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Transcript

The Future of Power

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Joseph Nye:

I'd like to be not a typical professor in the sense of not speaking in fifty-minute bytes at a time, but restrain myself and follow Jeremy's good instruction. Having been a visitor to Ditchley a few times I know he runs a very tight ship.

The argument that I make in this new book about the future of powers, that there are two large power shifts going on in this century. One, I call power transition, which is a shift of power among states, which is largely from West to East. And the other is a shift of power from states, West or East, to non-state actors. And those two are going to mark this century. And we are only just beginning to think through how we're going to deal with this. So what I'd like to do is describe each of them in turn. And then at the end pull them together in terms of what it means for policy.

If we think of power transition (the movement of West to East); you can best understand it by imagining the world, or a picture of the world in the year 1800. You'd see that more than half the world's population is in Asia and more than half the world's product is in Asia. But if you took the same picture in 1900, still more than half the world's population, but only 20% of the world's product. Obviously that's not something that happened to Asia, it's the industrial revolution in Europe and North America.

Now what we are seeing in this century is, what I would call, the recovery of Asia to normal proportions, roughly half the world's population and half the world's product. And that really starts with Japan, it goes on to Korea, to Southeast Asian countries like Singapore and Malaysia. Now we are very much focussed on [China], with its ten percent growth rates. Though I don't think they are going to stay at ten percent. And increasingly we will be focussed on India, which is now growing at eight and nine percent growth. But what the net effect of this will be, essentially, is a shift of the power of the world economy from West to East.

Now let me hold that thought there and then come back to it, and some of its political implications, while I introduce to you the second concept, which represents a great shift in this century, which is power diffusion away from states to non-state actors.

The best way to wrap your minds around this idea of power diffusion is to think about the nature of the information revolution which we have been seeing in its latest incarnation in the last thirty/forty years. The price of computing dropped a thousand fold in the last quarter of the 20th century. That's such an abstract number that it's hard to think about. But if you imagine that the price of automobiles had dropped the same way, you'd be

able to buy an automobile today for five pounds. Now any time the price of something declines that dramatically, the barriers to entry go down. So things that previously were outside the range of many actors, are now within their price range.

I can think of an example from when I was in the Carter administration dealing with the politics of non-proliferation. One of the great secrets that we had, is we could take a picture of any place on earth with one metre resolution. It cost us billions and billions of dollars. Today any of you can go onto Google Earth and get a better picture for free. That is an extraordinary change in what technology, what information technology's done in terms of empowerment of those who previously were priced out of the market.

Now if you think about who is empowered by this, it doesn't mean the end of the nation state. It just means that the governments are acting on a stage which is much more crowded, because of all these new actors who could play. And some of these new actors are good, and some of them are bad. Oxfam, obviously good. al-Qaeda, to my mind, obviously bad. But what's interesting is the power which is provided. For example, al-Qaeda was able to kill more Americans in 2001, than the government of Japan was able to kill in December 1941. That might be called the privatisation of war. That's quite new in world politics. And there are many other examples I could give, of the way in which the information revolution has led to this diffusion of power.

Think of change, let's say, in the Middle East. It was often said that in the Middle East, there was no choice between the autocrat and the religious extremists. There was no middle. But I think what this burgeoning of information did was create a new middle, which we saw in places like Tahrir Square. And also provided techniques like Twitter and Facebook, by which these groups could overcome the problems of collective action and coordinate with each other.

If you look at another example, think of Wikileaks. Stealing classified documents from a government is not new, it's probably as old as governments and as old as espionage. But being able to exfiltrate a warehouse full of State Department secret cables on a Lady Gaga disc, and spread it immediately around the world, that is new. And that difference in quantity becomes a difference in quality.

Or to give you another example of ways in which the diffusion of information has mattered. Think of the problems that we face when we deal with cyber security. Now I don't know how many of you have seen, or maybe even remember, a wonderful cartoon that was in the New Yorker about a decade or

so ago. And it was a picture of a computer and two dogs sitting in front of the computer. The one dog turns to the other dog and says 'Don't worry. On the internet, nobody knows you're a dog.' And that cartoon was not only wonderful humour it was also politically prescient. Because what it suggested is that the anonymity of the internet, and the empowerment, means that we won't always know who it is that's attacking us.

