When the Trilateral Commission was started in 1974, the world was essentially a bipolar world. The idea of David Rockefeller and his colleagues was to bring Japan into a dialogue with what was then the center of global thinking and power, namely, the North Atlantic area. China had just begun its relationship with the United States—it was not a significant economic factor—and Japan was an outpost in Asia for the concerns that were evolved primarily in the North Atlantic context. Since then, the international system has changed fundamentally.

Let me talk about the nature of the international order and the issues in relation to the international order that I see emerging and which require some global group that addresses them. Since 1974, we have seen the collapse of the Soviet Union, the unification of Germany, the rise of China, and the abandonment by India of its non-alignment and its active participation in global affairs. We have also seen the rise of nongovernmental organizations—some terrorist, some nongovernmental organizations that undertake positive work, but all of them active in a manner that was marginal or nonexistent when we conducted Middle East policy in the administration in which I served. Terrorism was a very marginal phenomenon. We dealt with governments and we thought we had a difficult time, but those governments were only marginally affected by the groups that avowed terrorism.

We have seen the shift of the center of gravity of international affairs from the Atlantic to the Pacific, and that is one of the major themes of this new period. We have seen the collapse of the financial system that had been believed to be—in the 1980s and 1990s—the pillar of the economic financial order.

About this I will make a few observations. Some of the discussions with respect to the economic system create the impression that their advocates believe that, at the end of the current crisis, we will go back to a slightly improved version of the previous system, with perhaps some more regulation. I do not believe that that is possible. There are a number of reasons why that will not be the case. I do not think it will be possible or desirable to restore the dominant position of the United States, and one of the key issues that needs to be discussed in this group and others is how one can
have an international economic system that has various centers of power, not one that is dominated by one country.

In fact, one of the consequences of the financial crisis is a certain loss of confidence in the United States across the board. Many governments and many countries had become used to the proposition that in the political world we have flights of inspiration that prove temporary. But in the economic world it had been assumed that the US model was the one that was correct and that would be permanent. The fact that this has proved not to be the case will affect the American ability to prescribe solutions in a fundamental way.

I also think that the role of government in the next period, for better or worse, will be much larger and that attention will have to be paid to the fundamental flaw of the globalized economic system as it existed before, which was that the economic model and the political model were out of sync with each other. The global economic model assumed that there were principles that could be applied universally and that it was self-regulating. For that reason it was not believed to be necessary to have a political safety net for the economic system. But the fact was that whenever a crisis occurred, or whenever any group felt significantly disadvantaged, they would go to the political institutions that they knew, which were the national governments. Therefore, there was an inherent discontinuity between the way economics was dealt with and the way politics would react. This has been shown by the fact that in the first round of this crisis, the solutions are attempted on a national basis—which are then coordinated—and not on a global basis.

So, all of these matters will need attention and they will need attention in a very special context. Every country that holds the views that I described, which is most of them, has two contradictory motivations. On the one hand, they want to make themselves independent of the forces that produced the crisis and, at the same time, they recognize that the solutions require a global answer. The result will have to be the evolution of some kind of multipolar leadership of the international system. Let me now turn to that issue.

The political world is in a period of fundamental change. When I taught international politics, we dealt with the concept of sovereignty as the organizing principle of the international system, both for foreign policy and for domestic policy. But now the notion of sovereignty is under attack or in the process of change in many parts of the world. Europe, which originated the concept of the nation-state, has voluntarily surrendered part of its sovereignty to the European Union. But the European Union has not been able, up to now, to generate the political loyalties that the nation-state did. Therefore there is a gap in Europe between the way foreign policy used to be conducted when the nation-state was the repository of all national loyalties and the current situation where on the
economic level the European Union becomes stronger but there is no repository for the kind of strategic foreign policy that used to be characteristic of Europe.

Therefore, some of the disagreements that have existed between Europe and the United States are not due primarily to the personality of American leaders, though they were not aided by some of the arguments that the American leaders made. Their fundamental cause is the fact that European public opinion is very reluctant to engage in foreign policy beyond soft power. It is not a lack of loyalty to the alliance; it is not a lack of understanding of what the issues are; it is the fact that in Europe, the nation-state—based on its experience in two world wars—cannot conduct a strategic foreign policy involving significant sacrifices, and the European Union has not yet substituted a political concept. Therefore, a wise policy will keep that in mind, and I believe the Obama administration has acted wisely in Afghanistan in not making an issue of the disparity between the formal NATO commitment and the willingness of the Europeans to support it. I would prefer a different attitude, but I think that if we push that issue, we will weaken our relationship. And in a more fundamental way, as we think of the way the international order is likely to evolve, we need to understand what Europe can and cannot do and how the North Atlantic alliance needs to be defined to fit the current circumstances.

