
WRITINGS BY GEORGE SOROS

America's Global Role: Why the Fight for a Worldwide Open Society Begins at Home

By George Soros

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~~May 27, 2003~~ At the invitation of then-Dean Paul Wolfowitz, I delivered a commencement address at the Paul H. Nitze School of Advanced International Studies in Washington. I spoke about my vision for a global open society and Wolfowitz, now deputy secretary of defense, seemed to be on the same wavelength. We had both participated in a small group called The Action Council for the Balkans, which was agitating for a more muscular policy against Slobodan Milosevic. We advocated military intervention in Bosnia much sooner than it happened. I remember a lively exchange with Colin Powell when I questioned the Powell doctrine of "we do deserts but we don't do mountains." I was very supportive of Madeleine Albright's activism on Kosovo, where I was in favor of a coalition of the willing: NATO intervention without United Nations authorization.

On March 7, 2003, on the eve of war with Iraq, I gave another speech at the same graduate school. This article is adapted from that speech. I was then and continue to be in favor of the removal from power of Saddam Hussein, who was, because of his chemical and biological weapons, an even more dangerous despot than Milosevic. I would like to see regime change in many other places. I am particularly concerned about Zimbabwe, where Robert Mugabe's regime is going from bad to worse. I also see Muammar Quaddafi as a dangerous troublemaker in Africa. I support a project on Burma, or Myanmar as it is now called, which backs Aung San Suu Kyi as the democratically elected leader. I have foundations in central Asia, and I would like to see regime change in countries such as Turkmenistan. And, of course, I hoped for an easy victory in Iraq, if we went to war at all.

Yet I am profoundly opposed to the Bush administration's policies, not only in Iraq but altogether. My opposition is much more profound than it was in the case of the Clinton administration. I believe the Bush administration is leading the United States and the world in the wrong direction. In the past, my philanthropy focused on defeating communism and helping with the transition from closed societies to open societies in the former Soviet empire. Now I would go so far as to say that the fight for a global open society has to be fought in the United States. In short, America ought to play a very different role in the world than it is playing today.

Because open society is an abstract idea, I shall proceed from the abstract and general to the concrete and particular. The concept of "open society" was developed by philosopher Karl R. Popper, whose book *Open Society and Its Enemies* argued that totalitarian ideologies—such as communism and fascism—posed a threat to an open society because they claimed to have found the final solution. The ultimate truth is beyond human reach. Those who say they are in possession of it are making a false claim, and they can enforce it only by coercion and repression. So Popper derived the principles of freedom and democracy—the same principles that President Bush championed in his February speech on Iraq—from the recognition that we may be wrong.

That brings us to the crux of the matter. Bush makes absolutely no allowance for the possibility that we may be wrong, and he has no tolerance for dissenting opinion. If you are not with us you are against us, he proclaims. Donald Rumsfeld berates our European allies who disagree with him on Iraq in no uncertain terms, and he has a visceral aversion to international cooperation, be it with NATO or UN peacekeepers in Afghanistan. And [Attorney General] John Ashcroft accuses those who opposed the USA Patriot Act of giving aid and comfort to the enemy. These are the views of extremists, not adherents to an open society. Perhaps because of my background, these views push the wrong buttons in me. And I am amazed and disappointed that the general public does not have a similar allergic reaction. Of course, that has a lot to do with September 11.

But the trouble goes much deeper. It is not merely that the Bush administration's policies *may* be wrong, it is that they *are* wrong, and I would go even further: They are *bound* to be wrong because they are based on a false ideology. A dominant faction within the Bush administration believes that international relations are relations of power. Because we are unquestionably the most powerful, they claim, we have earned the right to impose our will on the rest of the world.

This position is enshrined in the Bush doctrine that was first enunciated in the president's speech at West Point in June 2002 and then incorporated in the National Security Strategy last September.

The Bush doctrine is built on two pillars: First, the United States will do everything in its power to maintain its unquestioned military supremacy, and second, the United States arrogates the right to preemptive action. Taken together, these two pillars support two classes of sovereignty: the sovereignty of the United States, which takes precedence over international treaties and obligations, and the sovereignty of all other states, which is subject to the Bush doctrine. This is reminiscent of George Orwell's *Animal Farm*: All animals are equal but some are more equal than others.

To be sure, the Bush doctrine is not stated so starkly; it is buried in Orwellian doublespeak. The doublespeak is needed because there is a contradiction between the Bush administration's concepts of freedom and democracy and the principles of open society.

In an open society, people can decide for themselves what they mean by freedom and democracy. But the Bush administration claims that we have discovered the ultimate truth. The very first sentence of our latest National Security Strategy reads as follows:

"The great struggles of the twentieth century between liberty and totalitarianism ended with a decisive victory for the forces of freedom—and a single sustainable model for national success: freedom, democracy, and free enterprise."

This statement is false on two counts. First, there is no single, sustainable model for national success. And second, our model, which has been successful, is not available to others because our success depends greatly on our dominant position at the center of the global capitalist system, and that position is not attainable by others.

According to the ideologues of the far right, who currently dominate the Bush administration, the success of the American model has been brought about by a combination of market fundamentalism in economic matters and the pursuit of military supremacy in international relations. These two objectives fit neatly together into a coherent ideology—an ideology that is internally consistent but does not jibe with reality or with the principles of open society. It is a kind of crude social Darwinism in which the survival of the fittest depends on competition, not cooperation. In the economy, the competition is among firms; in international relations, among states. Cooperation does not seem necessary because there is supposed to be an invisible hand at work that will ensure that as long as everybody looks out for his or her own interests, the common interest will look after itself.

