

*On Multilateralism**

—*Ideas and Actions of a World Banker*—

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On Multilateralism

— *Ideas and Actions of a World Banker* —

1. Prologue

The genesis of this essay was a series of conversations over the Internet with a long-time friend who made a whirlwind trip to Japan at the end of 2009. At the time, I felt compelled to write by his suggestion that the concept of multilateralism might well be understood and become more prevalent among not only policy-makers, but also the general public, and that this would serve the interests of Japan in changing international circumstances. Subsequently, I was requested to draft an essay for contribution to a forthcoming annual bulletin of the graduate course I was about to leave at the conclusion of tenure. The bulletin struck me as an opportune medium for the dissemination of an essay on multilateralism. With this backdrop in mind, it should be understood that the essay was neither a piece of academic research nor a policy advocacy piece targeted at the ordinary readers of public opinion journals. It is rather an attempt to weave together vivid memories and piece together remembered fragments of conversations held over the past three decades, an undertaking I have long considered worthwhile. The contents of this essay intentionally steered clear of stories concerning my friendship with this person already reported by well-known journalists in Japan¹. Instead, the essay is intended to examine the core elements of what he stands for, known as *multilateralism*, which may be paraphrased as *liberal internationalism* in the literature of international relations.² Accordingly, I hope the essay will serve as a personal memorandum. I also hope that it will help the readers envisage how multilateralism works and deepen their understanding of what it is all about by connecting the concept of multilateralism to concrete images and offering food for thought.

2. An ultimate multilateralist: his ideas and actions

His name is Robert B. Zoellick³, president of the World Bank Group since July 2007.

¹ Toshimitsu Shigemura, “Yurakucho: Gaiko-to-Yujo,” the *Mainichi Shimbun* (newspaper), Dec 5, 1997. Hisayoshi Ina, “Dainiki-Nichibei-domei-no-juyo-na-wakiyakutachi,” *Foresight*, March 2005

² See, for example, Francis Fukuyama, *State-Building – Governance and World Order in the 21st Century* (Ithaca, New York: Cornell University Press, 2004), pp.106

³ After joining the Treasury Department, Zoellick served in various important postings within the U.S.

He and the author have been good friends for the past thirty years, ever since they became college roommates in the United States, where the author was sent by the Japanese government for in-service training in the early 1970s. Needless to say, Zoellick is one of the most prominent figures in international public service in this age of sweeping globalization and his statements and travel activities always attract media attention. In July 2007 he took office as president of the World Bank Group, which was established as one of the four institutional pillars for post-war stability and peace, together with the United Nations, GATT (now superseded by the World Trade Organization (WTO)), and the International Monetary Fund (IMF), a twin of the so-called Breton Woods system. The World Bank Group is the Mecca of multilateralism in the areas of international economics, development finance, and assistance to the developing world. Since I am very mindful of an unfair charge laid against my friend when he served in several senior ranking positions in Republican administrations, I should also like to explain how mistaken and inimical to Japan's genuine interests were certain wrongly formed perceptions, such as that my friend was "less friendly to Japan," and thereby set the record straight in that regard. Zoellick, having taken over from Paul Wolfowitz, succeeded in reviving an institution demoralized and disgraced by his predecessor's misconduct and eventually restored the discipline of Bank officials and staff, which had been weakened under Wolfowitz. As a result, it is now said that Zoellick will become as powerful and renowned a top manager of the economic powerhouse as Robert McNamara. In my opinion, Zoellick is an ultimate *multilateralist* in his own right, a person fit to head up an organization such as the World Bank Group. In his book *Special Providence*, Walter Russell-Mead, a political scientist of American political thought, typifies four different schools of the American foreign policy debate from the eighteenth to the twenty-first century⁴. He also compares their respective strengths and weaknesses. The schools of debate, deeply rooted in domestic politics, can be characterized as follows: – the *Jeffersonian*, democratic and introversive; the *Jacksonian*, populist and jingoistic; the *Hamiltonian*, internationally commercial and realistic; and the *Wilsonian*, internationally liberalistic and missionary. The trait of multilateralism that permeates the latter two schools also runs through Zoellick's ideas and actions.

government: counselor to Treasury Secretary James Baker, counselor to Secretary of State James Baker, under secretary of state, and briefly deputy chief of staff at the White House and assistant to the president from 1985 to 1992. Zoellick joined the presidential election campaign team of George W. Bush and, after Bush's victory, became the United States trade representative (USTR) from 2001 to 2004, and deputy secretary of state from 2005 to mid-2006.

⁴ Walter Russell Mead, *Special Providence: American Foreign Policy and How It Changed the World* (New York: Knopf, 2002)

As John Gerald Ruggie defines it, “Multilateralism refers, at its core, to coordinating relations among three or more states in accordance with certain principles.”⁵ Added to this definition of multilateralism are several caveats. First, institutional expressions that rest on an “indivisibility” among the members of a “collectivity” with respect to a range of behavior in question take different forms depending on circumstances, such as orders, regimes, or organizations, and cannot therefore be equated with one specific form. Second, expectations of “diffuse reciprocity” are held among the members of the collectivity, or, “The arrangement is expected by its members to yield a rough equivalence of benefits in the aggregate and over time.”⁶ And, third, in fact there are a variety of actual cases of multilateralism that contradict the formal definitions. In this connection, six characteristics of a multilateralist sort are noticeably woven as leitmotifs into the ideas and actions Zoellick has developed ever since his debut at the forefront of American foreign policy in the early 1990s. They are: first, lucid and balanced analytical capacity; second, insightfulness and flexibility of strategic thinking; third, a grand framework with detailed designs; fourth, “burden-sharing” and “power-sharing”; fifth, historical interpretations of agendas; and, sixth, investment in presentation and public relations.

(1) Lucid and balanced analytical capacity

It is needless to say that the capacity of lucid and balanced analysis is a prerequisite for the formulation, deciding, and implementation of any public policy. As is crystal clear in his writings ranging from “America in Asia,” an article in the name of James Baker said to be Zoellick’s maiden article⁷ in *Foreign Affairs* magazine,⁸ to “Campaign 2000: A Republican Foreign Policy” also in *Foreign Affairs* magazine,⁹ in support of the Republican presidential candidate George W. Bush, and to *After the Crisis?*,¹⁰ the text of a highly sensational lecture delivered at the Johns Hopkins University just after the G20 summit meeting at Pittsburgh in September 2009, Zoellick is a genius gifted with superb analytical capacity. As he continuously held pivotal positions in Republican

⁵ John Gerald Ruggie (ed.), *Multilateralism Matters: Theory and Praxis of An Institutional Form* (New York: Columbia, 1993), pp.3-14

⁶ Ibid.

⁷ Toshimitsu Shigemura, “Scramble: Baker-no-Futokorogatana, Zoellick-Kokumujikan-no-Tainichi-Senryaku,” *Chuo-Koron*, February 1992. This view is corroborated by the fact that only fewer than ten pages were spared to cover Asia and the Pacific affairs in Baker’s nearly 700-page memoir. See James Baker III, *The Politics of Diplomacy* (New York: Putnam, 1995), pp.604-13 (especially, pp.609-613).

⁸ James Baker III, “America in Asia: Emerging Architecture for a Pacific Community,” *Foreign Affairs*, Winter 1991/92

⁹ Robert Zoellick, “Campaign 2000: A Republican Foreign Policy,” *Foreign Affairs*, Mar/Apr 2000.

¹⁰ Robert Zoellick, *After the Crisis?: a lecture delivered on Sep 28, 2009 at the Paul H. Nitze School of Advanced International Studies of the Johns Hopkins University*

administrations in his mid-30s, he was privileged with so many opportunities to participate in the formulation of grand designs of foreign policy strategy and in the extraordinary challenges of making difficult decisions that he has in fact developed astute political skills and a sense of balanced judgment reliant on a multitude of refined information. Richard Darman, then director of the Office of Management and Budget, who introduced Zoellick to Treasury Secretary James Baker, reportedly commented, “He does as much work alone as twelve do in a day.”¹¹ The author, who often remembers “his school days with the recollections of jogging alone even in rainy and cold weather,”¹² can attest to Zoellick’s intellectual superiority and extraordinary resourcefulness. In his memoir *The Politics of Diplomacy*, James Baker III, who included Zoellick in his first “inner circle,” describes him as follows:¹³

Zoellick, a native of Illinois, combined Midwest common sense with the policy sophistication of someone who had been educated at America’s most elite schools: Swarthmore, Harvard Law School, and the Kennedy School of Government. He had worked for me at Treasury and was a superb manager, policy analyst, and writer. I had learned at the White House that to control policy you need to control paper, so I made Zoellick counselor of the Department (“C”) and mandated that every piece of paper sent to me go through him first. That made him, as one journalist put it, my ‘second brain’ who could organize, synthesize, and refine ideas, thus ensuring that only quality, fully vetted initiatives and ideas got to my desk. With the possible exception of Richard Darman, it would be hard to find someone more suited to the job. Zoellick’s ability to take reams of information and boil it down to one page of ‘bullets’ and ‘ticks’ – standard briefing paper format – was legendary. So were his lists of what needed to be done. If he had a weakness, it was that he was too smart and would come up with ten reasons for doing something when three would have sufficed. Like most of my aides, he did not suffer fools gladly; combined with his position in the bureaucratic food chain – gatekeeper – this made Zoellick one of the most feared people at State.

