Österreichische Nationalbank, Vienna January 23, 2023

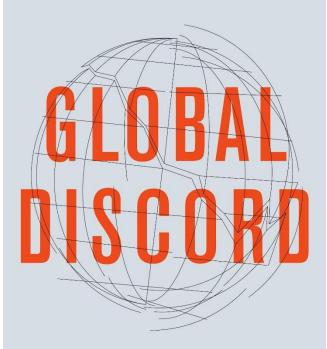
Global Discord: Values and Power in a Fractured World Order

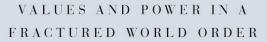
by Paul Tucker

Commentary

by Karolina Milewicz University of Bayreuth, Germany

PAUL TUCKER





"Global Discord" in a nutshell

> Questions

- How can democracies maintain their liberal traditions under interdependence with rising authoritarian states?
- Can peaceful coexistence be sustained without the powers retreating into blocs?
- Can democracies reconcile legitimacy at home with legitimate international cooperation?
- > Argument
 - Incentives (state interests) must be aligned with values if institutions are to endure
 - > Legitimacy is key for the incentives-values compatibility
 - Creating a **world of concentric circles** to cooperate more with those with whom we share the most and whom we fear the least

An International Relations (IR) perspective

> "Global Discord" concerned with

- 1. Endurance of international institutions
- 2. Role of interests (incentives) and values in international politics
- 3. US-China rivalry and future of the international order
- > Central themes in IR scholarship
- > Focus on
 - 1. Institutional change
 - 2. Liberalism and values
 - 3. Interplay of power and values
 - 4. Future scenarios for US-China rivalry

1. International institutions: Endurance

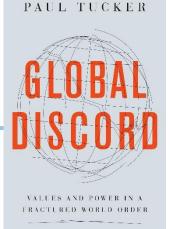
> Institutions by design or evolution

- Design driven by coordinated states' interests & capabilities
- Evolution driven by spontaneous preferences
- Not binary, can go hand in hand

> Optimistic assumption about institutional change

- <u>Power:</u> 'high politics' require conscious state consent
- <u>Path-dependency</u>:
 - **sticky institutions** constrain conscious redesign
 - IIs do not emerge in a vacuum, but in an institutionalized
 space that cannot be ignored
- <u>Context:</u> The most carefully designed institution will be **always incomplete** under new circumstances
 - Examples: UNSC, WTO DSB

> Difficulty of institutional change underappreciated



1. International institutions: Change

Constitutionalization

- Highly contested but unintended political process generates a non-unified global institutional framework
- By-product of international treaty making, generating less than efficient rules within specific issue domains

> Constitutional entrapment

- States do not realize the inadvertent and long-term effects of the rules they design
- Short-term steps are intended even if longer-term path is not
- Contributing to institutional inflexibility and inefficiencies



Constitutionalizing World Politics

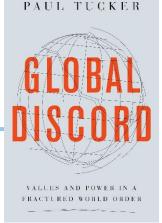
The Logic of Democratic Power and the Unintended Consequences of International Treaty Making

Karolina M. Milewicz



2. Bringing (what) values back in

- > "Western-style constitutionalist values without relying on a program of global constitutionalism being incorporated into general international law" (Global Discord, p.346)
- > What values legitimize a liberal democracy? An international order?
 - Formal procedures
 - Public justification and debate
- > Not sufficient: It cannot be just procedural values, otherwise it does not go beyond what would be acceptable to illiberal states
- > How do these values operate? What do these values add? What is it that democracies share? How will autocracies react?



2. How democratic values promote international cooperation

Why are democracies more willing to cooperate than autocracies?

- Rule of law
- Basic rights
- Self-determination
- → Compatibility between domestic and international rules

Why are democracies more willing to cooperate over time? Why are they essential for maintaining international order & institutions?

- Self-reinforcing mechanism
- Growing network of like-minded states
- Outside pressures
- → Compatibility between like-minded states



Constitutionalizing World Politics

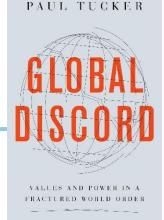
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3. Interplay of power and values: Incentives-values compatibility

- "[...] incentive-compatible schemes might be incompatible with our values, which show up eventually in legitimacy problems. For International System to be incentivesvalues compatible, [...], we need our leaders and officials to take our values with them to international tables" (Global Discord, p.464)
- > But is it not what states do? Aren't they going to the international tables with the list of values resembling those at home?



3. Interplay of power and values: Logic of democratic power

- > <u>Democracy/Values</u>: Democratic states are more willing to cooperate than autocracies.
- > <u>Power/Incentives:</u> Powerful states are more able to cooperate than weak states.

		Power /Incentives (ability)	
		weak	powerful
Democracy/ Values (willingness)	autocratic	very low autocratic followers (e.g. Venezuela)	low autocratic opposition (e.g. Russia, China)
	democratic	moderate democratic supporters (e.g. Uruguay)	high democratic powers (e.g. Canada, US)



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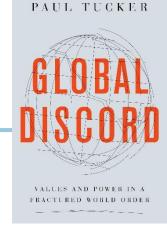
4. US-China rivalry: Scenarios

Scenarios 1-3: stages of escalation

- 1. <u>Lingering status quo:</u> US leadership constrained by rising powers
- 2. <u>Superpower struggle</u>: prolonged strategic, ideological, and commercial competition, but peaceful coexistence
- 3. <u>New cold war</u>: semi-autarkic blocs with bloc-based protectionism & marginalized IOs

Scenario 4: The true alternative, but how to get there? Aren't we already there?

4. <u>Reshaped world order</u>: multipolar top table in a world of checks and balances and reformed IOs with new *de facto* rising powers



4. Reassessing the scenarios

Re scenarios 1-3:

> Power transition theory: high risk of escalation

- Explains how orders break down into war or rivalry (cold-war style)
- Risk of war is highest if the rising state reaches power parity and is dissatisfied with status quo order (Organski 1968)

> Role of values

 Lack of shared common values (or "shared culture and civilization") can surge dissatisfaction and accelerate tensions

<u>Re scenario 4:</u>

> Institutional stickiness

- All attempts to reform the UNSC to date failed
- Who wants to give up power?
- Do we need a major international crisis for change to happen?

Concluding remarks

- > Brings values back in
- > Draws on and combines knowledge from different disciplines
- > Confirms social scientific observations
- Lays out aspirational policy recommendation with a view on the practice of international politics
- > Criticism to encourage discussion
- > Fill in alternative views
- > Think through the mechanisms
- > Pin down definitions
 - What do we mean by legitimation of values?
 - How do power and values work together?
 - How does institutional change happen?