So think of the Stuxnet worm, which was used to get some of the centrifuges in the Iranian nuclear programme to shake themselves to death. Then imagine that, a year or two from now, the lights go out in the Southern half of Britain, or the Northeast of the United States. And it turns out that it was done by a Stuxnet type worm coming at us. In those circumstances, how would we know who did it? It might be another government. It might be some hackers. It might be a criminal gang. It might be cyber terrorists. The one thing that we would know is that whoever was clever enough to do this to us would also be clever enough to route it in such a way that it would not have come from where it seemed to have come from. So you trace it back to servers in Beijing or Moscow or wherever, that would assuredly mean that it didn't come from there. So if that's the case, how do you retaliate? Where do you send the cruise missile if you don't know the return address?

And we are only beginning to think our way through this. What is the strategy? What is offence? What is defence? What is deterrence when you don't have attribution and when non-state actors may be at the heart of it? We are in this area of cyber, about where we were with nuclear technology in 1950. We know there's something there, it's big, but we haven't thought our way through it yet.

So these are examples if you want of the way that the information revolution is creating a diffusion of power away from governments to non-state actors. Developing super empowered groups and individuals, which are making large changes in world politics and power in this century.

Now let me take you back to the question of power transition. When you look at power transition, as I said, it's the recovery of Asia. But very much now it's focussed on China, and the question of will China pose a threat which will lead to a great conflagration?

The common narrative that is often used today is to say that you have the United States in decline and the rise of China. And many people say that is a recipe fraught with danger. And you can take this all the way back to Thucydides, the Peloponnesian War, which the Greek city state system tore itself apart in the 5th century BC. Which we are told was caused by the rise of

the power of Athens and the fear it created in Sparta. And it is often said in World War I, in which the European state system tore itself apart and ended the centrality of Europe in terms of global power, was caused by the rise in the power of Germany and the fear it created in Britain.

And there are some analysts who say that will be the story of 21st century in terms of power transition. The rise in the power of China and the fear it creates in the United States will create a similar conflagration. I think that this is a bad metaphor for several reasons.

First of all I don't think the United States is in decline. I think that it is very hard to say what decline is when you talk about countries. We know what the life cycle of a human is quite clearly. I can assure you I'm in decline. But for a country we don't know what a life cycle is. There's a wonderful quote from Horace Walpole that I quote in my book, in which Walpole, after seeing the loss of the American colonies by Britain in the 18th century said, 'Woe is to Britain. We are now reduced to a miserable little country like Sardinia or Denmark.' This was on the eve of Britain's greatest century. So clearly we don't know what life cycles of countries are. And so we don't know whether Americans are at the apogee or not of their power. But it's also worth noting that even when a country is at the apogee of power it may last for quite some time. Rome lasted for three and a half centuries from the apogee to the final decline.

But this brings me to the other key narrative of understanding power transition in the 21st century as a story of decline, American decline and Chinese rise. And that's that the concept of decline confuses two quite different things. One is absolute decline, where a country loses its resources and capability. That's what happened to Rome. Rome, ancient Rome, was an agrarian economy. No economic productivity. And it succumbed to internecine warfare and hordes of barbarians. It didn't succumb to the rise of another state or other empire.

Whatever the problems of the United States, and we have many, including the budget deficit which is currently transfixing us and, which some day, I expect we are going to solve, but nonetheless it's a real problem. But whatever the problems of the United States, a picture of absolute decline modelled on ancient Rome is not a very accurate picture.

After all, the World Economic Forum ranks the United States as the fourth most competitive economy in the world. China incidentally is number 27. It's also generally agreed that at new technologies for the 21st century (nanotechnology, biotechnology and so forth) the United States is at the

forefront. On surveys of entrepreneurial activity the Americans are usually ranked first and so forth. So this picture of absolute decline is just not a very good descriptor. And the metaphor with ancient Rome and so forth is highly misleading.

