Introduction

Is the active engagement and leadership of a powerful America essential for its own security and the maintenance of world order? In recent years, that long-standing logic of American foreign policy has been called into question and we have been witnessing a change in foreign policy as America has gradually but unmistakably been pulling back from its customary international role. But does a foreign policy strategy of retrenchment and selective disengagement enhance or threaten America's own national interests and the stability of global order?

In seeking to answer these questions, this work builds in part upon my two latest books. In *The American Era: Power and Strategy for the 21st Century* (Cambridge University Press, 2005 and 2007), I argued that external threats, the weakness of international institutions in confronting global dangers, and the unique strength and power of the United States combined to make a grand strategy of active engagement a necessary adaptation to the realities of the post-9/11 world. This orientation seemed vital not only for the benefit of America's own national security but also for the stability of the international order.

That book and intensified debates about the effects and legitimacy of American foreign policy led to a subsequent project in which I asked the question of whether the United States still possessed the capacity to continue this distinctive role or if changes occurring both abroad and at home meant that it could or should no longer do so. In that work, *Power and Willpower in the American Future: Why the United States is Not Destined to Decline* (Cambridge University Press, 2012), I concluded that America's material strengths remained substantial, but a series of policy problems, institutional limits, normative questions, and political polarization had become more central in shaping and constraining the role of the United States.

That background, together with increasing and largely unpredicted crises in the Middle East (ISIS, Iraq, Syria, Libya, and Yemen), Eastern Europe

(Russia's breach of the post-1945 European order), and elsewhere leads me to the new work. In this, I examine the implications of a reduced US role. This pattern of foreign policy retrenchment is a consequence of choices made by the administration of President Barack Obama, in the context of events that have occurred in the past decade and a half. The retrenchment process is uneven and more subtle in some areas and functions than in others. It has been driven by presidential predilections, but also by public disillusion with the results of long wars in Afghanistan and Iraq, as well as by complex policy dilemmas, the intractability of regional problems, economic and budgetary constraints, and the rise of China and other regional powers. And it has been rationalized and applauded by "realists" from both the academic and policy worlds.

America's pullback has been undertaken in the belief that doing so would reduce conflict, encourage the international community to "step up" in assuming the burdens of regional stability, protect America's own national interests, and promote global order.[1] Yet the actual results of this policy suggest that the opposite may be the case. Disorder has many causes, but we now face a far more dangerous and disorderly world with the rise of hostile powers, fanatical terrorist movements, and worsening regional conflicts in Europe, the Middle East, and Asia. Meanwhile, our allies are in disarray and our senior military and intelligence leaders warn of increasing threats to America itself.

These events bring us back to the question of whether in the world as it is today a robust American role is a prerequisite for regional and global order and for its own safety and prosperity. In the mid-to-late 1990s, at a time when US primacy seemed unchallenged in the aftermath of the Cold War and collapse of the Soviet Union, America was for a time described as "indispensable."[2] In the following years, the phrase came to be praised, criticized, and by some even ridiculed. Nonetheless, the experiences of recent years provide compelling evidence about the adverse consequences of retrenchment. Though active engagement by the United States cannot be a sufficient condition for world order, the evidence suggests it is a necessary one.

[1] Signposts for this evolution in US policy can be found in President Obama's policy speeches. See especially, the Cairo speech, *New York Times*, June 4, 2009; the Nobel Prize acceptance address, December 10, 2009, www.nobelprize.org/nobel_prizes/peace/laureates/2009/obama-lecture_en.html; a US Military Academy speech on Afghanistan policy, December 1, 2011, www.whitehouse.gov/the-press-office/remarks-president-address-nation-way-forward-afghanistan-and-pakistan; the Fort Bragg speech on the end of the Iraq War, December 14, 2011, www.whitehouse.gov/the-press-office/2011/12/14/remarks-president-and-first-lady-end-war-iraq; a foreign policy speech to West Point graduates, May 28, 2014, www.whitehouse.gov/photos-and-video/video/2014/05/28/president-obama-speaks-west-point-graduates; and the American University address on the Iran nuclear agreement, August 5, 2015, www.washingtonpost.com/news/post-politics/wp/2015/08/05/text-obama-gives-a-speech-about-the-iran-nuclear-deal/.

