



Executive Summary

Where is the World Headed?

Special Lecture by Prof. Stephen M. Walt

The following publication is based on the special lecture titled 'Where is the World Headed?' given by Prof. Stephen M. Walt on August 27th 2019, at the Korea Foundation for Advanced Studies Conference Hall.

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This report was prepared by Assistant Manager Sunghyun Kim, Chey Institute for Advanced Studies.

About the Speaker

Stephen M. Walt is the Robert and Renée Belfer Professor of International Affairs at the Harvard Kennedy School of Government, where he served as Academic Dean from 2002 to 2006. He is a contributing editor at *Foreign Policy* magazine, chair of the editorial board of the journal *International Security*, and co-editor of the Cornell Studies in Security Affairs book series. He was elected a Fellow of the American Academy of Arts and Sciences in May 2005 and received the International Studies Association's Distinguished Senior Scholar award in 2014.

His books include *The Origins of Alliances*, which received the 1988 Edgar S. Furniss National Security Book Award; *Taming American Power: The Global Response to U.S. Primacy*, which was a finalist for the Lionel Gelber International Affairs Book Award and the Arthur Ross Book Prize; and *The Israel Lobby and U.S. Foreign Policy* (co-authored with John J. Mearsheimer), which was a New York Times best-seller and has been translated into more than twenty foreign languages. His latest book, *The Hell of Good Intentions: America's Foreign Policy Elite and the Decline of U.S. Primacy*, was published in October 2018. His weekly *Foreign Policy* column can be found at <http://www.foreignpolicy.com/voices/walt>

Special Lecture

Professor Stephen M. Walt began by outlining the general structure of his lecture, explaining that he aims to talk about the past, present and the future. He emphasized that while the future cannot be predicted, this does not mean that we do not hold any idea about the future.

Professor Walt explained that 500 years ago, each world was unaware about the rest of the world. Europeans were only aware about the Western hemisphere, while barely knowing the existence of Asia, with almost no interaction. In this period, Walt argued, both economic and population growth was slow, with only around 500 million people inhabiting the planet. 300 years later, in 1800, China was dominant, representing about a third of the world's economy. All of Europe combined represented only a quarter of the world's economy, while the American share was only at 2%.

However, Professor Walt pointed out that the industrial revolution meant that Europe had taken off. By the beginning of the 20th century, Europe represented 40% of the world economy and US represented 20% of the world economy. In sum, this last 500 years were a period of the rise of Europe and the US with the relative decline of Asia. Further transforming this landscape was the outbreak of two World Wars that devastated Europe. The US, engaged in the wars only in the latter stages, came out of the conflicts as the most powerful and wealthy state.

After the end of the World War II, up until 1989, was a period of ideological conflict between the US and the Soviet Union, another major industrial military power. Professor Walt asserted that even with the social and ideological differences, the two states show remarkably similar traits in terms of foreign policy such as the forming of alliances and proxy wars. When the American and its ally's system proved more resilient, the Soviet Union collapsed leaving the US as the sole superpower. At the time, President Ford and HW Bush National Security Advisor Brent Scowcroft argued "[at the end of the cold war], the US was at height of power, with rare opportunity to shape the world for benefit of mankind".

Thus, the beginning of the past twenty years began with a great sense of optimism. The Cold War was finally over, democracy was spreading, the market economy expanding. According to Walt, there was belief that this new era of peace and prosperity would last for decades to come.

However, such a world was not realized, and Professor Walt aptly questioned why it did not come true. He identified that when the Soviet rival met its downfall, the US did not simply congratulate itself and retreat to a modest policy. Rather, it fully engaged itself into spreading the values to liberal democracy. Such policy was based on the maintaining superior military power, recruiting new members in NATO, often using its military power to spread democracy. Behind these strategies were the belief that states like China would eventually transition into a democracy, and that the active promotion of economic globalization would strengthen growth and prosperity.

The strategy and motive of the US were well-intentioned, Walt appraised, but failed. The attempt to spread democracy backfired by alarming states like China and Russia, while producing not new democracies but failed states. The expansion of NATO was met with a deteriorating relationship with Moscow that ultimately resulted in the Russian annexation of Crimea.