Even since becoming World Bank Group president, Zoellick appears to work hard at collecting raw information, ardently listen to reports from “the ground,” and never hesitate to intervene at project sites. By drawing upon the information thus refined and incorporated into his strategic framework, he can produce valid analyses seasoned with a sense of reality and balance. In this regard, one of his many exemplary analytical

¹¹ Toshimitsu Shigemura, “Scramble: Baker-no-Futokorogatana Zoellick- Kokumujikan-no-Tainichi -Senryaku,” *Chuo-Koron*, February 1992

¹² Hideaki Asahi, “Koyuroku: Kyuyu-no-Omoiari,” *The Nikkei Shimbun*, 20 May, 2004

¹³ James Baker III, *The Politics of Diplomacy* (New York: Putnam, 1995), pp.32

works that I consider a masterpiece is a keynote address titled *Fragile States: Securing Development*,¹⁴ which Zoellick delivered at the IISS annual plenary conference in September 2008, only a year after taking up his new post. Before the assembled security experts and scholars from across the world, Zoellick addressed one of the most frequently discussed issues: that is, (post-war) reconstruction of weakened states or “fragile states.” In the address, he made a set of points that were highly insightful for the specialists and practitioners seeking to work out solutions to the issue. No one now doubts that, thanks to Zoellick’s personal ability and leadership, during the past few years the World Bank Group has played a leading role not only in alerting members of the international community to a range of global issues, including soaring food and energy prices and the financial crunch, and ensuing economic recessions, but also in campaigning for resources to deal with those issues.

(2) Insightfulness and flexibility of strategic thinking

A second characteristic of Zoellick is the insightfulness and flexibility of his strategic thinking. Zoellick is neither a “senior government official” in the sense that applies to Japan’s bureaucratic system nor a politician; rather he can be called a “technocrat” in the positive sense of the word. He falls somewhere between bureaucrat and politician, combining the positive elements of the two. He is, therefore, free from the organizational constraints and rigid mindset that often prohibits freedom of action. Moreover, unlike politicians, he can distance himself from the political pressures of narrow-minded interest groups in political constituencies. He thus enjoys the luxury of ideal circumstances in which he concentrates on strategic thinking about what represents real public interests and where those interests lay. It is Zoellick who has taken the lead in advocacy of a G14¹⁵ to meet the challenges of increasingly complicated global governance. As a result of the political deals between the leaders of the United States and the European Union, the existing G20¹⁶ came to the fore as a

¹⁴ Robert Zoellick, *Fragile States: Securing Development*: an address made on September 12, 2008 at the plenary of The International Institute for Strategic Studies (IISS), held in Geneva, Switzerland

¹⁵ Members of a G14 that Zoellick enumerates are the following: the G7 (the United States, Japan, the United Kingdom, France, Germany, Italy, and Canada), Brazil, China, India, Mexico, Russia, Saudi Arabia, and South Africa. See Robert Zoellick, *Modernizing Multilateralism and Markets*: an address made on 6 October, 2008 at the Peterson Institute for International Economics in Washington, D.C. Besides Zoellick, who insisted on the revamping of the G7 (G8) framework of global governance, international economist Fred Bergsten and President Nicholas Sarkozy of France are said to be among those who advance a similar advocacy for reform.

¹⁶ The G20 originated in the finance ministers and central bank governors meetings of 20 countries and regional organizations that were regularly convened since 1999. The G20 members are the G7 countries, Russia, the EU, plus 11 other newly emerging economic powers (Argentina, the Republic of Korea, Australia, Mexico, Turkey, Brazil India, China, Indonesia, Saudi Arabia, and South Africa)

compromise organization substituting for the G7.¹⁷ Zoellick's call for a "new steering group"¹⁸ comes from an understanding of the new reality that while the emerging developing powers represented by the BRICs become internationally more assertive, the G7 members continue to lose their aggregate share of the global GDP and fail to meet the expectations of the international community. It is in this political context that Zoellick prevails on Japan, which adheres to the G7 because of "prestige" (the sole representative of Asia) rather than "function" (global governance), to wean itself from its "narrow" national interests and shift to "enlightened" national interests based on multilateralism. The author once argued that because the Japanese have a bitter historical memory of international isolation and subsequent war devastation triggered by the dissolution of the reliable Japan-Anglo alliance and the Washington System of multilateral security arrangements in the Pacific, they are inclined toward something solid to rely on, such as the Japan-United States alliance and the G7¹⁹. Zoellick's reply, imbued with a deep understanding of Japan's modern history is seen in part in a *Financial Times* article titled "Japan is ready for evolution and reform."²⁰ The author should like to return to this theme later.

(3) A grand framework with detailed designs

It was in the "America in Asia" essay in *Foreign Affairs* that Zoellick weighed into the foreign policy debate with a grand design detailed by carefully examined components. As previously mentioned, the essay is a policy vision for new U.S. engagements in Asia and the Pacific in the post-Cold War era, which was prepared on the eve of President George H. W. Bush's trip to the region. It visualizes a new "architecture" which, basically resting on the traditional "hub and spokes" security concept, consists of "A fan spread wide, with its base in Northern America and radiating west across the Pacific."²¹ In Zoellick's words, in the face of "The Asian realities – that is, the elements of a promising future and the difficult remnants of times past – it pursues a viable architecture for a stable and prosperous Pacific Community."²² To that end, it addresses three concrete policy issues: "First, to examine a framework for economic integration that will support an open global trading system; second, to foster the trend toward

¹⁷ See Henry Paulson, Jr., *On the Brink* (New York: Business Plus, 2009), pp.375-6

¹⁸ See Robert Zoellick, *Modernizing Multilateralism and Markets*.

¹⁹ This is the author's personal view. See also Hisahiko Okazaki, *Rekishino-Kyokun* (Tokyo: PHP, 2005), pp.77-144. Hisahiko Okazaki, *Shidehara Kijuro-to-sono-jidai* (Tokyo: PHP, 2000), pp.183-207.

²⁰ Robert Zoellick, "Japan is ready for evolution and reform," *the Financial Times*, 27 November, 2006

²¹ James Baker III, "America in Asia: Emerging Architecture for a Pacific Community," *Foreign Affairs*, Winter 1991/92

²² *Ibid.*

democratization so as to deepen the shared values that will reinforce a sense of community; and, third, to define a renewed defense structure for the Asian-Pacific theatre that reflects the region's diverse security concerns and to mitigate intra-regional fears and suspicions."²³ Yoichi Funabashi, editor of the *Asahi Shimbun* (newspaper) and author of *The Asia-Pacific Fusion*²⁴, a book that focuses on this subject, argues that because the United States could barely afford the maintenance costs of "spokes" and would have to ask that financial burdens be shared with its allies, it needed to formulate the new notion of "fan." As a matter of course, however, there were genuine American stakes involved in this initiative in view of the fact that the total volume of America's Pacific trades had already surpassed that of its Atlantic trades. There is also a clear understanding that East Asia will become the growth center of the 21st century. Zoellick, drawing upon his strategic instinct, holds that the United States will have to take hold on a prosperous Asia. This could be construed to be a shift in American foreign policy priorities. It is said that John Hay, who was secretary of state around the turn of the twentieth century, was the first to cite the strategic importance of the Asia-Pacific for the U.S., declaring, "The Mediterranean is the ocean of the past, the Atlantic the ocean of the present, and the Pacific the ocean of the future."²⁵ Firmly grasping the historical context, Baker states in his memoir, "By the time I became secretary of state, Hay's prophesy was rapidly becoming a fact: the year 2000 would herald the beginning of the 'Pacific Century.' My job was to make sure the United States would be a major part of it."²⁶ What matters is not only the post-Cold War architecture, but also a reform design to address the international crisis of the political economy of "once in a century" magnitude that is now under way. How Zoellick's multilateral ideas and actions work is examined in the chapters to come.

(4) "Burden-sharing" and "Power-sharing"

A fourth characteristic of Zoellick concerns his sense of the rules about "burden-sharing" and "power-sharing," which reflect changing power configurations in international politics and economic interactions. As has often been referred to in past arguments about Japan being a "free rider" of the Japan-U.S. Security Treaty relations, the question of how to match actual benefits accruing from multilateral arrangements to responsibilities assigned to each member of the system is a truly difficult one. It is well

²³ Ibid.

²⁴ Yoichi Funabashi, *The Asia-Pacific Fusion –Japan's Role on APEC* (Tokyo: Chuo-Koron-sha, 1995), pp.269

²⁵ James Baker, III, *The Politics of Diplomacy* (New York: Putnam, 1995), pp.609

²⁶ Ibid.

known that Zoellick, then deputy secretary of state, suggested that a rising China be aware of its role as a “responsible stakeholder”,²⁷ of the international system and duly share the burden with the other members. Indeed, there is no sense of a “big power attitude” of generosity or magnanimity in Zoellick’s philosophy of global strategy for system management, which can be compared to the “plus alpha”²⁸ one scholar detects in the “hegemonic stability” theory of Charles Kindleberger. Zoellick apparently seeks to build on a “concerted-model” of multilateral architecture in which each member, whether large or small, works with other members to maintain the international order according to its capacity and benefits. This may be tantamount to the “Constitutional” model of international order, one of the three models, along with the “balance of power” and “hegemonic” models, that John Ikenberry of Princeton typifies in his book *After Victory*.²⁹ Against the background of the deepening of interdependence of today’s world, Zoellick confines the notion of American “unipolarism” to the military dimension. Also, he is apparently disposed to intellectual thinking that I consider part of the essence of his *multilateralism*: that is, a formulation that “Power should be measured comprehensibly and relatively, taking into consideration a variety of its components, not only military, political, and economic, but social and cultural.” His way of thinking reminds the readers of that of a Harvard professor Joseph Nye, who discusses the changing nature of power affecting the shape of a new international order in the age of globalization and argues for power games on “three layers of the chess board,” political, economic, and cultural.³⁰ This is perhaps part of the reason a fault line existed between Zoellick and a group of the so-called “neo-conservatives.” James Mann, author of the widely-read book *Rise of the Vulcans*, notes that “Some critics complained, fairly or not, about Zoellick’s style and personality, but the underlying reality was that having never served in the Pentagon, Zoellick was one Vulcan who simply did not fit in with the new team or share its interests.”³¹

That aside, Zoellick is unwilling to embrace the “G2” theory view that politically signifies the inevitable dominance of a rising China, on the grounds that this does not reflect realities of power configurations, but would instead threaten to curtail other

²⁷ Robert Zoellick, *Whither China: From Membership to Responsibility?* remarks made on 21 September, 2001 to the National Committee on U.S.-China Relations in New York City. See Chapter 4., which discusses the subject at more length.

²⁸ See Masataka Kosaka, *Heiwa-to-Kiki-no-Kouzou* (Tokyo: NHK Library, 1995), pp. 150.

