The idea of a liberal rules-based international order has taken a beating lately, not just from the Trump presidency but also in the pages of academic and policy publications. The administration in Washington argues that the liberal order in the post-Cold War world no longer serves U.S. interests. While this argument deserves scrutiny in light of China’s spectacular rise within the order, academic writing has instead focused more on the fact that notions of the liberal order are simply “myth” and “nostalgia.” Critics allege that the liberal international rules-based order was never truly liberal, international, rules-based, or orderly. In this vein, the victory of Donald Trump in the 2016 presidential elections is not a cause but rather a symptom of the longer-term decline in the various pillars of the order: capitalism, multilateralism, and democracy.

Scholarly criticism of this nature is not entirely off the mark. The liberal order has repeatedly perpetrated violence and disorder within and between states, ranging from U.S. meddling in Latin American domestic


4 Bruce W. Jentleson, “The Liberal Order Isn’t Coming Back: What Next?” Democracy: A Journal of Ideas 48 (Spring 2018). Jentleson adds a fourth pillar, American power as the system’s guarantor, which is a necessary condition not a feature (or pillar) of the liberal international order.
politics during the Cold War to major military interventions across the Islamic world in the post-Cold War era. More to the point, the liberal order has forced capitalism and democracy onto numerous societies without regard for the latter’s preferences or capacities, and the U.S. has been hypocritical and selective in its use of multilateralism.5

Misreading the Misreading of Liberal Order

Virtually all of these critics, however, tend to conflate the liberal international order with U.S. foreign policy; when it comes to the order itself, most take a partial view of the evidence in order to support their claims (a habit also to be found among the order’s votaries).

In its sparsest conception, an international order can be thought of as “a system of relations with lesser states” established by a powerful state in which “everyone comes to know what kind of behavior to expect from the others, habits and patterns are established, and certain rules as to how these relations ought to be carried on grow to be accepted by all the parties.”6 The specific content of an international order can vary depending on the preferences of its most powerful states. The current order is the result of a unique moment in modern history when a single country was powerful enough to create a system of international relations almost exclusively according to the (relatively liberal) preferences of its leaders (unlike, for example, the negotiated European order that emerged after the end of the Napoleonic Wars in 1815).7 Following the end of the Cold War, the U.S.-led order went global. Thus, when we speak of the liberal order, we are speaking of the system of relations with less powerful states—embodied in international institutions, norms, principles, and procedures—established by the U.S. in 1945 that persists to this day despite various changes in the intervening decades. This order is related to but clearly distinct from U.S. foreign policy, as evidenced by the fact that many aspects of the order have challenged U.S. interests or constrained its freedom of action.

Focusing on the liberal order itself, three points need to be clarified with regard to criticisms of it. First, critiques that focus on the order’s adverse consequences are essentially arguing that it was not uniformly liberal, international, rules-based, etc. This is an unrealistic expectation of any set of institutional arrangements that is designed to stabilize international relations. The creation and maintenance of order involves violence and the suppression of certain interests in favor of others—on this count the post-1945 world order was no different from past versions. Equally, it involves the threat of violence, albeit in this case on a scale previously unknown to humankind in the form of nuclear weapons, which have contributed significantly to the liberal order’s persistence.8

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Second, some detractors assume a positive valence to the order itself, i.e. words such as “rules-based,” “open,” and “international” all “serve as synonyms for enlightened and good.”9 Thus, highlighting the ‘bad’ outcomes of the order easily appears to undermine it, along with any pretensions that ideological liberals (as opposed to IR theorists) might have about the munificence of U.S. leadership. In fact, there is nothing inherently ‘good’ about the liberal order. Strip away the cross-currents of U.S. identity that swirl under the surface of debates over the order and what remains is a global institutional attempt to make U.S. power durable and legitimate. To this end, the order has been successful despite major setbacks.10

Third, what is perhaps most under-emphasized in the current debate is the extent to which the order has benefited some of the most powerful and consequential states in the international system. The most obvious beneficiaries are U.S. allies, of which there were 66 at last count (in 2016).11 No country in the entire period after 1815, for which systematic data on alliances are available, comes close to having as many allies.12 U.S. allies in Europe and Asia benefited from the liberal order during the Cold War, and have continued to benefit from it. France and Britain’s continued permanent membership of the UN Security Council (UNSC) and Japan’s continuous leadership of the Asian Development Bank (ADB) since its inception are the most visible manifestations of this.13 Of course, the liberal order is not global and it disproportionately benefits its core members, but that core is by far the largest of any international order in the history of the modern state system.14

