, but nonetheless kept his distance from Washington and generally aligned Brazil with the BRICs, not with the West. For example, he repeatedly irked Washington by reaching out to Iran’s president, Mahmoud Ahmadinejad, just as the West was seeking to isolate the regime in Tehran in the hope of curbing its nuclear program.

There are exceptions to this swing to the left, Mexico among them. In 2000, the National Action Party (PAN) broke the seventy-year lock of the Institutional Revolutionary Party (PRI) on the Mexican presidency. PAN was able to do so in part by promising market-oriented reforms to the country’s growing middle class, of particular appeal to the northern regions of the country that have benefited most from globalization and free trade. President Vincente Fox, a former executive of Coca Cola, represented the new turn in Mexican politics.\(^ {112}\) PAN succeeded in retaining power in the 2006 elections, but the center-right’s political margin was paper-thin; Felipe Calderon defeated Lopez Obrador by less than .5 percent of the vote. Obrador drew much of his support from the rural poor and ethnic minorities in the south and center of the country. Had Obrador prevailed, he would have orchestrated a dramatic shift to the populist left to cater to his electoral base.

As Latin America continues to develop economically, its political mainstream is likely to be under the sway of left-wing populism. Due to income inequality and the political marginalization of indigenous groups, the hard left will have a steady constituency. But Chavez’s brand of socialist populism has its limits, as made clear by the plunging fortunes of the Venezuelan economy. The need for foreign capital and the allure of foreign markets is poised to make Lula’s more moderate brand of left-wing populism the standard bearer. A Brasilia Consensus, not a Caracas Consensus, is likely to carry the day.

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\(^{112}\) See Luis Rubio and Jeffrey Davidow, “Mexico’s Disputed Election,” *Foreign Affairs*, vol. 85, no. 5 (September/October 2006).
Over the coming decades, Latin America, more than any other region of the world, will likely follow a path not that divergent from the Western model of development. After all, the region is today populated primarily by countries that are, for the most part, democratic and capitalist. But due to a long history of autocracy, income inequality, racial hierarchy, and anti-Americanism, Latin America will be dominated by a unique brand of left-wing populism that represents a break with the Western model. Indeed, a recent Latinobarometer poll revealed that roughly half of Latin Americans would accept a nondemocratic government as long as it improved economic conditions.  

Democratization in Latin America has brought an impoverished underclass into the political arena well before the consolidation of a broad middle class. The wealth and power of the region’s traditional political and economic elite as well as the market disciplines imposed by globalization will, with some exceptions, provide a check against ideological extremes of the sort embraced by Chavez. But an entrenched left-wing populism will captivate Latin America’s politics as this century unfolds, setting the region apart from the West amid the emerging debate about the terms of the next world.

Democracies with Attitude

Robert Kagan recently wrote that, “In today’s world, a nation’s form of government, not its ‘civilization’ or its geographical location, may be the best predictor of its geopolitical alignment.” Kagan is not alone in holding this view. Democrats and Republicans alike have of late touted the benefits of a League of Democracies – a grouping of democratic states whose like-mindedness would supposedly enable them to forge a durable consensus on how best to address most international challenges. This conviction that the world’s democracies will naturally align with each other bolsters confidence that the Western approach to international order will endure even as the Euro-Atlantic zone loses its preponderance of wealth and military strength. It is widely presumed, for example, that India will ally with the United States as it climbs the ranks of the great powers. During his visit to the country in November 2010, President Obama lauded India as “the world’s largest democracy,” stressed “these values that we share,” and went on to declare that the United States and India have formed “one of the defining relationships of the twenty-first century.”

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Democracies, however, are far from destined to ally with each other as a matter of course. On the contrary, democratic countries not infrequently go their separate ways on matters of statecraft and geopolitics. Consider India’s relationship with the United States. India has been a democracy since it became independent in 1948, but it spent most of the Cold War aligned with the Soviet Union. To be sure, times have changed, and India and the United States have for the better part of a decade been building closer strategic and economic ties. But the convergence is primarily a function of India’s geo-strategic location and its status as a rising power, not its democratic values. The most important factor bringing New Delhi and Washington together is their shared interest in checking the power of China. Balancing against China’s rise was the primary motive behind George W. Bush’s readiness to sign a deal with India on nuclear cooperation – as well as Obama’s consequent endorsement of India’s bid to join the U.N. Security Council as a permanent member.

Geopolitical considerations are not the sole driving force behind a new strategic relationship between India and the United States; as Obama made clear during his visit in 2010, the United States sees India as an attractive suitor in part because it is a democracy. But a close look at the key foreign policy issues on the U.S.-India agenda suggests that their shared commitment to democratic governance actually provides little in the way of common interest.

Pakistan is India’s arch enemy; the two countries have fought three wars since they became independent states, and both keep their forces at the ready for another round. Nonetheless, the United States has been giving Pakistan billions of dollars in military and economic assistance in order to facilitate its help in fighting Islamic militants operating in the borderlands between Afghanistan and Pakistan. Moreover, in order to speed the eventual withdrawal of U.S. forces from Afghanistan, Washington has been working to cut a political deal with the Afghan Taliban (which is quietly in alliance with Pakistan), a move that enhances Islamabad’s influence in Afghanistan – an outcome anathema to India.