In other parts of the world, the notion of sovereignty has also collapsed, but for quite different reasons. In the Islamic world, particularly in the Middle East, the notion of a sovereign state conducting an autonomous foreign policy was brought in at the end of World War I by the European countries. It, therefore, has not ever, and certainly does not now, attracted the loyalties that the European nation-state had at its fully developed period. What has emerged is a concept of Islamism that challenges the notion of the secular state and, in some cases, the existence of the actual states. The principal country in that area that is conducting a traditional foreign policy in some respects is Iran because it has the tradition of an empire. It has had a national identity, but it is now using it, at least in part, to support the Islamic movements that undermine the secular state.

The principal place where the traditional international system still exists in its more or less pure form is in Asia. The nations of Asia have the kind of national loyalties that were characteristic of the European states. Strategic conflict between the European states is practically inconceivable. In Asia, war is highly unlikely, but there is a tendency to consider each other as potential strategic adversaries. At any rate, a balancing of power of the various states is always in the back of their minds.

So, as the center of gravity of international affairs moves to the Pacific and to the Indian Ocean, there are, in a way, two somewhat contradictory approaches to international affairs that are
being conducted, and, if other conditions had not changed, one would predict for Asia some of the kinds of conflicts that existed previously in the evolution of European history. The reason that conflict is not likely is the emergence of global issues that can only be dealt with on a global basis—issues like climate, the environment, energy, trade, weapons of mass destruction—and they impel a global approach. And there is another element. The nations of Europe went to war with each other because they thought the consequences of defeat were worse than the consequences of war. Nobody with modern weapons can have any illusions that the consequences of war will not have the most drastic impact on modern societies. And so, the rise of Asia has to be accommodated in an international system that is based on cooperation and on dialogue without the recourse to military measures that used to dominate international affairs.

But that raises the question of how does one do this? In history, international orders emerged either by consensus or by some application of a balance of power. Now, ideally, one would like to see order emerge out of consensus. But history teaches, and our own experience teaches us, that in groups based on consensus there is very often an unequal willingness to assume risks and, therefore, leadership groups emerge within the consensus group that assume responsibility, or the whole thing will gradually stagnate and fall apart. But then, the question arises, how does one apply this in the multipolar world that I have described? How can one get either consensus or equilibrium when the various actors are states but they can also be NGOs and they can also be non-state groups. This is the challenge of our time, and this is where a group like this can be of great importance. This group can raise questions that the governments sometimes do not find it possible to address, and it can provide a possible consensus to which governments can repair or which they can use as they make their decisions.

This applies to a number of issues. Let me give one example that was raised by President Obama in Prague, the issue of a world without nuclear weapons. That is a goal every American president has avowed since the beginning of the nuclear age and it has attracted enormous support and been supported by any number of intellectual groups. But the fact is that as a practical matter it is extraordinarily difficult to reach and, in fact, impossible to reach under present circumstances.

At the Munich Security Conference, I quoted Senator Sam Nunn, who is a colleague of mine, on having talked about this project, together with George Shultz and Bill Perry. Senator Nunn puts it this way: “The project is like trying to climb a mountain that is covered in clouds. And you announce that you want to reach the summit but you have no idea what the summit looks like. On the other hand, you will never understand what the summit looks like until you begin the journey and start going into the clouds, and in that process it may become clearer to you. In fact, you cannot do it unless you
undertake that journey.” Now the reason I and others who have been in my office and who were known as hardliners have cooperated in this project is that we have all had the experience of asking ourselves, “What would we do if we had to make the decision to use nuclear weapons?” Each of us understood that this was a decision of a magnitude that goes beyond anything in previous political experience and probably of a magnitude that can have no moral justification.