Equally if not more important is the category of rising powers—namely China, India, and Brazil—who are not allies of the United States and are predisposed to be skeptical of American power. In a host of issue areas including international security, trade, development finance, nuclear nonproliferation, and climate change mitigation, these rising states have benefited from the self-interested willingness of the U.S. (and some of its


12 This is also an argument made by Ikenberry in *Liberal Leviathan*, 238-239.

13 See, for example, Jennifer Lind, “The Art of the Bluff: The U.S.-Japan Alliance under the Trump Administration,” H-Diplo/ISSF Policy Series, 25 April 2017. Lind argues, “Japan has benefited tremendously from the institutions and alliances that Trump vowed to dismantle. Since the 1960s, trade deals gave Japan access to the U.S. and other markets, enabling Japan’s export-led growth strategy and its economic rise. Multilateral institutions facilitated the spread of Japan’s bureaucrats, businesspeople, products, and culture around the globe, enabling Japan to become a leader in trade and global governance.”

14 Measured as a share of the total number of states in the international system, Britain as the dominant power in the 19th century never had more than 13 percent as allies (colonies, which in any case did not benefit from the British imperial order, are excluded from this calculation due to not being sovereign states). The U.S. by contrast had 32 percent of states as allies in 1946, peaked at 51 percent in 1954, and eventually settled back down to around one-third from the 1960s to the present. Calculated from Leeds et al, “Alliance Provisions.”
allies) to disproportionately bear the costs of international regime formation and maintenance while the benefits of these regimes are dispersed across the international system. While they may disagree with the distribution of benefits and status within the global order, contemporary rising powers have operated and prospered within its parameters.

Perhaps the clearest evidence of the value of the liberal order is the manner in which various major powers have rushed to shore up different aspects of it in the immediate aftermath of Trump’s election. Faced with Trump’s economic nationalism, Chinese President Xi Jinping declared at Davos in 2017 that “many of the problems troubling the world are not caused by economic globalization.”15 After Washington’s exit from the Trans-Pacific Partnership (TPP), Japan under Prime Minister Shinzo Abe spearheaded its replacement in the form of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).16 A similar decision by Trump to withdraw from the Paris Agreement on climate change mitigation prompted Prime Minister Narendra Modi to double down on India’s efforts to meet its emissions targets under the agreement.17 In France and Germany, support for NATO in 2017 took a sharp turn upward after years of gradual decline.18

These instances are remarkable because they are ironic: China has a record of subverting global economic openness to its own advantage, Japan of being deeply reluctant to liberalize its trade policies, India of insisting on the greater responsibility of developed nations in mitigating climate change, and France and Germany of being skeptical of NATO’s relevance and value after the Cold War. Had the liberal order imposed rules on these countries that ran contrary to their material preferences, they would have taken this opportunity of relative U.S. decline and retrenchment to pursue those preferences. On the contrary, they have worked to uphold the basic principles and institutions of an order in which the U.S. disproportionately bears the costs of maintenance while the benefits are distributed among those best positioned to take advantage of them.

Rising Powers and the Liberal Order

The above discussion raises a deeper issue with regard to global order—in what form will it survive the Trump presidency? Given that the liberal order has helped to stabilize international relations, lengthen the shadow of U.S. power, and distribute material benefits to a number of major powers, how will it be transformed by the current phase of U.S. retrenchment and relative decline? The answer depends to a great measure on the grand strategies of rising powers, who are increasingly capable of having determinative effects on the order.

15 World Economic Forum, “President Xi’s Speech to Davos in Full,” 17 January 2017.

16 Tori Fujioka and Brett Miller, “Japan Pushes on With TPP-11 with U.S., China at Odds,” Bloomberg, 6 December 2018.

17 Srishti Choudhary, “India on track to meet emission goals: PM Modi,” Livemint, 4 October 2018.

There are a number of accounts of what we might expect from rising powers with regard to international order as the global distribution of power shifts in their favor. Scholars in the tradition of Robert Gilpin straightforwardly predict that rising powers will challenge the order.19 According to this view, the existing order reflects the interests of a dominant power, and rising powers will seek to pursue their own interests by altering that order. The dominant power resists these attempts, often sparking a hegemonic war that fundamentally transforms international relations.

This framework does not allow for situations where rising powers benefit from the existing international order. Institutionalist theory suggests that rising powers will uphold an order when its institutions produce outcomes more efficiently than unilateral or bilateral means of cooperation.20 Dominant powers may pay significant costs to establish an order, but once it is up and running, its members may have good reason to support it. Over a period of time, it is possible that rising powers may become socialized into supporting an order or some of its constituent institutions even when it is not in their material interest to do so.21

Assuming that rising powers do benefit from an existing order, as in the contemporary case, under certain conditions they may decide to free-ride on the dominant power’s ability and willingness to maintain the order. Rather than challenging or accepting the order, rising powers under this scenario become “shirkers,”22 seeking to maximize the benefits they obtain from the order while minimizing the costs they pay for its maintenance. This strategy can work if the dominant power has sufficient incentive to pay the costs of order no matter what; although it can detect shirking and may find it bothersome, it has sufficient resources and reason to continue maintaining the order.