There is something though, which you could call relative decline. And relative decline is the way of thinking about the gap between the United States and other countries. So imagine that America starts out here, with that much power. And that China and India and Brazil and others, close that gap. You can either say that's the rise of the rest. Or you can say that closing the gap is relative decline of the United States. But notice something else. Even if you close the gap, which is relative decline, that doesn't tell you that the others are going to go past the United States. That concept is not helpful in that sense.

My own view is that China is not going to pass the United States in overall power. Now you can say, how can you say that when Goldman Sachs tells us that the size of the Chinese economy is about to become equal to the size of the American economy? That's very likely if you have 1.3 billion people and a growth rate of ten percent. Sooner or later, that's going to happen. But the total size of an economy is not a necessarily good predictor of the sophistication of the economy or of its overall economic power. That we usually measure by per capita income. And in per capita income, even Goldman Sachs and others will argue that China is not likely to catch up with the United States for another two or three decades, if then. So is China increasing in its economic power? Is it closing the gap? Yes. But is it the same as American power in the economy? Not clear at all. I mean we have to look at per capita income there.

But in addition to that if you look at military power, China is building an aircraft carrier. There's a big difference between an aircraft carrier and eleven carrier battle groups.

And China is also increasing its soft power - its ability to get what it wants through a traction and persuasion. Indeed, Hu Jintao told the seventeenth Party Congress of the Chinese Communist Party in 2007, that China should invest more in its soft power. That's actually a very smart strategy for China, or any country: which is if your hard power is increasing you want to increase your soft power so that you deter others from forming coalitions against you.

So China is spending billions and billions on Confucius institutes, on trying to get CCTV to be a Chinese Al-Jazeera and so forth. The problem though is that China limits itself on how much it can develop its soft power. Because a

great deal of the soft power of a country arises not from government actions, but from civil society. And in that sense if you look at American soft power, a lot of it comes from universities, from foundations, from Hollywood, rather than from government policies. China can't unleash its civil society because of its authoritarian government. So they have a brilliant Olympics or Shanghai Exposition, and then they go and lock up Liu Xiaobo or Ai Wei Wei and undercut that soft power. So until China is able to relax, to ease up on its less domestic authoritarianism, it's not going to be able to develop a similar soft power. Indeed a recent BBC poll, that was taken a month or two ago about soft power around the world, showed the Americans well ahead of the Chinese.

So for these reasons I don't think that China is about to pass the United States. But why does this matter? It's not for bragging rights. It's for the purpose of thinking about whether we are going to fall into Thucydides' trap in this century. The big difference is that when Germany was pressing hard on Britain's heels, it had actually passed Britain by 1900. So Britain was hard pressed well before 1914. If I am correct in this analysis that I have given you, and the full facts and figures are in the book, China is not pressing the Americans that hard. We have time. We can indeed adapt strategies in which we don't have to succumb to fear, but can create incentives that shape the environment which reward China for good behaviour. And in which they punish themselves if they become too assertive and too aggressive.

So that means that the key question of will we see a great conflagration between a declining power and a rising power, which would disrupt our century, is not necessary. We might fail, but it's not like World War I.

But let me now pull together power transition and power diffusion in a conclusion for you. Which is, if you think about the distribution of power in world politics in the 21st century, I use a metaphor of a three dimensional chessboard.

On the top board are military relations among states. The world is uni-polar. There is one superpower. The United States is the only country that can project military power globally. And I think that it is going to remain that way for another decade or two. I don't think China is going to catch the US in military power.

But go to the second board, economic relations amongst states. The world is multi-polar, and has been for decades. Remember in economics, this is where Europe can act as an entity. And when it does, Europe's economy is larger than the economy of the United States, not to mention China. And in

this area, this second board of economic relations, American power is balanced by Europe, China, Japan and others.