²⁹ G. John Ikenberry, *After Victory* (Princeton, New Jersey: Princeton University Press, 2000), pp. 21-40.

³⁰ See Joseph Nye, “American power: The new Rome meets the new barbarians,” *The Economist*, 21 March 21, 2002. See also Joseph Nye, *The Paradox of American Power: Why The World’s Only Superpower Can’t Go It Alone* (New York: Oxford, 2002), pp. 35-40.

³¹ James Mann, *Rise of the Vulcans: The History of Bush’s War Cabinet* (New York: Viking, 2004), pp.24

multilateral resources. On the other hand, he is positive about the utility of a “G2” rhetoric that supposedly provides a basis for persuasion that it is even possible to deal with China on the basis of mutual benefits, however limited, existing with the United States. He concludes that the latter argument is valid for those political conservatives within the U.S. who insist that there should be no room for deals with China. In my view, Zoellick is an ultimate *realist* in the sense of the belief that no matter how great the differences between the countries, deals are still possible where there is even a small scope for mutual benefits. His practical actions marked by such a “win-win” approach are confirmed in a host of historical examples in which he was involved. The following are just a few examples relating to the then Soviet Union and China. In his account of the Two plus Four initiatives for German unification in which he actively engaged, Zoellick said “The United States sought to treat the Soviet Union with respect. America designed a negotiating process that offered the Soviets an opportunity to participate in the development of Europe’s new security system, and the United States and Germany tried to address legitimate Soviet concerns.”³² As for China, he said, “We do not urge the cause of freedom to weaken China. ... Our goal ... is to help others find their own voice, attain their own freedom, and make their own way...”³³

(5) Interpretations of agendas in historical context

A fifth characteristic of Zoellick is interpretations of agendas that are made against historical backgrounds. The abovementioned *After the Crisis?*, his most recent lecture, delivered at the Johns Hopkins University, concludes with quotations from Edmund Burke’s classic treatise *Reflections on the Revolution in France* and points to the difficulty of interpretations of contemporary history in constant fluidity. I have indirectly heard that a certain central bank governor, when he read the lecture text, was strongly impressed by Zoellick’s penetrating insights into history and the richness of his knowledge of classic studies. Zoellick once confided to the author that his experience while serving as Secretary James Baker’s counselor at the State Department of sifting through all the papers sent to his boss, and adding short notes on his historical interpretations of the subjects in question, was enormously rewarding. When I learned that Zoellick, in his current role as head of the World Bank, expects aides to do what he did for Secretary Baker, I was overwhelmed by the extent to which past practices had influenced his career development method. At the same time, I was convinced about a

³² Robert Zoellick, “Two plus Four: Lessons of German Unification,” *The National Interest*, Fall 2000.

³³ Robert Zoellick, *Whither China: From Membership to Responsibility?*: remarks made on 21 September, 2001 to the National Committee on U.S.-China Relations in New York City.

lesson I had learned from history: that is, “Rules and practice move with man.” It is in Zoellick’s previously mentioned keynote address at the IISS plenary, *Fragile States: Securing Development*, that we find another good example of how Zoellick skillfully paraphrases his subject theme in a historical perspective. He relates the contemporary problem of state failure to the founding rationale of the International Bank for Reconstruction and Development (IBRD): “The nexus among economics, governance, and security.”³⁴ As a matter of course, there are many examples of insightful historical references in Zoellick’s work. For instance, in the article “America in Asia,” Zoellick refers to “a 21st-century Pacific analogy from a nineteenth century experience: the development of the American continent. As the pattern of expansion and influence in the American West was determined by the location of telegraph lines and railroads, so the infrastructure links we are building across the Pacific in areas such as telecommunications and transportation will shape the economic and political character of the region and our ties to it.”³⁵ Furthermore, in his speech made just before the G20 summit meeting in London in April, 2009³⁶, with a view to reaffirming the importance of multilateralism for today’s world, Zoellick invoked the ideas of John Maynard Keynes, born eighty years before at a time of economic crisis on an unprecedented scale. It is a secret pleasure of mine to come across and be immersed in historical episodes when I read and listen to transcripts of Zoellick’s statements and messages.

(6) Investment in presentation and public relations

Last but not least, as important as the former characteristic are Zoellick’s business style and practices. That is to say, Zoellick pays all possible attention to presentation and policy advocacy and makes shrewd calculations to elicit the maximum effect. As previously mentioned, it is widely acknowledged that during Zoellick’s tenure the World Bank Group has done well in addressing a host of global issues. Examples of matters that have been adroitly handled and have met with professional appreciation are ways of ensuring good timing and decisions on what subject to take up and whom to target. One exemplar in this connection is the article “Time to Herald the Age of Responsibility,” which appeared in *The Financial Times* early in 2009. In this op-ed article, Zoellick sought to draw the attention of the general public to the importance of poverty reduction, the most pressing agenda not only for the leader of the World Bank

³⁴ Robert Zoellick, *Fragile States: Securing Development*: an address made on September 12, 2008 at the plenary of The International Institute for Strategic Studies, held at Geneva, Switzerland.

³⁵ James Baker, III, “America in Asia”

³⁶ Robert Zoellick, *Seizing Opportunity from Crisis: Making Multilateralism Work*: an address delivered on March 31, 2009 at the Thompson Reuter Building, Canary Warf, London.

Group but also for the international community as a whole, so that the present era might truly become the “Age of Responsibility.” In fact, President Barack Obama has called the 21st century the Age of Responsibility, as opposed to the Dark Ages, the Renaissance, the Reformation, and the Age of Reason – epochs into which Western history has been divided that represent the cultural, economic and political values of the time.

What has made Zoellick’s media strategy most attractive and effective is investment in presentation and public relations. On taking office, he set up a support team that includes many members with talent and experience in public relations. His decisions in this regard, including the appointment of a former director of public relations as his chief of staff, demonstrate how much importance he attaches to this portion of his portfolio. It seems to me that although, organizationally speaking, team work is a basic prerequisite for achieving objectives, Zoellick makes it a rule to write his own drafts for talks on major occasions, something almost beyond imagination considering his extremely tight schedule. There is one more thing to add with regard to Zoellick’s extraordinary management skills: his ample experience in public service and his style of preparatory arrangements. An example of this is advance briefings or consultations with interested groups, which are required to make presentation as effective and productive as possible. Under his pointed guidance and concrete instructions the Bank has moved more deliberately and actively to establish good public relations not only with the American Congress, but also with representatives of the member states. It is reported that Zoellick himself frequently takes direct action, something unprecedented for a World Bank president. This implies that Zoellick is a super technocrat who does well not only in policy but also in action.

3. Asia and the Pacific and Europe: Japan and Germany

It may have been not long after Zoellick left the West Wing of the White House, where he worked as Deputy Chief of Staff at the end of the administration of President George H. W. Bush, when the author met him and received an account of his days in government. Zoellick confessed that he was proud of his personal engagements in two historic incidents: the Two plus Four initiative of 1989 to bring about a soft landing for German reunification and The Tokyo Declaration of United States-Japan Global Partnership of 1992.³⁷ Europe and Asia and the Pacific were so important from the U.S. strategic view-point that it was only natural that a robust initiative to launch the design of new architectures of post-Cold War order and stability for these regions be among the

³⁷ <<http://www.mac.doc.gov/japan-korea/market-opening/ta920109.htm>>[accessed 4 April, 2010]

highest priority agendas. James Baker notes in his memoir, "... we would work on ensuring our 'continental base' (relations with Canada, Mexico, and Central America), then strengthening and, where necessary, expanding our alliances across the Atlantic and Pacific. Bob Zoellick convinced me that thinking in terms of 'concentric circles' was the most useful way to proceed."³⁸ In connection with the foregoing, in his book *After Victory*, which discusses how a victor in a great war struggled to use its acquired power in order to shape post-war order, John Ikenberry maintains, "The United States employed institutions as a mechanism to lock in other states to desired policy orientations, and it was willing to exchange some limits on its own autonomy to do so."³⁹ Looking back on the Bush administration's foreign policy agendas, Baker recalls, "Regional institutional building initiatives were the key elements of its post-Cold War order-building strategy."⁴⁰ He likened its efforts to the American strategy after 1945:

Men like Truman and Acheson were above all, though we sometimes forgot it, institution builders. They created NATO and the other security organizations that eventually won the Cold war. They fostered the economic institutions – GATT itself, the World Bank, and the International Monetary Fund – that brought unparalleled prosperity to the nations of the free world during the decades following World War II. At a time of similar opportunity and risk, I believed we should take a leaf from their book.⁴¹

Ikenberry considers Baker's conclusion to be the idea to "'plant institutional seeds' – to create regional institutional frameworks that would extend and enhance America's influence in these areas and encourage democracy and open markets."⁴² He quotes Zoellick, who had done a tremendous job assisting Baker in post-Cold War order-building, extolling the U.S.-Japan-Europe Trilateral system as a pillar of stability:

³⁸ James Baker III, *The Politics of Diplomacy* (New York: Putnam, 1994), pp. 42. In Japan, there is a view that it was Zoellick who redefined the strategic importance of Asia and the Pacific to American foreign policy against the background of "departure from Asia" in the wake of the Vietnam War and that he upgraded the region's status to that of the Atlantic. See Toshimitsu Shigemura, "Scramble: Baker-no-Futokorogatana Zoellick-Kokumujikan-no-Tainichi-Senryaku," *Chuo-Koron*, February 1992. For an overview of American multilateralist approach to the region, see Kent Kalder & Francis Fukuyama (ed.), *East Asian Multilateralism* (Baltimore, Maryland: The Johns Hopkins University Press, 2008), pp.1-12.

³⁹ G. John Ikenberry, *After Victory* (Princeton, NJ: Princeton University Press, 2000), pp.234

⁴⁰ More specifically, regional institutions such as NATO, EC, and CSCE in Europe, NAFTA and the "South Corn" in the Western Hemisphere, and APEC in East Asia were considered. In addition the establishment of a WTO was also regarded as a top American agenda for institution-building. See James Baker III, *The Politics of Diplomacy*, pp.604-5.