[2] One of the earliest uses of the term occurs in Bill Clinton's second inaugural address. In his words, "America stands alone as the world's indispensable nation." January 20, 1997, www.bartleby.com/124/pres65.html.

In the chapters that follow, I develop these arguments. Chapter 1, "Foreign policy retreat and the problem of world order," examines how in the last half of the twentieth century and the early years of the twenty-first, the United States was the strongest power and the leading actor in world affairs. In recent years, however, America's status and role have undergone a pronounced change. Globalization has fostered the diffusion of power, and with the dramatic rise of China and the emerging importance of regional actors, American predominance is no longer self-evident. Meanwhile, the human and material costs of a decade of grinding warfare in Afghanistan and Iraq and the impact of the great financial crisis of 2008–9 have left many Americans wary of spending blood and treasure abroad. Added to these factors, many foreign policy experts, especially realist scholars, and some leading political figures have called for America to adopt a foreign policy of restraint and retrenchment, acting as an offshore balancer, and pulling back from foreign and security policy commitments in Europe, the Middle East, and Asia. The foreign policy of the Obama administration has exemplified this trend, albeit in a nuanced way, and the president himself made ending the Iraq and Afghan wars the leitmotif of his administration. However, based on the experience of recent years, there is compelling evidence that protecting the country's own security as well as sustaining the rules and institutions of post-1945 and post–Cold War order requires enhanced American engagement.

Chapter 2, "Burden sharing with Europe: problems of capability and will," examines the deep changes that have taken place within Europe and in its relationship with the United States. For much of the past half-century, Europe together with Japan and the United States had been a pillar of the international order, but it now lags in its capacity to play that role. International rules, norms, and institutions that are so widely embraced as an alternative to the old geopolitics and the great conflicts of the twentieth century require active American participation and European engagement to sustain them. But in circumstances where the United States has downplayed its European engagements and Europeans themselves have become less capable and more inclined to hedge their bets, the future of the Atlantic partnership and of long-established international institutions and regimes is far from assured.

Chapter 3, "Middle East policy: regional conflicts and threats to national interests" assesses the shifts in US Middle East policy that have emerged in recent years. Rather than provide an effective basis for policy and strategy, the consequences of this approach have been counterproductive. US national interests in the region have long included security of oil supplies, preventing territorial control by hostile powers, support of regional friends and allies, maintenance of regional stability, counterterrorism, nuclear nonproliferation, and – at least rhetorically – democracy and human rights. These provide a benchmark for comparisons of policy effects over time. Though the Bush administration's 2003 invasion of Iraq and its removal of Saddam Hussein's tyrannical regime led to a power vacuum and years of upheaval and lethal

conflict there, the combination of the United States-led surge and the role of the Sunni tribes in the "awakening" movement had by 2009 restored a greater degree of order and a tenuous peace among Sunnis, Shiites, and Kurds. Subsequently, the December 2011 withdrawal of US forces greatly reduced American influence over the Maliki regime and forfeited the precarious stability that had been achieved at such high cost. More broadly within the region, a slow but perceptible trend of American retrenchment has contributed to a more dangerous and unstable Middle East. Elsewhere, a pattern of conciliatory policies toward Iran and Russia has had spillover effects on traditional allies. This regional case and its wider implications lend support to the broader argument about the importance of American engagement for sustaining global order and the adverse consequences of a diminished role.

Chapter 4, "BRICS: stakeholders or free-riders?" asks whether rising regional powers (Brazil, Russia, India, China, South Africa, and others) can or will play a greater role in sustaining global order at a time when the relative weight of Europe and Japan has appeared to recede. Some scholars and political observers foresee the BRICS countries not only becoming more influential in world affairs, but also reshaping and promoting international institutions and regimes in an increasingly multipolar world. However, in reality, the BRICS have been less rather than more cooperative in maintaining or enhancing the existing global order. Consequently, a combination of American retrenchment and BRICS abdication tends to weaken not only multilateral institutions but the wider international order itself.