When it comes to Iran, America’s arch enemy, the tables are turned. In its effort to curb Iran’s nuclear program, the United States has long sought to isolate Iran diplomatically and economically. India has played along by formally supporting international efforts to sanction Iran. But New Delhi has consistently balked when it comes to cutting off commercial and political links with Tehran. India transports its reconstruction assistance to Afghanistan through Iranian territory, making New Delhi dependent upon Iran to exercise influence in Afghanistan. And as a nuclear-armed state, India treads lightly when it comes to the rights of other countries to exploit nuclear technology – lest it be seen as upholding a double standard. In addition, India is home to some 150 million Muslims – a source of New Delhi’s considerable caution when it comes to the prospect of an Israeli or U.S. military strike against Iran.

The United States and India are similarly far apart on other issues. They agree that China’s rise warrants vigilance. But New Delhi is focused on India’s disputed border areas with China, while Washington is concerned primarily with the naval balance of power in the Indian Ocean and western Pacific. On climate change, the United States has pressed India to commit to binding limits on greenhouse gas emissions, while India sides with China in arguing that such limits would place unfair constraints on developing economies. Washington and New Delhi have also parted company on trade – particularly on market access to India and agricultural subsidies in the United States. Indeed, a clash between U.S. and Indian negotiators played a prominent role in scuttling the last major effort at liberalizing the global economy – the so-called Doha Round.
all of these issues, differing national interests have overwhelmed whatever affinity arises from a shared commitment to democracy.

India’s place in the international pecking joins geo-strategic interest in outweighing democracy as a factor shaping the country’s international alignments. India has long cast itself as a leader of the nonaligned movement – a grouping of mostly developing countries that has sought to resist the alliance networks shaped by the great powers. New Delhi has also been reluctant to embrace the U.S.-led agenda of democratization and the sanctioning of repressive regimes; Indians tend to see such policies as unwelcome bouts of intervention by the leading powers. In the UN General Assembly, India on average votes with the United States only twenty percent of the time – a good indicator of its mindset on many international issues, and another sign that its interests and status as an emerging power are more important determinants of its foreign policy than its democratic institutions.

The same argument applies to many other emerging countries that are democratic. Brazil has been a stable democracy since the 1980s, but it regularly differs with the United States on developments in Latin America (recently, over the U.S. military presence in Columbia and the international response to the 2009 “coup” in Honduras) and in the Middle East (Iran and the Palestine-Israel conflict). Like many other leaders in the region, President Lula was particularly sensitive to what he saw as the excesses of American power. He practiced democracy at home and supported its spread elsewhere. But as he stated in his inaugural address in 2003, equally important was “the democratization of international relations, without hegemony of any kind.”

Elsewhere, religion is combining with geopolitics to put emerging democracies on paths that diverge with Western interests. Turkey has become more democratic as the ruling AKP Party has cut back the political sway of the military and the traditional economic elite. The result has been a clean break with Ankara’s long tradition of orienting its foreign policy toward Europe and the United States. Turkey opposed the U.S. invasion of Iraq in 2003, and denied U.S. forces access to Iraq through Turkish territory. In 2010, Turkey cancelled its regular military exercises with Israel, and instead carried out land and air maneuvers with China – the first time a NATO member has engaged in exercises with the Chinese military. Indonesia now enjoys democratic rule after decades of repressive autocracy. But the role of Islam in its politics will induce Jakarta to keep Washington at arm’s length and its geo-strategic location will compel Indonesia to balance carefully between the United States and China.

Contrary to Kagan, a nation’s geographical location, its place in the international hierarchy, and, particularly in the Muslim world, its religious orientation are far more important than its form of government in shaping its foreign policy.

A Global Dissensus

In a globalized economy, companies rise and fall on the basis of the quality and price of the products they offer. Firms at the top of the pecking order lose out when competitors find better technologies and business models. A Darwinian logic – the survival of the fittest – determines which companies rule the roost.

When it comes to geopolitics, the “business models” offered by major powers are only one factor shaping the pecking order. To be sure, certain political orders outperform others and spread through the appeal of success; a type of Darwinian logic does apply. Indeed, had socialist economies done better than capitalist ones during the twentieth century, socialism might well have emerged as the victor of the main ideological contest of the industrial era.

But just because capitalism has prevailed against socialism does not mean that the world is heading toward a homogeneous endpoint. For the foreseeable future, China’s brand of authoritarian capitalism may well outperform – or at least hold its own against – the democratic alternative. And regardless of which brand of capitalism is up or down, major states around the world are on very different political trajectories. The divergence is a function of profound variation on many dimensions, including political culture, socio-economic development, and religion. The next world will not march to the Washington Consensus, the Beijing Consensus, or the Brasilia Consensus. It will march to no consensus. Rather, the world is headed toward a global dissensus.