⁴¹ *Ibid.*, pp.605-6

⁴² G. John Ikenberry, *After Victory*, pp.234-5

The most powerful participants in this system – especially the United States – did not forswear all their advantages, but neither did they exercise their strength without substantial restraint. Because the United States believed the Trilateral system was in its interest, it sacrificed some degree of national autonomy to promote it.⁴³

The foregoing represents one of the key elements of Zoellick’s multilateralist idea. The other key elements are examined in the following chapters.

Although Zoellick appears to exercise the self-restraints of not disclosing inside stories of the diplomatic practice in which he was involved, his account of the Two plus Four initiative verges on being an exception to this rule. As is explained at greater length in *The National Interest* magazine,⁴⁴ Zoellick reveals his strategic method, which draws on lessons from history, in the hope that in the case of German unification we avoid repetition of the grave mistake of the Versailles Treaty of imposing unbearable burdens on Weimar Germany that eventually lead to catastrophe. Zoellick also employed an overarching strategy of his own device that struggles to, on the one hand, incorporate a united Germany into a unifying Europe with strengthened ties with the U.S. and, on the other hand, to place it within a newly emerging political and security framework of the European continent in the wake of the breaking away from the Cold-War structure. What strikes the reader intellectually is the thrilling diplomatic maneuverings and moving human dramas that evolved in the midst of historic upheavals with the aim of not only groping for possible opportunities emerging from cool analyses of political dynamism but also looking for a new security order. The account of the Two plus Four process enables the readers to recognize not only Zoellick’s tremendous contributions, but also his special commitments apparently derived from his background, notably his fellowship at the German Marshall Fund during the Clinton administration. In November 2009, twenty years after the fall of the Berlin Wall, Zoellick recalled the political earthquakes of that tumultuous time and drew the following conclusion contributed in a *New York Times* op-ed column: “Over the last 20 years, Germans have accomplished important things. They have helped integrate the countries of Central and Eastern Europe into the European Union and into the trans-Atlantic security of NATO. They have helped build an historic European Union in peace. The global economic crisis was the first big test of this New Europe. European

⁴³ Ibid., especially pp.271. See also Robert Zoellick, “The United States,” in Zoellick, Peter D. Sutherland, and Hisashi Owada, *21st Century Strategies of The Trilateral Countries: In Concert or Conflict?* (New York: Trilateral Commission, 1999), p.5

⁴⁴ Robert Zoellick, “Two plus Four”

states, for all their internal debates have recognized their interdependence. Under stress, Europe did not splinter.”⁴⁵

Zoellick’s interest in Asia and the Pacific region was acquired and perhaps developed later than his interest in Europe. Zoellick may have been influenced by a short stay in Hong Kong on a law enforcement fellowship and the concomitant experience of life in Asia, among other things. It is said that U.S. strategic intentions to willingly play a more complex and sophisticated role in an emerging new regionalism exemplified by the APEC were concealed in the “America in Asia” article that Zoellick allegedly wrote on behalf of James Baker. Baker, who embraces an interest in the development of a “broader Pan-Pacific organization,” discloses in his memoir, “Zoellick and I had discussions at Treasury in 1988 with one of my international aides, Bob Fauver, about developing this idea of a Pacific organization further.”⁴⁶ In 1989, the President George H. W. Bush took office and Zoellick joined Baker at the State Department, where before long he learnt of Australia’s announcement of a proposal, with backing from Japan, for “the idea of an East Asian group to promote trade in the region,” and became involved in the embryonic process of Asia-Pacific Economic Cooperation (APEC). Funabashi identified Zoellick as “one of the group of people who have worked indispensable contributions to the development of APEC in persuading their respective national leaders.”⁴⁷ According to Funabashi, Zoellick recognizes the importance of APEC: “We see APEC as an important mechanism for sustaining market-oriented growth, for advancing global and regional trade liberalization and for meeting the new challenges of interdependence.”⁴⁸ APEC, he says, “is as much the hallmark of American engagement in the region as are U.S. security ties.”⁴⁹ It is still vividly remembered, however, that the United States strongly opposed the insistence, of then Malaysia Prime Minister Mahathir bin Mohamad, on an East Asia Economic Group (EAEG) along the lines of the EU and put pressure on Japan and other East Asian members of APEC. Baker frankly admitted, “Without strong Japanese backing, the EAEG represented less of a threat to or economic interests in East Asia.”⁵⁰ Elaborating the underlying American strategic position, Zoellick refers to a growing strong relationship between economics and security as its rationale. He commented, “American presence and commitments to

⁴⁵ Robert Zoellick, “Guiding Germany’s Unification,” *New York Times*, Nov 7, 2009

⁴⁶ James Baker III, *The Politics of Diplomacy* (New York: Putnam, 1994), pp.44-45, and pp.609

⁴⁷ Yoichi Funabashi, *The Asia-Pacific Fusion*, pp.79

⁴⁸ *Ibid.*, pp.189-90

⁴⁹ *Ibid.*, pp.170; See also G. John Ikenberry, *After Victory*, pp.235

⁵⁰ James Baker III, *The Politics of Diplomacy*, pp.611

these regions after the Cold War would increasingly hinge on economic interests. To the extent that regional framework facilitated greater economic interdependence, American stakes in the region increase. America's security role becomes more important."⁵¹ The question of how to deal with the U.S. when we consider the future of an East Asia Community, which is now in an embryonic form, again becomes a major diplomatic issue for not only Japan, but also other countries in the region.

Another characteristic of Zoellick's ideas contained in the new American engagement in Asia is his flexible and realistic approach resting on the formulation 'form should follow function.' Implementing this approach, he seems to design a new architecture taking into consideration both Asia's diversity and complexity on the one hand and the increasingly deepened links between politics and security, and trade and investment relations on the other. In the "America in Asia" article, he also discussed the thorny issue of the process of reconciliation and eventual reunification on the Korean peninsula. He speculated on the future of the 'six-party talks' (multilateral) framework as follows: "As the North-South dialogue progresses, we will explore the possibilities for a forum for the two Koreas and the four major powers (the United States, Soviet Union, China and Japan) in Northeast Asia that will support the dialogue, help in the easing of tensions, facilitate discussion of common security concerns and possibly guarantee outcomes negotiated between the two Koreas."⁵² He seems to be a strong believer that a multilateral security framework should work in Northeast Asia. In addition, there is one more unforgettable historical episode deserving mention that demonstrates Zoellick's deep understandings of Asia's economic woes and political sensitivities in the instance of the Asian economic crisis that happened in 1997-1998. The author still recalls that the casual demeanor of IMF Managing Director Michael-Jean Camdessus looking down on President Suharto from above with his arms folded in a photo from the signing ceremony for a rescue transactions package for Indonesia published around the world was perceived to be not so much impolite as arrogant by Asian standards. Subsequently, not only economic but also psychological shocks mixed with political rages swiftly rippled around the world from Asia. The Clinton administration, apparently taken by surprise by Zoellick's warning op-ed article⁵³, responded to the economic turmoil with various measures other than mere monetary transactions, taking into account larger political and security implications. This turn-about of the Clinton

⁵¹ Yoichi Funabashi, *The Asia-Pacific Fusion*, pp.170

⁵² James Baker III, "America in Asia."

⁵³ Robert Zoellick, "A Larger Plan for Asia," *Washington Post*, Jan 6, 1998

administration shows the extent to which Zoellick could exert bipartisan influence and at the same time implies how good policy works across party lines.

As Zoellick proclaims in the article, “The keystone of America’s engagement in East Asia and the Pacific is its relationship with Japan,”⁵⁴ which crystallized in the Tokyo Declaration of Japan-United States Global Partnership,⁵⁵ agreed on when President H. W. Bush visited Japan in January 1992. In addition to bilateral relations, the Declaration extends to multilateral agendas both nations agreed to address in the global context and defines their respective roles and areas of cooperation. In other words, this new framework of agenda setting, involving both bilateral and multilateral issues, has been carried on by the subsequent governments and administrations. Examples of the extension of this framework are the Tokyo Declaration of 1996, concluded between Prime Minister Ryutaro Hashimoto and President Bill Clinton,⁵⁶ and another joint statement, released after the last summit meeting of June 2006 between Prime Minister Junichiro Koizumi and President George W. Bush,⁵⁷ in which Zoellick apparently participated as President Bush’s aide. Judging from some of Zoellick’s writings, such as *Survival* (1997-98)⁵⁸ and a task force report of the Trilateral Commission (1999),⁵⁹ for instance, his multilateralist ideas appeared to have further progressed and deepened during the course of the Clinton administration. In this connection, it is also notable that President Barack Obama, proclaiming himself the “Pacific president,” reaffirmed U.S. commitments to Asia and the Pacific in his policy address in Tokyo in 2009⁶⁰, which Zoellick also endorsed.⁶¹

With regard to my own opinion and impressions, I regret not having necessarily fully realized in the beginning the real significance of the fact that Zoellick’s attachment of

⁵⁴ James Baker, III, “America in Asia.” On the other hand, Baker also agrees in his memoir to the same observation. See James Baker, III, *The Politics of Diplomacy*, pp-612

⁵⁵ <<http://www.mac.doc.gov/japan-korea/market-opening/ta920109.htm>> [accessed 4 April, 2010]

⁵⁶ U.S.-Japan Joint Declaration on Security - Alliance for the 21st Century-; See <<http://www.mofa.go.jp/region/n-america/us/security/security.html>> [accessed 4 April, 2010]

⁵⁷ Japan-U.S. Alliance of the New Century; See <<http://www.whitehouse.gov/news/releases/2006/print/20060629-2.html>>

⁵⁸ Robert Zoellick, “Economics and Security in the Changing Asia-Pacific,” *Survival* 39:29-51, 1997-98

⁵⁹ Robert Zoellick, “The United States,” in Zoellick, Peter D. Sutherland, and Hisashi Owada, *21st Century Strategies of The Trilateral Countries: In Concert or Conflict?* (New York: Trilateral Commission, 1999) , pp.5