Chapter 5, "Retreat and its consequences," considers the case for retrenchment and then surveys the results in foreign and domestic policy. For more than seven decades, America has supported global order and served as the leader, defender, and promoter of the liberal democracies and market economies. This brings us back to long-standing arguments about the importance of a liberal great power to provide the hegemonic stability necessary for the successful functioning of an open, prosperous international economic order – a role played by Britain in the nineteenth century and until 1914, and after World War II by the United States.[3] Others, however, are more complacent about the stability of the international order. Liberal internationalists have claimed that institutions and international regimes already constitute a quasi-constitutional order or that these organizations and regimes can be self-sustaining and even created in the absence of a hegemonic leader. Academic realists are still more skeptical about the need and desirability of US leadership, asserting that without the United States, regional actors will balance against threats, but that in the unlikely event its own security interests are endangered, America has the capacity to reengage as needed. The evidence, especially in response to the most

[3] The seminal works are those of Charles Kindleberger, *The World in Depression: 1929–1939*, (Berkeley: University of California Press, 1973); and Robert Gilpin, *War and Change in World Politics* (New York: Cambridge University Press, 1981).

urgent and deadly crises, suggests otherwise, as in the inadequacy or outright failure of international institutions and regional powers in cases such as those of Ukraine, Syria, Libya, Rwanda, Bosnia, North Korea, and the Congo. In short, to the question of whether the United States remains indispensable for collective action on common world problems, the answer is yes.

Finally, Chapter 6, "Can America still lead – and should it?" makes the case that America's capacity to lead remains only marginally diminished and that by almost all the criteria by which power is measured it retains a unique position. To be sure, there are material constraints: entitlement programs urgently need changes so that their costs do not create unsustainable problems of debt and deficit, immigration policy requires wholesale reform, and major infrastructure needs must be dealt with. In addition, in the absence of policy change, scheduled reductions in defense spending, troop levels, and weapons will shrink the military's share of GDP to the lowest level since Pearl Harbor and endanger its capacity to meet major threats. Moreover, political polarization poses a problem in itself. Congress remains more deeply divided than at any time since the end of reconstruction in the late 1870s,[4] and the effectiveness of governmental institutions is far from ideal.

Yet if the United States retains the capacity to lead, the will to do so is much less certain, as are judgments about where and how. Arguments for retrenchment have become increasingly prominent in both the policy realm and in the academic literature of international relations. Upon taking office, President Obama was by no means alone in his call for refocusing on "nation-building at home" and, at the time, the public had become increasingly skeptical about America's world role. However, in response to growing threats including the rise of ISIS and concerns about terrorism, recent polls do show an increase in the percentage of Americans willing to support more forceful policies, though considerable reluctance persists. Ultimately however, and despite pressing domestic problems, the United States will eventually need to resume a more robust role, whether due to deliberate changes in policy or to the pressure of unforeseen events. America retains the capacity to lead, but unless it does so, the world is likely to become a more disorderly and dangerous place, with mounting threats not only to world order and economic prosperity, but to its own national interests and homeland security.

[4] Nolan McCarty, Keith T. Poole, and Howard Rosenthal, *Polarized America: The Dance of Ideology and Unequal Riches* (Cambridge, MA: MIT Press, 2006); and "The Polarization of the Congressional Parties," updated January 19, 2014, http://polarizedamerica.com/political_polarization.asp.

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Foreign policy retreat and the problem of world order

> Looking back over my more than half a century in intelligence, I have not experienced a time when we have been beset by more crises and threats around the globe.
>
> – James R. Clapper, Director of National Intelligence[1]

During the last half of the twentieth century and the early years of the twenty-first, the United States was the preeminent power and leading actor in world affairs. This role took many forms: allied leader of the Big Three powers in World War II, creator and sustainer of international institutions and the postwar international order, head of the Western alliance during the Cold War, and lone superpower in the post–Cold War era. In those years, America supported regional stability, provided deterrence and reassurance for allies, led efforts at nonproliferation, underwrote much of the world economy, fostered trade liberalization, and often (though not always) encouraged human rights and democratization. In doing so, it served, in effect, as the world's leading provider of public goods.