The opening of global market did have a positive impact for millions of people, especially for the lower middle classes in India, China, and also for the wealthy in the US. However, for the middle classes of Europe and US, there was no real income gain during this period. Further, globalization of the world economy signified that vulnerabilities of the economy were interlinked as in the case of the Asian financial crisis of 1990s and the crisis of 2008.

Another global trend that has surfaced during this time is the populist backlash against globalization, evident in the Presidency of Trump and Brexit. In the US, additional tariff barriers are being put in place, a wall is being built separating the US and Mexico. Most important many continue to support him because he shares the anger many Americans felt about the consequences of globalization. The UK is pushing to leave the EU, which Walt evaluated is a irrational mistake. Nonetheless, these trends reflect the rebellion against globalization. In places like Hungary and Poland, Walt observed that democratic governments are chipping away at the its own institution of democracy, exploiting the fear of refugees and the opposition to the EU.

Professor Walt outlined a few lessons of the second trend. It is that nationalism and other forms of local identity still matter a great deal in the world. It is naive to believe that globalization will create one big harmonious world and render local affinities obsolete. The world has learned

that national identity, culture, familiar ways of life matter a great deal and do not want immigration, distant bureaucrats in Brussels, or by forces of market taking this away from them.

The third and last trend of the past 25 years, Walt discussed was that the backlash to globalization has been exacerbated by issues within leading democracies. In the Economist annual democracy index, US downgraded to flawed democracy in 2017. Since 1990s, American federal government has been shut down over budget disputes in Congress. Partisanship is at record levels, with familiar norms of politics being routinely violated, and Trump assaulting domestic institutions including FBI, news media. In the UK, there exists a stalemate over Brexit, with no idea for any breakthrough. Economic concerns are fueling nationwide protests in France. Corruption is maring the development of Brazil.

Political leadership is declining in the US, especially with Trump. While last year, the US was dropped out of the annual ranking of least corrupt countries. As for Korea, they are understandably proud of their transition to democracy but have suffered its share of political scandals. Walt argued that democracy is in trouble because democratic institutions are not performing as well as we hoped.

Professor Walt described that the three trends are worsened by one final paradox. This paradox refers to the sheer quantity of information being produced together with the decline in its credibility. Numerous cable news and online publications disseminate false information and propaganda solely for political purposes, and thus end up truly believing people like President Trump.

Lastly, US and most other advanced democracies were very secure after the end of the Cold War, allowing them to play games with foreign policy without being held accountable for the consequences. In foreign policy disasters like Iraq, no one was held accountable. In the financial realm, the very wealthy were vindicated from the held accountable for the financial crisis. Walt concluded that across democratic world, see a wave of popular anger, elites out of touch, dishonest and with the world much darker than the one we anticipated when the Cold War ended

Despite the transformation that have taken place in the world, Professor Walt elaborated that there is a lot about the future one can predict. One can be confident about population levels,

assuming no major disasters. More and more people will live in urban areas, and less in rural areas. States will continue to be the main actors in international politics. Moreover, because it takes a considerable time to alter the position of hierarchy in wealth, the top 20 wealthiest states will likely stay in that position. No matter what we do at this point, the globe will be warmer.

If the above is what we know about what the future will hold, there are also aspects we simply cannot predict. Will the alliances of today stay? NATO just celebrated its 70th birthday, but will it be able to celebrate its 100th? What about US partnerships in the Middle East? How will China's rise impact American alliances in Asia?

Further ideas cannot be predicted. Will there be some kind of new revolution ideology? Will the basic concept of equality change? What about animal rights? How will genetic modification technology debates unfold? Technology is the least predictable realm. It has historically proven to be. One thing we know for sure is that it is accelerating.

In the last part of his lecture, Professor Walt discussed the implications of these trends for the Republic of Korea. First, he argued that the rise of China and re-emergence of great power rivalry will have dramatic effects. It may force the US to abandon its objective of creating global liberal order, and return to a realistic approach to foreign policy. That is, a great power oriented and balance of power approach. The US will focus more attention in countering China in Asia, so as to stem China from projecting power to areas in vicinity of the US. This process began with President Bush, taken further by President Obama. President Trump also recognizes that China is the principle long-term rival and should be main focus of strategy.