⁶⁰ See Remarks by President Barack Obama at the Suntory Hall on November 11, 2009. <<http://www.whitehouse.gov/the-press-office/remarks-president-barack-obama-suntory-hall>> [accessed 4 April, 2010]

⁶¹ An e-mail conversation with the author

strategic importance to Japan-U.S. relations rests on his multilateralist thinking. Zoellick's call for Japan to work together with the U.S. is genuine in accordance with "... the lesson the U.S. learned from its reluctance to play an active role in world affairs in the period between the two world wars: For the international system to work, leading powers must lead."⁶² This is, I think, an important part of his multilateralist creed as well. Zoellick continues to call for genuine partnership with Japan and Japan's cooperation and maintains, "This is why today we seek to build a global partnership with Japan – with Tokyo assuming a greater leadership role in a system from which it derives significant benefits."⁶³ He admitted that he was disappointed at the outcome of President H. W. Bush's visit to Japan, whose preparations he led. Things did not progress according to the scenario he formulated to play up a redefined U.S.-Japan strategic relationship, which is the cornerstone of the new American engagement in East Asia. He confessed later that his intentions were undercut and that press attention was diverted to bilateral economic issues, mainly the so-called automobile frictions, which was politically manipulated and then nearly erupted due to the domestic pressures.⁶⁴ I keenly sensed his regret at the outcome of the visit when I repeatedly perused the text of the 1992 Tokyo Declaration. In contrast with the essential first half of the Declaration, the second half was indeed stuffed with a lot of "rubbish" that the U.S. side persisted in, but which was all irrelevant, superfluous, and disproportionate. The author has heard from people influential in business and political circles that the Declaration certainly sent out shock waves that revitalized them politically and that, as a result, they came to believe that Japan-U.S. relations would enter a new and promising phase. Although it seems cynical in retrospect, Japan retreated into the so-called "Lost Decade(s)," and its people were beset with a "sense of besiegement." I feel truly sorry that Zoellick has seen Japan, once his strategic partner for institutional order building, now slip into freefall.

The capacity to architect and provide a grand design for a new architecture of governance that might attract other parties and eventually lead to a mutually acceptable agreement is an essential condition for a leading actor in multilateral negotiations. I was confounded by an article in a Japanese newspaper on a press interview in which Zoellick referred to Japan's flawed approach to the Doha Round negotiations.⁶⁵ This sentiment came in part from a very well-known reason: Zoellick had very tense

⁶² James Baker III, "America in Asia"

⁶³ Ibid.

⁶⁴ Conversation with the author

⁶⁵ An Interview with President Zoellick, *The Asahi Shimbun*, 9 Dec, 2009.

relations with his Japanese counterparts. Zoellick seldom offers his own accounts in this way. It is my opinion that the real problem lies in structural flaws built into Japan's unique style and system for negotiations, which tend to passively protect fragmented interests of various stakeholders rather than promote a unified platform of prioritized national interests. Zoellick once said to me that this posture appears less than cooperative at best and obstructive at worst in the eyes of counterpart negotiators when they are serious, either willingly or not, about finding a point of convergence for conflicting interests to reach a final bargain. It saddened me to hear this. According to Zoellick, players of a multilateral game (trade, for instance) attempt to take the lead by offering big ideas instilled with their own interests as a basis for negotiations and induce other members to deal, haggle, settle down to bargains, and finally reach an overall compromise. Japan suffers a lack of political power and will, which were sorely needed not only for coordinating among fragmented interests, but for defining national interests for the sake of compromise. This frustrated Zoellick in the trade talks. As a matter of course, since Zoellick as USTR was delegated negotiating authority by the U.S. Congress, he, too, could not totally free himself from unreasonable pressures from parliamentary and business circles, or escape from the unreasonable burdens of representing parochial or narrow interests. There were more than a few instances of infamous "grey areas" allegedly committed or condoned during his time as USTR: to cite two examples, an administrative directive concerning protective measures for the steel industry and various subsidy measures for U.S. agricultural products. The author remembers meeting with Zoellick in Tokyo in January 2006, at which he honestly confessed, "It was a difficult time." This was when a BSE problem was about to erupt and a major spat awaited him in Japan. Readers will recall the manner in which Zoellick responded in good faith to irritating Japanese consumers, as was illustrated in a timely cartoon in a Japanese newspaper.⁶⁶ I am confident that others share my sense about Zoellick's attitude. The period of Japan-U.S. economic frictions is already behind us, while friction between the U.S and China is intensifying. I may not be alone in my nostalgia for those days.

After serving a year and a half as deputy secretary of state, Zoellick left the Bush administration in July 2006. He had a contract with *The Financial Times* as a columnist and late that year published his first column, titled "Japan is ready for evolution and reform," to refocus attention on Japan. The readers would see in this op-ed column

⁶⁶ See the cartoon by cartoonist Sunao Hari, with the sub-caption "Hey! We haven't seen such a low-keyed America for a while," *The Asahi Shimbun*, 25 January, 2006.

Zoellick's cautious optimism toward a Japan that had seemed to regain its vitality thanks to the optimism attributable to Prime Minister Junichiro Koizumi's reform efforts. Zoellick discussed Japan's problems and a possible future course, drawing on the formulation from Kenneth Pyle's newly released book *Japan Rising*,⁶⁷ that Japan has the unique ability to transform and adjust itself when it faces a threatening external crisis. The visit to Japan Zoellick decided to make in December 2009 less than a month after the dispatch of a high-powered World Bank delegation led by a managing director and five vice presidents demonstrates his interest in the historic implications of the recent change in government in Japan. Judging from the press interview already mentioned, it seems to me that the visit which consisted not only of meetings with the new top leaders of the new government, but also young hopefuls of the next generation, may have given Zoellick a sense of real change that has probably met his expectations.

4. A Responsible Stakeholder: China

Since I have already discussed Zoellick's main argument on this subject in Chapter 2.(4), I should like to add here what has yet to be discussed. Although it should be acknowledged that Zoellick may be a highly "controversial" public figure in both Kasumigaseki (location of the government bureaucracy) and Nagatacho (location of the Diet), the author has undertaken to defend him on the grounds that figure-pointing and labeling Zoellick as "anti-Japan and pro-China" would be counterproductive to the national interests of Japan. There are several reasons why repugnancy toward or resentment against Zoellick was widespread and powerful. Also, there are accordingly two opposing groups in Japan the author recognizes. One group is trade negotiators and commerce promotion officials who resented Zoellick's "unfriendly" response as USTR to the request for appointments for meetings with the group of cabinet ministers at the Doha Round negotiations and were angered at the exclusion of Japan from important informal negotiations on trade issues. A second group is security and defense people who were resentful of Zoellick's decision, on becoming the deputy secretary of state, to abolish the "strategic dialogue" with Japan, established by his predecessor Richard Armitage and shift to a strategic dialogue with China. When Zoellick stopped over in Japan in January 2006, we discussed this issue. He avoided referring to the real reason for the closure of the dialogue, but I surmised disappointment on his part at a Japan that had failed to meet his expectations of "real strategy talks." As mentioned earlier, my counterargument is to point out that it is unlikely that a man who takes pride in the 1992 Tokyo Declaration be against Japan. I have already referred to people who distance

⁶⁷ Kenneth Pyle, *Japan Rising* (New York: Public Affairs, 2007).

themselves from both groups mentioned above and positively agree with my position.

The unfounded allegations that Zoellick is a “pro-China” agent are not confined to Japan, but are voiced in the United States as well, especially among Republican conservatives. In the American press he has at times been called horrible names such as “China bugger.” However, as a friend of Zoellick’s I am encouraged to see him stay the course in consistently suggesting that “China build on its success to become a “responsible stakeholder.” In September 2005, Zoellick made a now-famous speech at the National Committee on U.S.-China Relations in New York in which he maintained that China, which has made great economic strides in keeping with the decision made under Deng Xiaoping that “it would embrace globalization rather than detach themselves from it,” has to become a “responsible stakeholder” in the international system⁶⁸. Furthermore, he stated the following:

China has a responsibility to strengthen the international system that has enabled its success. In doing so, China could achieve the objective identified by Mr. Zheng⁶⁹: “to transcend the traditional ways for great powers to emerge.”⁷⁰

Here we can reaffirm one of Zoellick’s tenets of multilateralism: the principle of “win-win” is to be sustainably secured among members through multilateral rules. The following are sentences of the speech.

Indeed, we hope to intensify work with a China that not only adjusts to the international rules developed over the last century, but also joins us and others to address the challenges of the new century.

From China’s perspective, it would seem that its national interest would be much better served by working with us to shape the future international system. If it isn’t clear that why the United States should suggest a cooperative relationship with China, consider the alternatives. Picture the wide range of global challenge we face in the years ahead – terrorism and extremists exploiting Islam, the proliferation of weapons destruction, poverty, disease – and ask whether it would be easier or harder to handle those problems if the United States

⁶⁸ Robert Zoellick, *Whither China: From Membership to Responsibility?*: remarks made on September 21, 2001 to the National Committee on U.S.-China Relations in New York City.

⁶⁹ Mr. Zheng has served as advisor to China’s political leaders for a long time and is now president of China Reform Forum. He promoted the idea of China’s “Peaceful Rise,” the keeping of harmony with the international community. See also Zheng Bijian, “China’s ‘peaceful rise’ to Great Power Status,” *Foreign Affairs*, Sep/Oct 2005.

⁷⁰ Robert Zoellick, *Whither China: From Membership to Responsibility?*

and China were cooperating or at odd.