In recent years, however, America's status and role have undergone a pronounced change. In the years after the 9/11 terrorist attacks on New York and Washington, the United States experienced long and costly wars in Iraq and Afghanistan, the 2008–9 global financial crisis, and the Great Recession. The international arena has also changed. Foreign policy now takes place in an increasingly globalized world in which power has become much more diffused than was the case during the Cold War (1945–91) and in the initial decade of the post–Cold War era. Simultaneously, the BRICS (Brazil, Russia, India,

[1] Remarks as delivered by James R. Clapper, Director of National Intelligence, Worldwide Threat Assessment to the Senate Select Committee on Intelligence, January 29, 2014, Washington, DC, http://icontherecord.tumblr.com/post/74958293225/remarks-as-delivered-by-james-r-clapper-director.

China, and South Africa) and others have seemingly emerged as significant actors in world affairs. The appearance of these and other rising powers is not entirely new, but together they represent an increased presence in economic, cultural, political, and even security terms, and some authors describe their rise as altering the international balance of power, marking an end to the postwar American order.[2]

At the same time, the relative influence of America's longtime allies, Europe and Japan, has ebbed as these traditional centers of power have seen economic and demographic stagnation and increasing political disarray. Within the European Union (EU), both expanding to twenty-eight countries and deepening in the functions it now encompasses, have fostered greater internal divisiveness over the burdens and costs of membership, the extent to which governance of key functions should be shifted to Brussels, and intrusions on national sovereignty. Policy disagreements have also intensified, especially over economic strategies, energy, a massive surge of Middle East refugees, and the degree to which Russia should be confronted over its aggressive actions in Ukraine and Eastern Europe.

A serious rift over Greece and the Eurozone exemplifies many of these tensions. After an initial burst of optimism and apparent success when the Euro was created in 1999 and became an actual common currency in 2002, its now nineteen member countries have in recent years found themselves in an increasingly difficult crisis. Creation of a currency union but not an accompanying economic or political union left Eurozone member countries without the flexibility to adapt in the face of differences in growth rates, competitiveness, and indebtedness. A dispute over Greece's unmanageable debt left EU countries deeply divided over policy and Europe's future. At the same time, Britain, a pillar of the international order and longtime partner of America, has seen a rise in anti-EU sentiment and faces a referendum on the possibility of withdrawal. The United Kingdom also risks fragmentation if Scotland were to secede. In addition, as a result of steep cuts in the military, its capacity to project power abroad has been greatly diminished.

Europe's economic and demographic indicators have also become unfavorable. Gross Domestic Product (GDP) in the Eurozone countries as well as in Japan has yet to regain the pre-financial crisis peak of early 2007.[3] And with the exception of France and Britain, long-term birth rates for almost all of

[2] For example, Jonathan Kirshner, *American Power after the Financial Crisis* (Ithaca, NY: Cornell University Press, 2014). He argues that the impact of the global economic crisis that began in 2008 undermined the legitimacy of the economic ideas underpinning the American led order, and he sees its consequence as the erosion of US power and the increased influence of China and other rising powers.

[3] US real GDP, seven years after the pre-crisis peak in Q4, 2007, had increased 8.1 percent, but in the Eurozone, since Q1, 2008, GDP remained down by 2.2 percent and in Japan down by 1.1 percent. See *Outlook: U.S. Preeminence*, Investment Management Division, Goldman Sachs, January 2015, Exhibit 4, p. 8.

these countries remain far below the level required for population replenishment. Indeed, no less a figure than Pope Francis, in an address to the European Parliament in Strasbourg, cautioned that the world now views Europe as "somewhat elderly and haggard."[4]