But now let me take you to this bottom board of the three dimensional game, the board of trans-national relations, which cross borders outside the control of governments. And here's where power diffusion and the non-state actors come in. You can think of financial flows which are larger than the budgets of many countries. You can think of terrorist groups. You can think of cyber terrorists, not crossing borders themselves, but sending electrons. You can think of impersonal processes like climate change or pandemics. It's worth remembering that in 1918 more people were killed by flu than died in World War I.

These are the huge challenges of the 21st century. And in these areas, power is chaotically distributed. It makes no sense to call these uni-polar or multi-polar or any other of the clichés that editorials like to use. What you see here is that the only way to deal with these problems is essentially by organizing networks of cooperation and institutions to be able to cope with problems created by the diffusion of power. That means that you're going to need to use your soft power, a traction, as well as hard power. It also means you're going to have to think of power as power with others, not just power over others. We often say in defining power that power is the ability to affect others to get the outcomes we want. But it may be that in some circumstances that means that we can only get those outcomes by working with others. And we haven't quite adapted our thinking to this.

The argument I make in this book is that if we're going to deal with this kind of world, we are going to have to be much more subtle and sophisticated in the way we think about power. When I was a student at Oxford, some years back, I listened to the lectures of A J P Taylor, a great Oxford historian who wrote a wonderful book, *Struggle for the Mastery of Europe*. And in that, Taylor defined a great power as a country whose army could prevail in war.

But today, in an information age, while the ability to prevail in war remains important, it's not sufficient. And in an information age it may be whose story wins is as important as whose army wins. And that is a problem, because if we think only in terms of whose army wins, the dangers will only focus on that top board that I mentioned to you, and not think of the whole game of three-dimensional chess. Or putting it another way around that, if you give a little boy a hammer, all the world is a nail.

If you have overwhelming military superiority you're tempted to think that's the answer. But it isn't. Where do you use military power to deal with some of the

things I mentioned? Financial flows, cyber flows, questions of climate change, pandemics. Those great challenges are going to require a different conception of power. Power with, rather than power over. And they are going to require us to have policies of smart power, which we learn to combine our hard and soft power resources to get the outcomes that we want.

I'd like to tell you that we are doing very well in making progress on this. I fear that we're not. I don't think that our thinking about power has caught up with these two great power shifts that we have to deal with, the power transition and the power diffusion. But I hope that we will learn more quickly than we did in 1914.

Anyway, thank you all very much.

Q and A

Sir Jeremy Greenstock:

There are some things out of that that I want to ask Professor Nye. This part of the conversation, as the lecture, will remain on the record, and usable by the media. So please remain aware of that.

The diffusion of power, Joe, needs a lot of continuing interpretation. It seems to me that in repainting for us your metaphor of the multidimensional chessboard, you were putting economic power with military power in the hands of the state. And the trans-national issue was the layer of the board, where public opinion and the multiplicity of state and non-state players were going to have an effect.

But surely, increasingly, entities other than government are having an enormous effect on economic evolutions across the globe? You only have to look at the private sector, the multinational sector. Running its own affairs in most democracies without the need to depend on the state to provide them with the momentum for that. That's been true for a century now, and is getting truer all the time. But even beyond that, getting all the way down to small groups and individuals, the good ones playing by the rule of law, there is a tremendous input beyond the reach of states to control, sometimes even to influence, amongst those groups.

And out of all of that, and not just on the economic level, there's a tendency towards fragmentation because more people have freedom to look after their own interests and their own affairs without the intervention, or the control, of government. And there is a tendency that we can see, in the nature of world events, towards a much freer space where people do their own things, without the analysis, the statistics, the collection of the aggregate being done accurately, without the control of the edges of the law, without people being able to interpret the sense of long-term trend that's one thing that I'd like you to comment in terms of the future of power subject to these much greater and unpredictable range of individual influences that sometimes takes the herd to the other side of the ship all in a rush (as in the markets, as in public opinion), and then back again very quickly - look at the volatility of the oil price. And sometimes leaves people thinking they don't understand what's happening at all.