We now encourage China to become a responsible stakeholder in the international system. As a responsible stakeholder, China would be more than just a member – it would work with us to sustain the international system that has enabled its success. Cooperation as stakeholders will not mean the absence of differences – we will have disputes that we need to manage. But that management can take place within a larger framework where the parties recognize a shared interest in sustaining political, economic, and security systems that provide common benefits.⁷¹

In his keynote address titled *From Shanghai Communique to Global Stakeholders*,⁷² delivered in Shanghai in March 2007 to commemorate the thirty-fifth anniversary of the normalization of U.S.-China relations, Zoellick also took the consistent and steadfast position of urging China to grapple with four international problems. The four problems, namely, North Korea, Iran, Sudan, and international energy security share a common parameter: that is, they are prone to destabilize international efforts for a new peaceful order and require China's cooperation for solutions. Zoellick's posture to China can be contrasted with those of President Barack Obama and Secretary of State Hillary Clinton, both of whom were later criticized domestically for their "overly conciliatory" attitudes. In fact, since the two stopped short of raising some contentious issues, including human rights violations, with Chinese leaders as legitimate American concerns, apparently because of political calculations, subsequent public polls showed a downward trend. It is quite obvious which attitude is more orthodox and trusted as American mainstream diplomacy. In his involvement with China policy, first referred to in the "America in Asia" article, Zoellick proclaims, "Our ideals and values must be an essential part of our engagement with China."⁷³ This diplomatic posture was reaffirmed again in the afore-mentioned address in New York as follows:

Freedom lies at the heart of what America is ... As a nation, we stand for what President Bush calls the non-negotiable demands of human dignity.⁷⁴

In Zoellick's eyes, Japan may still be distinct from China in its sharing with the U.S. the same liberal political system and human rights values and also in the practice of fair

⁷¹ Ibid.

⁷² See Robert Zoellick, "China and America need a new Shanghai agreement, *The Financial Times*, 16 April, 2007

⁷³ James Baker III, "America in Asia."

⁷⁴ Robert Zoellick, *Whither China: From Membership to Responsibility?*

economic competitions based on free-market rules. I think this may be why Zoellick remains friendly to Japan despite having been repeatedly disillusioned.

5. *After the Crisis?*: the United States

I once heard a joke that is popular in the diplomatic community in Washington D.C. According to the joke, Zoellick is a most difficult guest to entertain as he prefers neither delicious dishes nor witty chats, but rather serious conversations stuffed with policy implications. Although I am not in a position to confirm whether the joke has a basis in fact, I can report that what pleased Zoellick at the last time we had dinner together was the pleasant and relaxed talks about his lecture *After the Crisis?*, delivered at the Johns Hopkins University. He did in fact argue, “The United States would be mistaken to take for granted the dollar’s place as to the world’s predominant reserve currency,”⁷⁵ and “Looking forward, there will increasingly be other options to the dollar.”⁷⁶ A heated exchange of views, mainly between Zoellick and a highly respected journalist, was triggered by my comments that some were taken by surprise by the extent to which Zoellick had warned his nation about the dollar’s future. The journalist insisted that it would never be possible for the renminbi to replace the dollar as the world leading currency, not even three decades from now, no matter what may happen: for instance, whether China surpasses the U.S. in GDP or whether the renminbi meets some, if not all, of the conditions required for key currency status. Zoellick, apparently a bit excited and finally exhausted, concluded the exchange by saying, “Let’s have dinner here again in two decades!” Someone to whom I disclosed part of this discussion commented that although he shared the concerns about the possibility of the Department of Treasury losing budgetary control because of the key currency status, he thought that pump priming is basically the right policy alternative at a time of extraordinary contraction of household demands caused by the bursting of the housing loans bubbles. It seemed to me that Zoellick would be more interested in a far-reaching outlook of the new power structure, and especially in the competitive relations between the U.S. and China that would emerge after a reconfiguration of powers to include rising powers such as China and India, which are now driving forces of the global economy. His lecture *After the Crisis?* offers ample hints in this regard.

According to Zoellick, another message he hopes that readers will take away from

⁷⁵ Robert Zoellick, *After the Crisis?* : a lecture delivered on September 28, 2009 at the Paul H. Nitze School of Advanced International Studies of the Johns Hopkins University.

⁷⁶ Ibid.

After the Crisis? concerns the latter part of the lecture, which is indirectly addressed to the U.S. Congress. The issue is, first, which public institutions should be authorized to regulate banking practices and promulgate rules in order to meet the expectations of public opinion in the wake of the collapses of banking institutions triggered by the bankruptcy of Lehman Brothers. Second, would not the additional delegation of authorizing power to the Federal Reserve Board, already powerful and equivalent to a central bank with independent status and power, impinge upon America's fundamental principle of government, the rule of "balance of power."?

Will democratic governments permit independent central banks to assume even more authority?

The U.S. Congress was surprised to learn of the scope of the Federal Reserve's authority to create funds, buy assets, devise global swap lines, and make transactions outside the usual process for expending public monies.

The Congress has had an uneasy relationship with banks and bankers since Alexander Hamilton. It took the United States until 1913 to set up a central bank. The Federal Reserve earned its hard-won independence over years of effort.

So it should not be a surprise that American democracy is hesitating about authorizing the Fed to supervise systemic banking risks as well as operate monetary policy, adding to its power.⁷⁷

The statements above are the very essence of the message to Congress from Zoellick, who aspired to become treasury secretary during the second half of the George W. Bush administration. It is intellectually stimulating to speculate on how Zoellick would have dealt with the current crisis. It seems to me that he might have done well, making the most of his "inner vision" concerning a range of issues such as international macroeconomics, finance, and budgets, a vision that he has formulated since the time he began to work for Treasury Secretary James Baker, who concluded the Plaza Accord with Japan and the other G5 countries. I also surmise that he might have adhered to "discipline," a hallmark of Republican DNA, in handling budget policies, albeit flexibly.

Zoellick appears, on the other hand, to be free of partisanship. He participated in the 2000 presidential election campaign by contributing the essay "Campaign 2000: A Republican Foreign Policy," to policy debates on paper, traditionally arranged by

⁷⁷ Ibid.

Foreign Affairs magazine. Drawing upon a traditional stream of moderate internationalism, Zoellick challenged his Democratic opponent about the policy failures committed during the eight years of the Clinton administration. In his criticism of the Democrats he focused not on ideological differences, as his Republican peers the neo-conservatives would do, but rather on the failed methods the Democrats employed, and he sought a new national agenda acceptable on a bipartisan basis. When conflicts between the moderates and neoconservatives rose to the surface at the time of the second Gulf War, Zoellick, who had assisted James Baker in his diplomatic efforts to lobby international support in the first Gulf War, stayed out of the fray in his role as a trade negotiator, or, to put it bluntly, seemed to keep political distance from the neo-cons. In November 2009, Senator John Kerry, the 2004 Democratic presidential candidate and now chairman of the Senate Foreign Relations Committee, visited the World Bank Group headquarters at the invitation of its president. Though the Senator delivered an address critical of the World Bank Group's flaws and long-standing problems, he stopped short of any criticism of Zoellick's leadership and endorsed the institution's agenda.⁷⁸ Furthermore, in response to a question from the author, one member of the high-powered delegation to Tokyo led by Managing Director Ngoji Okonjo-Iweala said, "Bob is a multilateralist!" The author took the answer at face value and came to the conclusion that Zoellick may be getting along well with the new Democratic administration.

6. The Birth of a New Multilateralism: The G20

As previously mentioned, it was Zoellick's long-held view that in the face of today's systemic crises, the G7 (G8) partnership for global management had already failed because of its inadequate capability to address diversifying global problems and emerging new challenges. In October 2008, Zoellick publicly initiated advocacy of "... a new multilateralism, initially the creation of a G-14, for a new global economic management at the time of deepening interdependence."⁷⁹ On the eve of the "substantially first" G20 summit meeting, held in London in March 2009, Zoellick held a kind of briefing session to offer insight into the background and necessity of the first meeting and a perspective. The audience was able to confirm not only his unique approach to this new multilateralism, but also his pragmatic method of implementation.

⁷⁸ John Kerry, *Building a Twenty-First Century Development Bank: New Challenges, New Priorities*: remarks made on November 18, 2009 at the World Bank headquarters, Washington, DC. See <<http://worldbank.org/HBJELHSXX0>>

⁷⁹ Robert Zoellick, *Modernizing Multilateralism and Markets*: an address made on October 10, 2008 at the Peterson Institute for International Economics, Washington, D.C.

On the basis of the basic understanding that “Unlike any economic crisis in the past sixty years, this is a new global crisis,”⁸⁰ he analyzed the nature of the G20 meeting in more detail.

We live in a global economy driven by private individuals, companies, unions, and national governments. They trade, invest, work, invent, bargain, and build within and across nation-states, which set the rules and sometimes agree to abide by negotiated terms and procedures. The G-20 will not change that reality of the international system. But a strengthened multilateralism can magnify the advantages, and temper the downside risks of economic interdependence.⁸¹

He argues against ideas for new institutions or new forums for global governance and insists on starting with reform and empowerment of the existing institutions. He goes on to say:

If leaders are serious about creating new global responsibilities or governance, let them start by modernizing multilateralism to empower the WTO, the IMF, and the World Bank Group to monitor national policies. Bringing sunlight to national decision-making would contribute to transparency, accountability, and consistency across national policies.⁸²

It is along this line of thinking that the G-20 is expected to serve as a “new steering group” for dealing with and overseeing the following four tasks: first, to endorse a WTO monitoring system to advance trade and resist economic isolationism, while working to complete the Doha negotiations to open markets, cut subsidies, and resist backsliding; second, to institutionalize a monitoring role for the IMF, review the execution of these stimulus packages, and assess results calling for action, if necessary; third, to clean up bad assets, and have concerned governments recapitalize their banking systems; and fourth, to overhaul the financial regulatory and supervisory system, and address the need for better and deeper international cooperation. There is one more task that Zoellick very much wanted to bring to light. He maintains, “There is a missing fifth dimension in our response to the global crisis: the developing world.”⁸³ This dimension was indeed “missing” in the crisis John Maynard Keynes had experienced almost eighty

⁸⁰ Robert Zoellick, *Seizing Opportunity from Crisis: Making Multilateralism Work*: an address delivered on March 31, 2009 at the Thompson Reuter Building, Canary Warf, London.

⁸¹ Ibid.

⁸² Ibid.