Walt asked, "what does it mean for ROK?". As competition with China intensifies, the necessity of the US-ROK alliance will become greater. American support will be imperative for states living in the shadow of Chinese power, especially those who face additional threats by North Korea. It may be tempting to accommodate Beijing and distance oneself from US, yet this approach may risk becoming increasingly subordinate to Chinese whim. As long as the US is willing to support Asia, the bilateral relationship is a linchpin. Of course, the US, South Korea and other Asian allies will have to address issues of burden sharing, military exercising, military bases. However, Walt firmly asserted that these are not new challenges and that they should be amenable to sustain. Professor Walt concluded his lecture arguing that for the foreseeable future, US and allies have much to gain from continued partnership.

Discussion Session

After the lecture, Professor Lee Jae-seung from Korea University joined Professor Walt on stage as the moderator for the ensuing discussion with the audience. A number of critical academic along with policy questions were put forward to Walt.

Professor Lee asked Professor Walt to evaluate the current US policy in Northeast Asia. Professor Walt responded by arguing that the US is doing “the right thing the wrong way”. He stated that President Trump, like his predecessors Obama and Bush know that China is the major security challenge for the US and its allies. China has not lived up to obligations, and its efforts to revise the status quo needs to be opposed. Yet, Professor Walt aptly pointed out that, the US is attempting to achieve this goal with the wrong tools. According to Professor Walt, the US should create a balancing coalition, stay in the Trans-Pacific Pact, and pursue changes to China’s trade practice together with allies not alone. Instead, Trump is picking fights with allies. Walt also respond a question over the state of multilateralism in Northeast Asia. He argued that multilateralism will become increasingly necessary in Asia and they relevant countries must think of a more robust security architecture.

Former Prime Minister Lee Hong-koo was in attendance and delivered a number of key insights during the discussion. Minister Lee gave the audience a brief history of his view on the course of history the last two hundred years. He explicated that the 19th century (number check) was an age of imperialism while the 20th century was a period of American supremacy. As for Korea, in the 80s and 90s the transition from authoritarian to democratic government. The decades of globalization allowed Korea to thrive.

According to Minister Lee, the world today faces a revival of nationalism and the corresponding decline of internationalism. This revival is distinct from the kind the world witnessed in the past which was a struggle to be emancipated from colonial rulers. While the US is not the usual empire, the US today longs for the days the US was absolute on the world stage. China’s proclamation of the ‘Chinese Dream’, the actions of Putin all reflect each state’s nostalgia for when they were empires. Yet, he argued that many still consider the US stay in the leading role, and to solve many of the problems the world faces.

Professor Walt commented on the various issues Minister Lee touched upon. He began by telling the Minister that he appreciated the comments on the role of the US in the 20th century. In this vein, Professor Walt argued, Korea is an extraordinary success story in many ways. Transition from military to current democracy is by far mostly the achievement of the Korean people themselves, with a little bit of help from the US. If rest of the world becomes more democratic, the key is to make it gradually at each society's own speed like in the case of Korea.

As for the resurgence of nationalism, Professor Walt noted that nationalism has positives and negatives. National pride and national unity have many great virtues in terms of maintaining harmony and energy that can drive many achievements. However, nationalism has a dark side: can become xenophobia, a sense of superiority, believe that one is better than others and therefore dominate and rule others.

In terms of nostalgia about the past, "Make America great again" is a return to what Trump thinks was used what used to be for the US. Russia, Hungary, Poland: are all looking backwards, supposedly to the glorious past. Brexit is the desire to turn England back to its great empire. However, Professor Walt argued that, to go backwards in time is the last thing a country should do. Should go forwards, to progress, move ahead. In this vein, the current Korea and Japan dispute is a dispute based on the past, on crimes that were committed decades ago, it would be a tragedy if that history, which should not be forgotten, continues to cast a shadow on Korea and Japan's future and possible cooperation.

Former Minister of Foreign Affairs and Trade, and currently Professor of Seoul National University, Yoon Young-kwan also gave remarks on the current state of international relations. He stated that while it is difficult to make predictions about the future, one convenient way is to look through the lens of theories, such as Kindleberger's international hegemonic theory. In the 1930s, he explained no power was willing to provide international public goods. Some say that the world is heading back to the 1930s because not only is China not interested in taking that role, the US seems to be increasingly unwilling. One key different is the existence of nuclear weapons which as stabilized international relations to some extent. Professor Yoon asked Professor Walt to what he thinks of this pessimistic view.