And the second area I wanted to get into was, whether there was in this relentless onward march of the emerging powers, whom we almost have to

call the emerged powers there. They're there; we're talking about them. We know how to take account of them. We feel their power. Does that emerging nature of power have a ceiling?

I sometimes get the impression in my own interpretation of what's happening, that what we are actually returning to, you started with the return to Asia from its half of the globe. We're coming back to a level playing field where there actually is built into things a real meritocracy at the national level, at the individual level. And the criteria for that meritocracy are more economic than military or political. We're affected by the unpredictable trans-national events and flows and accidents and disasters and opportunities. But the real criterion for the use of power at the national or the sub national level is becoming more economic than anything else. Is that a right interpretation? And what does that do to your picture of the future of power, if it's going so far beyond states?

Joseph Nye:

Those are very good questions Jeremy. And on your first point essentially this extraordinary role of markets, and information technology, helping to empower private actors is part of this diffusion of power. And sometimes it takes the role of large corporations. You have a company like Shell, which has annual sales that are fifteen times the gross domestic product of Jamaica, a sovereign state. So there are differences of scale and execution of strategies in very short time frames that corporations can do today that they couldn't do in the East India Company days, when it took a sailing ship months to go back and forth.

But there are also individuals who have this kind of power, as you pointed out. You have the capacity of some individuals to shake or shape markets. And the ability of some individuals to use large wealth can be quite impressive in terms of its political effect. And some groups. If you look at the problems of Central America or Mexico today, basically drug lords and drug gangs are serious challengers to the state. So these are examples which fit, I think, with your description of the way the diffusion of power includes economic power in the hands of none-state actors.

On the question, is there a limit on the rise of the rest, and is it all going to be economic power? I alluded to this. I think actually China is going to run into certain problems that are going to reduce its growth rate. Not only do you see a reduced growth rate when a country's per capita income is around \$10,000 per capita of purchasing power parity, but China demographically is

about to see the tapering off of new additions to its labour force. Which is as the Chinese call, what they are worrying about is, growing old before they grow rich. So there are going to be some limits to China's economic power. Taking ten percent and projecting it into the future is rather silly.

But there is also still a role for military power in East Asia, and it's interesting if you look at East Asia: why is it that Japan, Korea, Vietnam, and India want an American presence? The answer is because they are not too sure about how China will use its military power, as it grows stronger. So if you imagine the analogue in geopolitical terms, it's as though Canada and Mexico wanted a Chinese alliance to protect against the United States. Obviously that is not the case. American soft power makes that relationship with neighbours less problematic.

Until China develops the soft power which makes its rise in military terms less threatening to its neighbours, I think there's going to be a significant role in a balance of power inside East Asia. Bill Emmott wrote this very clearly in his book *Rivals*. And I think if we don't realise that, well people say China with its grand market will just dominate Asia, with the ASEAN plus one and so forth. I don't think so, because people still concern themselves about security.

Question 1:

With regards to the transfer of power, the transition of power towards Asia. I think it was partly precipitated by the United States and Europe moving their industry to Asia, either for cheap labour, or because it is non-environmentally friendly. Do you think that they have shot themselves in the foot when they discovered that the management and financial centres, which they had in Europe and America, faced the crisis of 2007/08?

This is a point, the other point is with regard to the diffusion of power and your mention of Tahrir square in Egypt. Obviously, social media has helped the Egyptian youth outmanoeuvre the state security police and bridge the gap between the political elite in Egypt, and the wider population. But there are some people who try to say that America has promoted the social media in order to interfere in other countries, and to mobilise the people in order to change the governments for the interest of Egypt. This may not be the case in Egypt, because Mubarak was probably a [more] secure friend of America than the government which could come after.

Question 2:

There were two things that I felt you left out of your analysis, with which otherwise I completely agreed. One of them is religion. How does that fit with what you say? Is 'freedom' the religion that is pushing the West? If not what is?