⁸³ Ibid.

years before and is attributable to the extent of globalization that is a feature of today's world. Zoellick, therefore, rightly points out:

In this crisis, developing countries are being battered by successive waves. These waves emanate from the sharp contraction in economic growth and tightening of credit in the developed world. Just as the global economy once helped to lift hundreds of millions out of poverty, today there is a risk of development in reverse, as our interconnected world transmits negative shocks with greater power and velocity.⁸⁴

Zoellick also insists that developing countries, too, can be a key part of the solution. Bearing this in mind, as reported in the press, Zoellick called for an allocation of 0.7 percent of the domestic stimulus packages developed nations prepared to boost their economies to invest in a Vulnerability Fund⁸⁵ for the developing world. Furthermore, he devised a master-plan for a strategy of development that is aimed at the realization of an “inclusive and sustainable globalization” with multiple poles of growth, including the developing world, which was considered feasible in light of the growth experience in Africa.

Another important element that characterizes Zoellick's idea of multilateralism is “power-sharing,” which has already been discussed in Chapter 2. (4). He argues that:

If developing countries are going to be part of the solution they must have seats at the table.

It is not easy for large groups to share responsibilities and generate a cohesive common purpose. Within the G-20 we already see the emergence of different blocs: the EU organizing a common position for its eight participants; the BRICs of Brazil, Russia, India, and China coordinating joint statements. This development may be expected, but it would be unfortunate if the new, broader G-Group created new fault lines between developed and developing countries.

A strong G-2 within the G-20, and cutting cross development lines, could form the cornerstone of a new multilateralism – a multilateralism that recognizes the realities of an international system born, not of nation-states alone, but of nation-states linked through economic interdependence.

⁸⁴ Ibid.

⁸⁵ The main purpose of this proposition is not to establish a new fund, but rather to earmark and spend for developing countries 0.7 percent, of the stimulus packages prepared by developed countries to boost their economies. See Robert Zoellick, “Time to herald the Age of Responsibility,” *The Financial Times*, 25 January, 2009.

That modern multilateralism will require that rising economic powers have a larger say in how institutions such as the World Bank and the IMF are run. This is both right and inevitable. The world has changed radically since Keynes attended the Bretton Woods conference in 1944. We must change with it.⁸⁶

Zoellick employs a “differentiated business model” to the so-called middle-income countries, such as China and Brazil, as one of the “six strategic themes” for his presidential agenda, which will discuss in the following chapter. He holds that other developing countries should be accorded the same opportunity as China is to vie for the status of a “stakeholder.” In his opening remarks to the Board of Governors of the World Bank Group meeting held in October 2009, Zoellick reiterated his conviction “If developing countries are going to be part of the solution they must have seats at the table,”⁸⁷ This was received as a sign of his strong resolve. On the other hand, paying attention to Japan’s evolution from the largest borrowing country in the past to the second largest donor country today, Ngoji Okonjo-Iweala purposefully likens Japan’s marvelous post-war record of reconstruction and development to the Bank’s role model for assistance for developing countries.⁸⁸ Zoellick’s ideas that “If developing countries are part of the solution, they must also be part of the conversation,” and that “With responsibility, there should be more voice and representation,” are not only part of the logical components underlying the G-20 network, but also part of the essence of his multilateralist philosophy.⁸⁹ In fact, Zoellick proclaimed at the abovementioned Board of Governors meeting that reform efforts to enhance the voice and representation of developing and transition countries had already been made. He also contends, “To go further to rebalance voting shares and Board seats, it is imperative that the developed countries reconsider old prerogatives and controls, and that they must be bold and far-sighted.”⁹⁰ Zoellick never forgets to urge rising stakeholders to recognize that “With rights come responsibility, including boosting of development assistance,” and that “The recognition of new powers should not be at the expense of the powerless.”⁹¹ Incidentally, I not only participated in the policy-making process concerning Japan’s

⁸⁶ Robert Zoellick, *Seizing Opportunity from Crisis: Making Multilateralism Work*

⁸⁷ Ibid.

⁸⁸ Okonjo-Iweala made this point in her key-note address of the symposium held at the University of Tokyo on November 3, 2009. See Hideaki Asahi, “A Report of University of Tokyo/World Bank Group Joint HSP Symposium,” *Kyoyo-Gakubuho* (Gazette), N.526, 6 January, 2010.

⁸⁹ Robert Zoellick, *The World Bank Group Beyond the Crisis: remarks made at the Board of Governors of the World Bank Group in Istanbul, Turkey on October 6, 2009*. See also Robert Zoellick, *An Inclusive & Sustainable Globalization*

⁹⁰ Robert Zoellick, *Seizing Opportunity from Crisis: Making Multilateralism Work*

⁹¹ Ibid.

effort to promote what was called “international cooperation”⁹² throughout the 1990s, but also have field experience on the ground of a UN peace operation. As a result of these experiences, I acknowledge that in Japan, there remains a lack of a sense and an understanding of how multilateralism works, something widely shared among other influential members of the international community.

In short, it may be fair to say that it is still too early to draw any conclusion about the future of the G-20. Or, in other words, experts are divided in their opinions about whether the G-20 will reliably develop into the “steering group” that Zoellick envisages in his new architecture for global governance. What happened at the COP15⁹³ summit meeting in Copenhagen last December may be an early signal about the coming into play of new games over non-traditional security issues such as climate changes. Delegates from many countries around the world are reported to have been confounded by what is referred to as the “trauma of Copenhagen” syndrome, and Japan is no exception. The problem, however, is how to proceed next. There are other issues as well, such as how such a new multilateralism can evolve and whether the G-7 will be able to survive itself. The outcome of these issues will depend on a host of speculative movements and a configuration of powers, new and old, and thus require continued attention. Zoellick has lent good offices, both directly and indirectly, to give birth to the G-20. Since he is a genuine multilateralist with vision and power, he may have ideas about how to stave off difficulties and move forward.

7. Challenges of the World Banker

I will begin this chapter by relating some political gossips that have spread among trade officials and WTO specialists.⁹⁴ First, it is well-known among this crowd that Zoellick and Pascal Lamy became good friends when the former was the USTR, and the latter the EU trade commissioner. Second, the two friends boosted one another’s career aspirations: Zoellick’s desire to become president of the World Bank and Lamy’s desire to become director general of the WTO. Despite feeling a bit awkward about the

⁹² There is a strong criticism in Japan, especially among practitioners and intellectuals that this term implies altruism rather than self-interest and that it ironically exposes the absence of a sense of responsibility required of an actor for global governance.

⁹³ COP15 is an abbreviation for The 15th Conference of the Parties of the United Nations Framework Convention on Climate Change

⁹⁴ It is certainly true that it is necessary to examine the trajectory of Zoellick’s ideas and actions when he was engaged in trade and commerce issues, especially NAFTA and the New Round negotiations if one intends to outline a complete picture of what Zoellick subscribes to as multilateralism. Because of time constraints, however, I have not done this. Those interested should see Paul Blustein, *Misadventures of the Most Favored Nations* (New York: PublicAffairs, 2009)

authenticity of these rumors when I first heard them, I nevertheless sent a message to congratulate Zoellick on his appointment to the World Bank. The feeling of awkwardness came from my apprehension as to whether Zoellick would do as well in “low politics” as in “high politics” at which he has been far more experienced and skillful. Notwithstanding my misgivings, in his one hundredth-day speech with the highly symbolic main title *An Inclusive and Sustainable Globalization*, and subtitle *To Overcome Poverty, Enhance Growth with Care for the Environment, and Create Individual Opportunity and Hope*, Zoellick successfully redefined a new policy direction for the World Bank Group by reinterpreting “low politics” issues in the framework of “high-politics.”⁹⁵ This seems to me not only to imply an increase in strategic importance of dealing with “low-politics” issues as a result of the evolution of a security paradigm that also affects a new architecture of global governance. This also seems to justify Zoellick’s new role of combining the implications of both “low” and “high” politics. While appreciating the positive aspects of globalization on the one hand, Zoellick warns in the speech against possible dangers of its negative aspects if effective measures are not taken to prevent those aspects from spreading from alienated people on the periphery as well as from environmental degradation. He proclaims, “It is the vision of the World Bank Group to contribute an inclusive and sustainable globalization – to overcome poverty, enhance growth with care for the environment, and create individual opportunity and hope.”⁹⁶ Zoellick also formulates a set of policy agendas that accommodate “inclusive” and “sustainable” remedies of globalization. At this juncture, Zoellick maintained in a *Financial Times* article in early 2009 that for the 21st century to be an age of responsibility, it has first of all to be an “era of responsible globalization,’ where inclusivity and sustainability take precedence over the enrichment of a few.”⁹⁷ Zoellick puts forth six strategic themes for achieving the above-mentioned goals: first, support for the poorest countries, particularly sub-Saharan Africa; second, some special problems of post-conflict states or states facing breakdown; third, different development solutions and business models for middle-income countries (MICs); fourth, a global and regional public goods agenda, with a particular focus on the environment, aid-for-trade, financial-services integration and transnational health issues; fifth, open development in the Arab world; and, sixth, a knowledge agenda that cuts across all categories.⁹⁸

⁹⁵ Robert Zoellick, *An Inclusive & Sustainable Globalization: an address made at The National Press Club, Washington D.C. on October 10, 2007*

⁹⁶ Ibid.

⁹⁷ Robert Zoellick, “Time to herald the Age of Responsibility”

⁹⁸ “Not Your Average Banker – A Conversation with Robert B. Zoellick,” *The National Interest*,

Amid the occurrence of a range of incidents on a global scale since he became president, such as high food prices, called the “silent tsunami,” soaring energy prices, and credit crunches, Zoellick has taken the lead in offering relevant perspectives from which these global issues were to be addressed. When Zoellick calls a critical phase that appears at the turn of a historical era *A Challenge of Economic Statecraft*, the readers can discern the pride and self-confidence of a man who has experienced so many crucial stages of U.S. foreign policy. He looks back in the following way:

There is a challenge of statecraft in times such as these: to recognize the changing landscape, often as events and fate rush by, so as to address pressing needs, while also planting seeds that may become the supportive timbers of the future. Today, we need to counter immediate threats while also building an inclusive and sustainable globalization that will often offer more sources of growth and innovation for the future, enhance multilateral cooperation to deal with shocks and downturns, and maximize opportunity and hope for all.⁹⁹

Zoellick concludes the speech by quoting Otto von Bismarck and stating the following:

Bismarck once said that the mark of statesmen is recognizing Fate as she rushes by, so as to grab on to the mantle of her cloak.