Professor Walt concurred that a number of people that have pointed to similarities between 1930s and today focusing around the challenge that democracies are facing as they did in the

30s. These similarities include the fragility of the international financial system, movement away from liberal trading order and protectionism (has not gone too far) but can easily continue, emergence of populism (fascism in 30s), political developments that seem similar to what we saw in 30s, and ultimately that led to the great disaster WW2.

However, he also pointed out a number of differences. The existence of nuclear weapons is a stabilizing force yet also increasingly worrying. In the 1930s there were four revisionist powers that really wanted to change the international status quo in a very big way; wanted to conquer other parts of the world and alter political relations around the world, USSR under revolutionary stage, Adolf Hitler to overturn map of Europe, Mussolini and imperial Japan.

We are not in the same situation today, Professor Walt argued. 1930s were a period of multipolarity, which is according to international relations theorists much more dangerous. The world is most likely bipolar today, which is relatively stable. If the US and China end up as two great powers, China will know that if it tries to do anything really big and dangerous, the US will try to stop it. The US should know that if it tries to do anything that threatens Chinese interests, China will stop them. Paradoxically, the certainty that the other is likely to oppose, should lead each side to decide that it will oppose. Each situation may not be as ideal, may not be quite as bad as life was in 35, 36, 37; in the run up to WW2.

Moving on, Professor Walt also took time to answer numerous questions from the floor. The first question asked what kind of choices Korea should be making between China and the US. Korea's current situation is twofold, the need to maintain good economic ties with China on the one hand, while also possessing very strong alliance with the US. The ideal situation is to be able to have profitable beneficial economic ties with China and lots of other countries, and make sure that security is guaranteed. However, Professor Walt firmly stated that in the case that both is not possible, security is always more important than economics.

Then, Professor Walt was asked about the relevancy of international relation theories in the modern world today. Walt argued that realism is the worst theory of international politics, except for all the others. It is not perfect, but tells you a lot of important things about how the world works. If one thinks like a realist, lots of things that have happened in the world are very easy to understand, they're harder to explain from other theoretical perspectives, especially liberalism. For example, as a realist, it is easy to understand why Russia reacted to NATO

expansion the way it did, easy to understand why the US and china aren't as friendly as they used to be as China's power increased, can help understand why Syria and Iran cooperated to make life difficult for the US when it invaded Iraq. Realism cannot explain everything, but it is still the best initial way of thinking about how world politics work.

On the question of what the US role is in the midst of the recent Korea-Japan dispute, Professor Walt claimed that, the situation has occurred due to the overreaction of both states. Japan overreacted to judicial decision, Korea has overreacted to Japan. US can help, but this is not something the US can impose on these two allies, as important as they are. As for the ROK-US alliance and also the wider US alliance dynamics in East Asia, Walt as a realist, it's primarily common interest that holds an alliance together, having common values helps to smooth but if common interest (common threat) is absent, the alliance is not very good and will vanish quickly. US and Korea have powerful common interests, regardless of individual leader's mistakes. Any alliance like ROKUS will experience various points of friction across time whether or not everybody is bearing the right share of burden.

Finally, Professor Lee questioned Professor Walt on how new technologies may impact the shape of democracy, national identity, and international relations. Professor Walt responded that forecasting state of technological capabilities is something we're very bad at; record of inaccurate forecasts every by very knowledgeable people. It is simply impossible to anticipate all the things that human beings may figure out how to do. However, Professor Walt explained that what has happened in the last 25 to 30 years has had a profound political impact. Most evident of this impact is the rise of social media. It has empowered people in a variety of ways, also empowered authoritarian governments, brought to the fore political forces that we haven't seen in a long time. For Trump Twitter is critical to mobilizing his political support and put political rivals in a position where they couldn't respond effectively, he's better at responding.

However, the sheer pace of technological change is part of what is pushing this desire for nostalgia; desire for people to regain control. People fear it may wipe out jobs, industries; pace of change leads people to say that they want political system to intervene and stop it, to restore what used to exist.