The other one is global corporations. You mentioned Shell. Well, Shell is also very powerful in its lobbying of the American government and the British government, and no doubt others. What about cyberwar between global corporations? War is not just the old weaponry of bombers and tanks and so on, we now have targeted killing. And that has been adopted quite publicly now by the president of the United States, as well as by Israel of course.

Question 3:

I would like to continue this diffusion of power question and concentrate particularly on global corporations, the immense trans-national power, totally out of control of any nation state, and in particular the question of tax havens. The avoidance and evasion of tax which affects nations everywhere, and also affects corruption and poverty in other parts of the world. Now my question, where I would like to press you is, have you had any thoughts about a new system of governance, not government, but governance, that can re-grab democratic political control in this area? Jeffrey Sachs has recently suggested that the G20 should get together and do something about tax havens. I wonder what you think of that?

Joseph Nye:

Should the Americans and the Europeans regret the movement of industries to China? I think not. This was inevitable with globalisation, and when you try to restrict this, what you do is make yourself not competitive. You can think of particular instances where an industry loses or where there's a cost, but in the long run technology diffuses over history. And I think that actually we, Europe and America, have benefited more from globalisation than if we had tried to stop globalisation.

On the manipulation of social media. I don't think Americans, or anybody else, has that capacity to manipulate social media. You can say that the Americans, you know, Facebook is located in Palo Alto. But if you're a Syrian security official, what better way than Facebook to find out who the friends are of the protestors. I mean these technologies can be used for repression, as

well as for freedom. So the Americans, the American government doesn't control that.

On the question of religion. Religion is an enormous source of soft power. And religion has been extraordinarily important, not only through history, but in the last decade, where the rise of a particular variant of Islam, that was associated with al-Qaeda (Bin Laden) had a thoroughly disruptive effect on world politics. So I agree with you about the importance of religion.

There are a lot of things in the book that I didn't get a chance to talk about in the limits of this speech. But on corporations, and this really blurs into [question three] as well, corporations have enormous power. But it is worth remembering that of the sources of power, the three types of power which are military, economic and soft power (which grows out of legitimacy). Corporations have an enormous amount of economic power, but they don't have military power. Governments do. They don't have much legitimacy, in the sense that well run governments do. So it's not right, even though in economic areas, corporations can outrun governments, overall they are not necessarily more powerful than governments.

Now, could you do something like get an international convention on tax havens. They're are some, and they could be strengthened and more to be done with them. The OECD has some conventions on tax havens. But I'd be quite sympathetic to the idea that governments would try to set up rules. One of the problems of course, is that not all of the governments agree on how they want to define what those rules are for tax havens.

Question 4:

I wonder in the context of what you've been saying, how do you see the future of Europe?

Question 5:

Soft power, a term you coined, is now very fashionable in policymaking circles, everywhere from Washington, London and Beijing. I was just wondering if you could give a sense of how you feel governments are doing when they use the term? When politicians and policymakers use the term soft power, are they doing so correctly? And if not, what improvements do they need to make?

Question 6:

I was just wondering if you felt that the United States' soft power was enhanced, or undermined, by the use of hard power against Osama Bin Laden?

Joseph Nye:

The future of Europe. I actually am relatively optimistic, I know that's unfashionable. If there were a market in futures for Europe, I would buy, not sell. Right now, I think the market's depressed by, not only the regular cycle of Euro pessimism that occur, but also by the problems of the sovereign debt difficulties. But I think that the power of the European idea is actually quite strong. And if you look at the abilities of Europe, I mean the capacities of Europe, they are very impressive. I mentioned this when I described the size and capacities of the European economy.

If I were to say what worries me about Europe, it would really be twofold. One is a danger that in the short run Europe may turn inward too much. And in the longer term it's a demographic problem. So if I look at Europe, those are the two things I worry about. But if I were buying Europe futures, on some futures market for the next decade, I would still buy Europe, not sell.