Finally, a growing body of work focusing on non-material objectives argues that rising powers seek recognition as world powers, or some sort of status equality with existing great powers.23 The persistent denial of said recognition or status by the dominant power may spark a challenge to the international order, which typically reflects the identity and interests of the dominant power. In this scenario, rising powers are willing to incur significant material risks or costs by challenging or seeking to reform the order to attain the symbolic equality they seek with the great powers.


The empirical evidence since the end of the Cold War suggests that rising powers such as China, India, and Brazil are content not to challenge the liberal order despite their varying levels of dissatisfaction with it. Instead, they have adopted a free-riding strategy, i.e. not fully paying the costs of maintaining the order while benefiting significantly from it. This type of strategy is what underlies China’s exploitation of international trading rules, India’s grandstanding on climate change, and Brazil’s outsized influence relative to its economic power within the World Trade Organization (WTO).

This unwillingness to genuinely contribute to the liberal order may seem puzzling given that it makes these countries diplomatically vulnerable to the charge of free-riding. It is explained, however, by the non-material aspects of the order, or what Gilpin called the “hierarchy of prestige.” Put simply, the distribution of prestige within the liberal order is still skewed in favor of the U.S. and its allies, while the distribution of power is shifting steadily in favor of the rising powers. Voting rights at the International Monetary Fund (IMF), permanent membership of the UNSC, top leadership positions in International Financial Institutions (IFIs), the official designation of nuclear weapons states in the nuclear non-proliferation treaty (NPT), and small-group decision-making within the WTO are some of the more prominent institutional aspects of the liberal order that rising powers to varying extents have contested as exclusionary, discriminatory, and unequal. Wherever possible, they have sought to reform institutions from within. Where these efforts have been repeatedly frustrated, they have established new institutions such as the New Development Bank (NDB) of the Brazil, Russia, India, China, and South Africa (BRICS) group (which, unlike the IMF, operates on the principle of “one country, one vote, and no veto”) and the Asian Infrastructure Investment Bank (AIIB).

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27 The rising powers do not uniformly share all these interests. For example, China is already a member of the UNSC, counted as a nuclear power in the NPT, and involved in the core decision-making mechanisms of the WTO. However, Beijing still derides the inequality of voting rights at the IMF and the top leadership positions in IFIs.


29 See *The Economist*, “Why China is creating a new “World Bank” for Asia,” 11 November 2014. The article argues, “Although China is the biggest economy in Asia, the ADB is dominated by Japan; Japan’s voting share is more than twice China’s and the bank’s president has always been Japanese. Reforms to give China a little more say at the International Monetary Fund have been delayed for years, and even if they go through America will still retain far more power. China is, understandably, impatient for change. It is therefore taking matters into its own hands.”
or bolstered existing forums where they already hold leadership positions, such as the India, Brazil, South Africa (IBSA) group and the Shanghai Cooperation Organization (SCO).

The overarching question is this: who gets to be included in the club of great powers that manage the liberal order alongside the United States? Club membership brings both material and status benefits, but it also comes at a price. Rising powers are unwilling to pay the price unless they are made full and equal members, especially since material benefits already accrue to them in significant measure simply through membership in the order. For its part, the U.S. has been unwilling to admit rising powers into the club, questioning their ability to act as “responsible stakeholders.”30 These conflicting incentives create a chicken-and-egg problem: rising powers decline full responsibility without elite membership, while the U.S. refuses them elite membership without full responsibility.

The Trump Transformation

The Trump presidency has unsettled this equilibrium. Washington’s newfound willingness to challenge the fundamental tenets of the global order—capitalism, democracy, and multilateralism—and Trump’s undermining of key institutional arrangements in areas such as international trade, climate change, and arms control have opened up space in the upper echelons of the global governance architecture for rising powers (and other countries). In the security realm, as Trump shifts U.S. global strategy to what looks like offshore balancing,31 China and India have each begun stepping up their strategic presence to the extent of their respective capabilities, especially in the Indo-Pacific region. Across the board, Chinese and Indian leaders are counselling caution and patience with an eye to managing Washington’s illiberal turn toward the liberal international order.32 In the process, the rising powers have become the guardians of the status quo and the U.S. has finally taken ownership of its post-Cold War role as a revisionist power.33 There is no better example of the decoupling of the liberal order and U.S. foreign policy. The Trump presidency has in effect been a gift to Xi’s Chinese Dream and Modi’s desire to make India a “leading power”34 within the parameters of the

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existing order. As the second-ranked power in the international system, China in particular has perceived an opportunity “to define itself as the representative and spokesperson of forward-looking forces.”