This is a moment for statecraft in the political economy.¹⁰⁰

If practical steps are taken against unprecedented moves at precisely the right moment, a new opportunity to pave a path to the future will be secured. In other words, to seize the opportunity that appears in the midst of a changing economic crisis is the “challenge of statecraft.” The author thinks that this is tantamount to Zoellick’s own challenge as a World Banker. In this connection, he identified “four immediate needs” in his speech¹⁰¹: first, high food prices: a new deal for global food policy; second, now or never on a global trade deal; third, reversing the resource curse: launching an extractive industries transparency initiative (EITI) ++; and, fourth, a “one percent solution” for equity investment in Africa. All of these needs are distinct in that they are progressive and practical action plans, and in that they are not overly theoretical and out of touch with reality. His intellectual charm and traction, which strike a strong contrast with his rather

May/June 2008, p.9. See also Robert Zoellick, *An Inclusive & Sustainable Globalization*

⁹⁹ Robert Zoellick, *A Challenge of Economic Statecraft*: a speech made at the Center for Global Development in Washington D.C. on April 2, 2008

¹⁰⁰ Ibid.

¹⁰¹ Ibid.

subdued and quiet character, reside in his policies.

The above general remarks aside, these needs have one more feature in common, a feature that concerns Africa, which is also Zoellick's personal agenda. I still vividly recollect that when I handed on to him as a small gift a copy of Paul Collier's best-selling book *The Bottom Billion* during his short visit in Tokyo in August 2007, those accompanying him suddenly began to buzz about it. At the Department of State, Zoellick was a well-informed Deputy Secretary on the issues on Africa and knowledgeable about Africa. In fact, he was assigned to the special mission for a solution of the Darfur problem - presumably because of then Senator Barack Obama, who showed great interest in the problem - and frequently visited Sudan to mediate peace talks. As Paul Blustein explains in his book *Misadventures of the Most Favored Nations*, Zoellick took action as USTR to help lift the patent restrictions on HIV/AIDS-related medicine, and, as a result, deserved special praise and trust from the leaders of the developing world. Although anyone in his position might naturally have an interest in African problems, Zoellick is the right person with the capacity and will to grapple with them in earnest and therefore is one of the few people in developed countries qualified for the job. Let us return his statements at more length:

We also have a larger strategic goal: We should make it possible for the growth economies of Africa to become a complimentary pole of growth over the next 10 to 15 years.

We are devising a 'One Percent solution' for Equity Investment in Africa to be a step towards the goal. Where some see sovereign funds as a source of concern, we see opportunity.

What of Africa? Between 1995 and 2005, 17 countries of sub-Saharan Africa, representing 36 percent of the population, grew on average 5.5 percent without the impulse of great natural resources; eight oil-producing nations representing another 29 percent of the people, grew on average 7.4 percent over the decade.

These countries want to build on the social development foundation of the MDGs. They want to grow. They need low-cost, reliable energy; infrastructure; regional integration with access to global markets; and stronger private sectors.

They offer investment opportunities.¹⁰²

Japan certainly benefits from Zoellick's posture concerning Africa. The TICAD formula, established by Japan to deal with development issues in Africa, has recently come under

¹⁰² Ibid.

criticism for losing its diplomatic charm because it has turned out to be a mere forum for talk without meaningful follow-ups. It is now noted that the fourth conference (TICAD-IV), held in Yokohama in 2008, succeeded in reversing that infamy thanks to the World Bank's substantive commitments to help draft an action plan for the first time. The author has a sense that the success of the conference has provided a good turning point in stocktaking of Zoellick's cooperative attitude toward Japan. Now that China has also launched a similar diplomatic initiative and entered an international competition with Japan in development assistance in Africa, Zoellick's political decision to participate in the TICAD-IV conference should be highly appreciated.

8. The Potential of Multilateralism in Japan

In the general election held in the summer of 2009, the Japanese public opted for a change of government after a half century of uninterrupted rule by the Liberal Democratic Party (LDP). Against a backdrop evolving external environments propelled by global "mega competition," the Democratic Party of Japan (DPJ) has set out to implement its reform agenda. It seems to me that this must appear in the eyes of Zoellick to be a typical pattern of internal transformation induced by external changes. He may observe, "Japan is among the first leading industrial powers to experience an internal political upheaval in the wake of the compelling external crisis." However, at this stage no one is certain what will become of the ongoing reform efforts given the fact that strong vested interest groups still adhere to the outmoded success model that is the target of political attacks. While there is a consensus view among the general public, on the one hand, that they have no other alternative but to secure Japan's future by revamping the less-than-effective domestic structure and rules for governance, there is a common sense view, on the other hand, about the importance of coexistence and cooperation with the international community. In this connection, Makoto Iokibe, a political scientist of Japan's diplomatic history, maintains, "Revolutionary parties that win victories that overwhelm ancient regimes are prone to falling into "historical" traps, that is, illusions of being almighty and eventually to committing follies."¹⁰³ He warns the revolutionaries against over-confidence that "They can change things not only domestically, but also externally." Concerning external relations, attention should be paid to one point: that is, nowadays in the light of dwindling diplomatic resources and means, the policy guidance on the practice of "selection" and "concentration," about which quite a few senior government officials are rather cynical, will gradually have to

¹⁰³ Makoto Iokibe, "Jidai-no-Arashi: 'Saka-no-ueno- Kumo'" no Nihon 'Kaiten-no-Igyo-ni-Youna,' *The Mainichi Shimbun*, 6 December, 2009.

carry weight. At the same time, however, the potential of multilateralism to benefit Japan deserves attention. For instance, the *multilateralist* approach could be effective in dealing with non-traditional threats that Asia and the Pacific, the center of global growth, confronts when envisioning stability and peace for the 21st century, including environmental degradation, communicable diseases, drug trafficking, and piracy. Zoellick is positive and even cooperative about the role Japan may play multilaterally. He takes the entrepreneurship view that assistance to developing countries is not social welfare, but investment for the future, whose returns will be export increases and the opening of markets, and which will thus benefit the national interests of donor countries. There are some references in the lecture *After the Crisis?* that validates this interpretation:

A global economy with more poles of growth could offer Japan new markets, especially for its impressive capabilities to use energy efficiency.

The world will be deeply interested in the shape of a Japanese foreign policy that can be sustained across parties and that might assume new responsibilities. Such a foreign policy could build on Japan's experiences in development. Japan could deepen cooperation with other Asian-Pacific actors in ASEAN, Australia, China, and Korea, while maintaining its global role, especially through relations with the United States. Development opportunities in Africa, Latin America, Central Asia, and the Middle East would also enable Japan 'do well while doing good.'¹⁰⁴

Luckily, Japan has just completed a thorough governmental reform to streamline all irrelevant systems and rules from "upstream" to "downstream" and, as a result, has set in motion a new aid mechanism that keeps bilateral and multilateral operations in harmony. In addition, the strategic planning of grand designs from the viewpoint of national interests has just been made possible. Zoellick's abovementioned press interview with a Japanese newspaper provides his penetrating insights that "Japan has come to consider development assistance not as international social welfare but from the view-point of national interest."¹⁰⁵ As symbolized by the "underrepresentation" phenomenon and statistics of both the World Bank Group and the United Nations, in Japan multilateralism is an empty word that elicits a sense of remoteness and un-familiarity, and thus tends to create passive and rather negative views, as expressed in the saying "No Japanese flags can be seen." It is against this backdrop of the

¹⁰⁴ Robert Zoellick, *After the Crisis ?*

¹⁰⁵ An Interview with President Zoellick, *The Asahi Shimbun*, 9 December, 2009.

“visibility problem” that a very limited numbers of Japanese, such as Yasushi Akashi (former under secretary-general of the United Nations), Sadako Ogata (former United Nations high commissioner for refugees (UNHCR)), Hisashi Owada (chief justice of the International Court of Justice (ICJ)), and Koichiro Matsuura (former director-general of the United Nations Education, Scientific, and Cultural Organization (UNESCO)) are notable exceptions. They have been highly prominent and well-respected internationally and have done a great deal to connect Japan to the outside world. It is to be hoped that coming generations of young people will follow their example. To that end, several steps should be implemented to narrow the abovementioned perception gap, taking into consideration the recent tendency among young students toward an inward-looking mentality. It is therefore very encouraging to note that Zoellick called on the leaders of the DPJ government to make more use of international institutions like the World Bank Group and at the same time showed his understanding of Japan’s problem and gave the Japanese an inkling of his initiative.

In conclusion, the array of *multilateralist* ideas Zoellick has developed during the period from his maiden article “America in Asia” to the recent lecture *After the Crisis?* bear on the major challenge that Japan faces in leading the task of order-building in Asia, which is vitally important to its resurgence. This order should be a multi-dimensional as well as multi-layered architecture of global governance that engages China, and other rising Asian nations, including India. At the same time, as Joseph Nye points out, “The Japan-U.S. alliance relationship, redefined in the 1996 Tokyo declaration, must be on board with respect to the international good of shoring up stability in the region.”¹⁰⁶ Funabashi reports, “These days, many Americans tend to view China as an “insider” of the international system.”¹⁰⁷ If the G2 theory to which the U.S. subscribes is an attempt to rationalize its global strategy by making China more like an “insider,” Japan has no time to spare in its effort to shape and implement *multilateralist* foreign policy.☺

¹⁰⁶ Nye maintains that for stability and prosperity in the region, the U.S.-Japan alliance has two positive functions of ‘integrate, but hedge’ to an empowering China and a nuclear North Korea. See Joseph Nye, “An Alliance Larger Than One Issue,” *New York Times*, 7 January, 2010.

¹⁰⁷ Yoichi Funabashi, “Sekai@Nihon: Tamesareru- Seiken-no-Gaikoryoku,” *The Asahi Shimbun*, 7 January, 2010.

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