On soft power. Yes, it's a gratifying thing to see a concept that I developed as a lowly academic used by the president of China. And I mentioned others. But it is often misused. People often think of soft power as anything that isn't military. In fact, soft power is the ability to get what you want through a traction and persuasion, and without the use of coercion and payment. But often people say that sanctions, economic sanctions, that's part of soft power. Well not the way I defined it. But you know as they sometimes say it's better to have your name in the newspaper, even if it's misspelt.

On the use of US soft power and Bin Laden. We don't know the answer to your question yet. We have to let a little more time go by. I suspect that it is actually going to help, rather than hurt American soft power. Bin Laden tried to create a myth of invincibility. Remember his phrase about everybody admires the strong horse, the feeling that his was the future. I think that the killing of Bin Laden punctures that myth.

But the myth was already losing its power because of the Arab Spring. Now as it used to be that al-Qaeda types could say, 'There is no alternative. Look at these autocratic governments in the region. The only alternative is our ideology.' Well I think the Arab Spring and Tahrir Square showed that there are alternatives. And most polls that I've seen show that, well before he was

killed, Bin Laden's myth was already declining. So I don't actually think that the killing of Bin Laden is actually going to undercut American soft power. I think it is likely to continue to undercut Bin Laden's soft power, posthumous soft power.

Question 7:

My question is about the role of international organizations, that is interstate organizations, and power diffusion. Are they going to play a bigger role than the non-state actors? Or a lesser role being, of course, an emanation of states?

Question 8:

My question is to do with the role of the state. Because you are suggesting that the challenges of the new century are not issues that pose existential threats to the state, they are not issues that can be resolved with the use of military power - climate change, disease, economic crisis and so on. Why do we continue to pursue a state centric view of world politics?

Question 9:

If you were asked today, on your visit to London, to advise the British Prime Minister, would you advise him, or her, to leave the European Union as a result of globalisation?

Joseph Nye:

On the role of international organizations and states. I think what we are going to see is, to borrow a phrase from the European vocabulary, we're going to see variable geometry. You're not going to see one set of organizations which dominate or organize.

It's very interesting to see the evolution in just taking the financial and monetary area. You have an IMF. Then you had a G7 as a steering committee, that was expanded to a G8, now it's a G20. These are agenda setting organizations, they don't actually do things. But they can do things which can bring leaders together, to frame discussions which then organizes bureaucracies, which then can lead to institutions (like the IMF which have serious capacity) to do studies and implement.

So I think what we are going to see with organizations, intergovernmental organizations, is a variety of organizations with a different of shapes and different functions complementing each other.

On the question of why do we have such state centric views. We are still prisoners of our past. There are still a lot of people who think that states are the only things that matter. And there are still a lot of people who think that the only form of power is what A J P Taylor talked about. What I try to do in my writings is not to say, as some enthusiasts say, that we are beyond the nation state or beyond the state. We're not. What I'm trying to say is that the stage of world politics is now more crowded by other actors and other issues, and that's going to require us to not say the state doesn't matter, but to put the state in a much broader context.

On the question of would I advise Britain to leave the EU. No I don't think so, I think just the opposite. I think Britain essentially has an additional leverage in world politics through its participation in Europe. And if you believe, as I do. I'm a victim of British soft power. I was a Rhodes Scholar at Oxford, so I've been anglophile-ised, if you want, for years. But I still think that Britain is more valuable in the world, and more powerful in the world, through its participation in Europe. And I also think that a Europe that is going to be essential as a partner in dealing with many of these trans-national challenges that we face, is a better Europe for having Britain in it. So I would not advise leaving.

Sir Jeremy Greenstock:

Can I just press you a bit harder on that second question about state centrality? As more people have more information and feel more individual power, isn't the nature of politics itself changing? Perhaps this is a generational thing, as much as anything else, that the traditional politicians are losing the confidence, particularly of younger people. And the respect for government is dying as the complexity of things overwhelms them. Don't you need to speak about, in your future of power, this different relationship between governments and their own peoples?