Yet, as Chinese and Indian leaders well know, global leadership is a costly proposition. The cost is only worthwhile if the eclipse of U.S. credibility under Trump can translate into status benefits for their countries. The decoupling of the U.S. from the international order of its own creation becomes significant in this context. In the absence of an engaged Washington, it is unclear whether the institutions that comprise the international order will function on business-as-usual terms, or they will be more open to reform and the inclusion of new aspirants to the great-power club. Despite Trump’s disengagement, the U.S. still retains significant structural power in the international order and may be willing to exert this power in order to prevent rising states from rushing too quickly to fill the temporary leadership void.

A more fundamental challenge faces the rising powers, which is simply the lack of capacity and vision to fundamentally alter the basis of the liberal order. Importantly, none of the rising powers has a credible alternative set of principles or institutional arrangements to offer as the foundation of a new order. China’s influence, while growing, is largely based on a mercantilist approach and is increasingly facing resistance across the vast geography covered by the Belt and Road Initiative. India lacks the capacity to maintain international order and must focus inward on long-term economic development before it can shoulder global responsibilities. Brazil lacks the hard power resources and domestic political consensus necessary to single-handedly underwrite an international order. At a fundamental level, none of these powers has any reason to fundamentally alter an order that has so far handsomely abetted their stellar economic performance, enhanced their diplomatic influence, and ensured their national security.

A contemporary alternative to the liberal order therefore does not exist. This fact should give pause to both those who celebrate the order’s alleged demise and those who mourn it. The current policy and academic debates fail to consider this simple question: relative to what is the liberal order a failure or success? In other words, could the world have done better? The answer is both yes and no. On the one hand, yes, the United States could have set up a ‘truly’ liberal international rules-based order; this is a question of degree. On the other hand, no, there was no other credible alternative that was attractive to as large a number of countries as the U.S.-led liberal order; this is a question of type. At present, the fact that no other major power is in a position to offer an alternative type of global order suggests that the much-maligned liberal order, while it may


change in degree, is fundamentally secure. If not Washington, then Beijing, New Delhi, and Brasilia will ensure this outcome.

Looking Forward

Historically, new international orders have emerged in the aftermath of major wars. Major wars are today ruled out by the state of military technology, i.e., nuclear weapons. Barring a change in this dimension, we can expect the politics of power shifts to play out to a great extent in international institutions. The evolution of the liberal international order will depend on the role of the dominant and rising powers within it. If Donald Trump is a one-term aberration, then the U.S. may course-correct after 2020 and reinvest in the liberal order. Outcomes will then hinge on Washington’s ability to accommodate the status demands of an increasingly powerful cabal of rising powers.

If Donald Trump turns out to be a two-term president, or a herald of deeper changes in the United States’ worldview, then the U.S. will likely further disengage from an order that it perceives to be a bad deal (precisely because that order has benefited rising powers to such an extent). Outcomes will then hinge on the ability of rising powers to take leadership of one or more issue areas, or to co-manage the order as its new guardians. The former scenario will lead to a fragmentation of the liberal order as the respective powers impose their own preferences on different pieces of it. The latter scenario may reinvest the order with resilience by aligning the distribution of capabilities with the distribution of prestige. Nonetheless, severe conflicts of interest will remain as the U.S. goes from system insider to outsider.39

For decades now, rising powers such as China, India, and Brazil have benefited from the liberal order while criticizing it and even seeking to undermine certain aspects of it. Today, as Washington begins to abdicate leadership and undermine the order itself, these countries will be called upon to match their rhetoric with action and genuinely take leadership of the order so that they can reform it. It will take a great deal of creative thinking and diplomatic energy in these capitals to overcome long histories of reflexive free-riding and sniping at U.S. leadership from the sidelines. It is unclear if the rising powers are even up to the task.

No matter the outcome, one thing is clear. The age of U.S. dominance is over. In whatever form the order evolves, it will be strenuously negotiated, not imposed by a single power.

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39 China for its part has gone from system outsider to insider. Quoting leading Chinese scholar Chen Jian, Priscilla Roberts argues that “in less than four decades since the normalization of relations with the United States, the People’s Republic (PRC) has become…an ‘insider’ of the existing international system.” See Roberts, “Donald Trump,” H-Diplo/ISSF Policy Series, 29 June 2017.