Meanwhile, global disorder has been growing. Military threats to international order come from revisionist states, especially Russia, Iran, and China, as well as from non-state and quasi-state actors, mainly al-Qaeda, ISIS, and Hezbollah. The actions of Russia under President Putin blatantly violate not only the post-1945 European order, but the rules, understandings, and treaties underpinning the global order and contemporary international law since the end of World War II. In breaching national borders by force and in its multiple intrusions on the state sovereignty of its neighbors, Moscow contravenes the principles of the UN Charter, the Helsinki Declaration of 1975, the Budapest Memorandum of 1994 (guaranteeing the sovereignty of Ukraine), and the NATO–Russia Founding Act of 1997. Russia also has violated the rules of the Intermediate Nuclear Forces Treaty (INF) of 1987, the Conventional Forces in Europe (CFE) treaty of 1990, and other formal agreements.

Russia is not the only major power challenger. China has been flexing its muscles in the East and South China Seas, where it has asserted sovereignty over wide areas that encroach on territorial waters of its Asian neighbors. In doing so it has acted aggressively with the increased presence of its air and naval forces. At the same time, Beijing has been steadily expanding its military capacity to deter or even to defeat US forces that are supposed to support and defend regional allies.

Iran, though not a great power, has emerged as the most dangerous state actor in the Gulf and Levant. By means of Shiite militias and clients, it exercises major influence over important regional capitals: Baghdad, Damascus, Beirut, and Sana (Yemen). As a result of the July 2015 Vienna nuclear agreement, the Joint Comprehensive Plan of Action (JCPOA), Iran will after five years be free of restrictions on weapons imports and in eight years be without hindrance to its continuing development of intercontinental ballistic missiles. These missiles only make sense militarily if fitted with nuclear warheads, and they will have the range to reach Israel, Europe, and ultimately the United States. And even if Iran fully complies with the terms of the JCPOA, it will after fifteen years emerge with modern nuclear facilities and enrichment capacity and by that time, according to even the most optimistic projections, be no more than one year from the achievement of a nuclear weapons capability. Should Iran do so, this is likely to lead to a multinuclear Middle East and the collapse of the nonproliferation regime. Moreover, Iran's longtime use of terrorism through proxies such as Hezbollah remains part of its foreign policy toolbox not only in the region, as in Lebanon, Syria, Iraq,

[4] "Pope Francis Complains of 'haggard' Europe in Strasbourg," BBC News Europe, November 25, 2014, www.bbc.com/news/world-europe-30180666.

Yemen, Bahrain, and Gaza, but in places as widespread as Argentina, Bulgaria, and Thailand.[5]

As for non-state and quasi-state threats to global order, the Islamic State/ISIS and al-Qaeda (both of which are Sunni), and Shiite Hezbollah along with Shiite militias backed by Iran, though sometimes in deadly conflict with each other, pose growing threats in the Levant and more widely in North Africa, the Sahel, Nigeria, Kenya, Somalia, and elsewhere. Volunteers pouring into the ranks of ISIS come not only from the Middle East and Asia, but from disaffected young men (and some women) living in Europe and to a much lesser extent the United States. Those with Western passports who survive their involvements with radical Islamist militant groups pose a very real threat as they return home. The November 2015 attack killing 130 people in Paris provided graphic evidence of that threat.

Global and regional threats and disorder are not only evident in terms of military security and terrorism. Since 9/11, and increasingly in recent years, there has been marked erosion in human rights and a rise in authoritarianism. During this period, and in contrast to the promise of the post–Cold War decade, some twenty-five countries have witnessed the severe erosion or breakdown of democracy, including such prominent cases as Turkey, Russia, Thailand, Kenya, Venezuela, Bangladesh, and Ecuador.[6]

RETRENCHMENT IN POLICY AND THEORY

In this changing and in many ways more threatening geopolitical environment, arguments for retrenchment have become increasingly prominent in both the policy realm and in the academic literature of international relations. Proponents have argued that America should pull back from extensive foreign engagements for reasons of reduced capability and the absence of vital national interest and that its security and interests can be protected by remaining an offshore balancer. This preference for retrenchment in foreign policy is reinforced by a combination of policymaker beliefs, domestic economic and political constraints, and by public disillusionment with the experiences of intervention.