So, it is an enterprise that must be undertaken, but it is an enterprise also that needs to be looked at or studied in the excruciating detail that it involves. It is not something that you can achieve with placards or in outbursts of pacifism. It is because when you ask yourself of the impact on the world of the reduction of nuclear weapons, each phase of this has its own aspects and each phase will lead to a very complicated political discussion.

I have been very much engaged in putting Russian-American relations on a new basis. In dealing with Russian strategists one learns that the notion we had in the 1970s of a Russia with unlimited reserves of manpower, threatening Europe militarily with its conventional force, that had to be opposed with nuclear weapons on the ground is totally reversed. It is Russia today that thinks that it is surrounded by countries with unlimited reserves of manpower and unlimited ideological commitment and that it, therefore, had its own necessities for nuclear weapons which cannot be simply analyzed in terms of the overall deterrence of the United States and Russian equation. The issue of nuclear weapons has similarities to the Schleswig-Holstein Question in the 19th century, about which Lord Palmerston said there were only three people who had ever understood it: one was dead, the second was in a lunatic asylum, and he himself was the third and he had forgotten all about it. We have to be the third on this issue and we have to learn about it. This is one of the great challenges before us.

All of us here have been affected by the rise of China, and it has been an explicit and an unspoken aspect of many of our discussions. It has never happened before that a country of such magnitude entered the international system without conflict and yet this is precisely the challenge that our international order faces.

There are two aspects to this. One is, What is Chinese policy? Is it Chinese military policy to dominate the region? This is something one can affect, and must affect, by discussions. The second is the weight of China. Regardless of the intentions of Chinese leaders, the weight of China will increase. It is inevitable; it is a fact of life; and it must, therefore, be considered in any discussions we have about a new international system. This requires, on the side of China, wisdom and restraint, and it requires, on the side of its surrounding countries, comparable wisdom and restraint. Looked at from this point of view, no conversation in the world today is more important than the American and
Chinese strategic dialogue. This does not derogate from any of our alliances; it is not a way of
governing the world. Quite the contrary, it is a dialogue that makes it possible to create a multipolar
world based on the recognition by two of the countries that are the principal carriers of international
economic and strategic power of the role that they must play in this. So what we need to think about is
this. What matters can only be done, or can best be done, on a global basis? What matters should be
done on a regional basis? What issues require specific, limited groupings to deal with them?

This afternoon, we have heard about the issue of Afghanistan, and that issue and the
Pakistan issue involve, really, two problems. One is the traditional military problem of how do you
deal with the challenge to order that has presented itself. But secondly, there is the necessity of
creating a political system in the region that enables all of the countries that are potentially affected by
this to act in a unified manner over an extended period of time. On this we could find that India,
China, Russia, Iran, and the United States have parallel objectives, and the challenge will be, first of
all, to define these objectives to ourselves in a way that can be translated into action and, secondly, to
use the combined pressures that they can exercise to diminish the purely American military aspect of
it and merge it into this international system.

In a deep way, this is exactly the problem we face also with respect to North Korea and Iran.
Whatever the debate is about the military significance of their weapons, the fact is that we have a
situation in which the international community has expressed its determination that there not be
nuclear weapons programs in those countries. If they now occur anyway, how can one then still speak
of a meaningful international consensus? Of course, there could be a negotiation to achieve this.

Having described all of these complexities, let me leave us with a positive feeling. First, the
international financial crisis can help the creation of an international political order for a negative
reason. Every country is so preoccupied with its own domestic issues; no country has a great surplus
of resources that it can devote to international adventures. So, if political leadership can develop, this
is a good objective circumstance. Secondly, we are living in a period in which, for the first time that I
know of, no major country is challenging the international system. All of the challenges to the
international system come from countries that, in relation to the overall order, are relatively fringe
countries or from non-state actors. So, the opportunities that we can see in developing the global
patterns that are inherent in this situation are very great despite the fact that the surface knowledge is
the opposite.

To all of this I think this Trilateral Commission can make a significant intellectual
contribution. It can raise issues; it can define them in a long-range point of view; and it can help with
one of the great needs of this period, which is that governments are so preoccupied with the
immediate issues that there is sometimes no focal point for a consistent application of long-range visions. So we can raise issues, we can indicate directions, and in this way we can fulfill the vision that created the Trilateral Commission when it operated in a smaller framework and when one of its primary purposes was to bring Japan into a North Atlantic framework. Now it can help bring Asia and Russia into a coherent global framework.

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