Jeremy Nye:

Oh very much so. And I agree with that. Indeed, in another book that I once edited, the title was *Why People Don't Trust Government*. And I think in an information age, what you find is that hierarchical patterns of deference are greatly devalued, and you have to then appeal as a leader in a different way.

In an industrial era, leadership was like being king of the mountain and your orders cascaded down to those below you. In an information age, leadership is more like being at the centre of a circle. And you have to attract others to you. That reinforces the importance of soft power and narrative. And the really skilled leader, is the leader who can develop a narrative in a democracy which attracts people to him, or her, obviously for votes, but also for support. But a narrative which simultaneously attracts an outside, or multiple audience. And that's difficult.

George W Bush had a narrative which was very attractive he called it his 'Freedom Agenda') to many Americans. But it seemed hypocritical to many people on the outside world, because it seemed inconsistent with actions. I think Obama has been better at reconciling those inner and external audiences with his narrative. But it is not easy, because any leader who speaks at any time in this information age has to realise that there are not one or two audiences, or one or two channels. There's now in the blogosphere a multitude of audiences and interpreters and channels. So it is much harder.

Question 10:

I was wondering, when you defined in 1990 soft power. And then against your concept of soft power, hard power was defined. And then Suzanne Nossel defined smart power in 2004. Don't you think all this was done for a divided world? And now you've just said we are in an information revolution in a different world. And you've also said that globalisation of economy can benefit us all. Don't you think that globalisation of international law, and applying the same standards to all states, will also benefit us all?

Question 11:

It seemed to me that the British governments response to the Arab Spring was to go and offer arms. And I wonder if, from your perspective, there's a future for British hard power at all? Are we going to be able to drop our immediate hard power response to global conflict, in your view? We have very strong soft power, we always have had, but it seems to have difficulty in overtaking our hard power narrative here.

Question 12:

On the question of state centrality. There was an interesting article on the weekend by Gillian Tett in the *Financial Times* (but she's an anthropologist by education) about nation building in countries or regions that don't have a

concept of the nation. That it was a real contradiction, that they have family ties, they have regional ties, they have religious ties, but no national concept. And this happened only 150 years ago in Italy. So is nation building really a rather narrow concept, which should be reviewed?

Joseph Nye:

On the first question of international law. We have some international law in the UN Charter. It would be nice to imagine a world in which it was applied equally and in all states. I don't expect to see that world any time soon. There are enough interpretations and differences in international law that, while it is a nice concept, it remains limited.

I don't mean to deny the importance of international law, but I just mean that suppose if you take the responsibility to protect. The UN General Assembly adopted that unanimously in 2005, but a lot of atrocities happened after 2005, before 2011. And only when it looked like Benghazi would become another Srebrenica, did you have a passage of a Security Council resolution to protect those citizens of Benghazi. But notice the states that decided to abstain; Russia, China, Brazil, even Germany. So, you know, we are just a long way. These are all states incidentally who voted for R2P in 2005, but when it came to implementing it, no. So I think we're quite some distance before we see the world that you said we'd like to see.

As for the question of Britain and its soft power. I actually think Britain has a capacity for both hard, and soft, power. And I mean Britain has a lot of soft power, and always has through its Universities, through the BBC and so forth. And those are great assets. But I'd hate to see Britain lose its capacity for hard power. I think one of the interesting things about Britain is that it's a European state which can do both. And that to me is what smart power is. In fact I used the term Suzanne Nossel used, smart power, in a book, or an article independently, or separately. I used the term in the book I published in 2004 to make sure that people didn't think that soft power was sufficient. You really need both, and the combination is what I call smart power.

As for the question of nation. It's a very good point. There are very few nation states in the world. If you mean political units, in a word there's a coextensive sense of ethnic or linguistic affinity with the shape of the political boundaries, most states in the world are not nation states in that classic sense. But then you get to this question of what is nation building. The one thing that is clear to me is that nation building can't be done from outside. Peoples may come together over time and overcome differences, but imposing nation building

from outside, particularly by the West, is a futile task. So I think your basic point, in the Gillian Tett point that you referred to, is correct.