President Obama's approach to foreign policy reflected a clear preference for reducing US power and presence abroad, a deep skepticism about the use of force, an emphasis on working in and through international institutions, an "extended hand" to adversaries in the expectation that this could incentivize significant changes in their behavior, a de-emphasis on relationships with allies, and a desire to focus on domestic priorities.

[5] For example, Iran's Hezbollah proxy was responsible for terrorist attacks in Argentina in 1992 and 1994 and in Bulgaria in 2012.

[6] Larry Diamond, "Facing Up to the Democratic Recession," *Journal of Democracy*, Vol. 26, No. 1 (January 2015), pp. 141–155, www.journalofdemocracy.org/article/facing-democratic-recession.

As a consequence, recent years have seen a shift from previous American policy and practice and a reduced degree of global engagement. Obama emphasized ending the wars in Afghanistan and Iraq, decided against military assistance to moderate rebels in the early years of the Syrian civil war, did little to support stabilization in Libya after the overthrow of Gaddafi, reached out to the Russians with a policy "reset," overruled his senior foreign policy advisers in refusing to provide effective defensive weapons to Ukraine in the initial phase of Russia's intervention, offered an extended hand to the Islamic Republic of Iran, and presided over major cuts in the defense budget and US troop strength. Despite increasing security challenges and regional disorder, the Obama 2015 National Security Strategy stressed "strategic patience," signaling a continuing preference for distancing.[7]

Foreign policy realist scholars have intensified or repeated arguments that many of them have been making since the end of the Cold War, in calling for a shift to offshore balancing and disengagement from commitments in the Middle East, Asia, and Europe.[8] Realists largely oppose the positioning of substantial military bases and forces abroad. For some, this change is necessary in order to devote resources to priorities at home and rekindle economic growth or because they believe America can no longer afford costly interventions abroad.[9] Others emphasize avoiding foreign entanglements and see offshore balancing as the preferred foreign policy strategy. They believe that in the absence of the United States, balance of power logic will cause regional powers to balance against threats in Europe, the Persian Gulf, Northeast Asia, and elsewhere. As a result, America need not expend its own resources of blood and treasure in doing so.[10] In the meantime, thanks to geographic distance and the buffer provided by two large oceans, we can avoid entanglement in most foreign conflicts. And if it does become necessary for the United States to intervene, it should utilize its natural advantages in air and naval strength rather than employ large land forces.[11] In practice, however, the concept

[7] *National Security Strategy*, The White House, Washington DC, February 2015, www.whitehouse.gov/sites/default/files/docs/2015_national_security_strategy_2.pdf.

[8] For an elaboration of realist arguments for retrenchment, see Chapter 5.

[9] Daniel Drezner, "Military Primacy Doesn't Pay (Nearly As Much As You Think)," *International Security*, Vol. 38, No. 1 (Summer 2013), pp. 52–79; Christopher Layne, "This Time It's Real: The End of Unipolarity and the 'Pax Americana,'" *International Studies Quarterly* (February 2012), pp. 1–11.

[10] For example, Eric Nordlinger, *Isolationism Reconfigured: American Foreign Policy for a New Century* (Princeton, NJ: Princeton University Press, 1995); Joseph M. Parent and Paul K. MacDonald, "The Wisdom of Retrenchment: America Must Cut Back to Move Forward," *Foreign Affairs*, Vol. 90, No. 6 (November/December, 2011), pp. 32–47; Stephen M. Walt, "Offshore Balancing: An Idea Whose Time Has Come," *Foreignpolicy.com*, November 2, 2011, http://foreignpolicy.com/2011/11/02/offshore-balancing-an-idea-whose-time-has-come/.

[11] See, for example, Christopher Layne, "From Preponderance to Offshore Balancing," *International Security*, Vol. 22, No. 1 (Summer 1997), pp. 86–124; and John Mearsheimer, "Imperial by Design," *The National Interest*, No. 111 (January/February 2011), pp. 16–24 at p. 16.