This doctrine is false, even with regard to the economy. Financial markets left to their own devices do not tend toward an equilibrium that guarantees the optimum allocation of resources. The theories of efficient markets and rational expectations don't stand up to critical examination. But at least these theories exist, and they are widely accepted.

No similar theory can reasonably be proposed with regard to international relations. There is the well-known doctrine of geopolitical realism according to which states have interests but no principles. But nobody can deny that there are common human interests that transcend national interests.

We live in an increasingly interdependent world and, due to the progress of technology, our power over nature has increased by leaps and bounds. Unless we use that power wisely, we are in danger of damaging or destroying both our environment and our civilization. These are not empty words. Terrorism and the spread of weapons of mass destruction give us a taste of what lies ahead. The need for a better world order predates September 11, but the terrorist threat has rendered international cooperation all the more necessary.

That is not how the Bush administration sees the world. Its perspective is not totally false but it emphasizes one aspect of reality to the exclusion of others. The aspect it stresses is

power, and in particular military power. But military power is not the only kind of power; no empire could ever be held together by military power alone. Joseph S. Nye Jr., in his recent book *The Paradox of American Power*, introduced the concept of "soft power" to bring the point home.

I would go even further. Applying the concept of power to human affairs is altogether questionable. In physics, power or force governs the behavior of objects. That is a misleading analogy for human affairs. People have a will of their own. They may be cowed by military power or other forms of repression, but that is not a sound principle of social organization. Might is not right.

Yet that is the belief that guides the Bush administration. Israel's Ariel Sharon shares the same belief, and look where that has led. The idea that might is right cannot be reconciled with the idea of an open society.

The objective of disarming Saddam Hussein was a valid one, but the way the U.S. government has gone about it is not. That is why there was so much opposition to the war throughout the world and at home. That is why I shall remain opposed to the Bush administration's conduct of foreign policy.

There is an alternative vision of the role that the United States ought to play in the world, and it is based on the concept of open society. The current world order is a distorted form of a global open society. It is distorted because we have global markets but we do not have global political institutions. As a consequence, we are much better at producing private goods than taking care of public goods such as preserving peace, protecting the environment and ensuring economic stability, progress and social justice. This is not by accident.

Globalization—and by that I mean the globalization of financial markets—was a market fundamentalist project, and the United States was its chief architect. We are also the chief beneficiary. We are unquestionably the dominant power in the world today. Our dominance is not only economic and financial but also military and technological. No other country can even come close to us.

This puts us in a position of unique responsibility. Other countries have to respond to U.S. policy, but the United States is in a position to choose the policy to which others have to respond. We have a greater degree of discretion than anybody else in deciding what shape the world should take. Therefore it is not enough for the United States to preserve its supremacy over other states; it must also concern itself with the well-being of the world.

There were great tensions in the global capitalist system prior to September 11, but they have gotten much worse since then. We must work to reduce the tensions and make the system stable and equitable so that we can maintain our dominant position within it.

That is the responsibility that we fail to live up to. Worse, the Bush administration does not even acknowledge that we bear such a responsibility. It attributes our dominant position to the success of the American model in fair competition with other countries. But that is a self-deception.

Contrary to the tenets of market fundamentalism, the global capitalist system does not constitute a level playing field. In economic and financial matters, there is a disparity between the center and the periphery. And in military matters, there is a disparity between the United States and the rest of the world because the European Union, as distinct from its member states, does not seek to be a military power. There are large and growing inequalities in the world, and we lack the mechanism for reducing them. Therefore we need to strengthen our international political institutions to match the globalization of our markets. Only the United States can lead the way because without U.S. participation, nothing much can be done in the way of international cooperation.

A world order based on the sovereignty of states, moreover, cannot take care of our common human interests. The main source of poverty and misery in the world today is bad government—repressive, corrupt regimes and failed states. And yet it is difficult to intervene in the internal affairs of other countries because the principle of sovereignty stands in the way.

One way to overcome the problem is to offer countries positive inducements for becoming open societies. That is the missing ingredient in the current world order. There are penalties for bad behavior, from trade sanctions to military intervention, but not enough incentives

and reinforcements for good behavior. A global open society would achieve certain standards by providing assistance to those who are unable to meet them. States that violate the standards could be punished through exclusion. There would be a better balance between rewards and reinforcements on the one hand and penalties on the other. In a global open society, every country would benefit from belonging to it. Developing countries would get better access to markets under the World Trade Organization. Countries at the periphery, such as Brazil, would be guaranteed an adequate supply of credit through the International Monetary Fund as long as they followed sound policies, and there would be a genuine attempt to meet the UN's millennium goals of reducing poverty and improving lives throughout the world.

Providing incentives, of course, would not be sufficient. Not all countries have governments that want or tolerate an open society. A rogue regime such as Saddam Hussein's was a threat to the rest of the world, and a global open society must be able to defend itself. But the use of military force must remain a last resort.

The United States cannot create a global society on its own. No single country can act as the police officer or the benefactor of the entire world. But a global open society cannot be achieved without American leadership. This means that the United States must engage in international cooperation. It must be willing to abide by the rules it seeks to impose on others, to accept its share of the costs and, most importantly, to accept that other participants are bound to have other opinions, and other states other national interests. The United States will always have veto rights due to its weight and importance.

Here is an alternative vision of America's role in the world. It is the vision of America leading the world toward a global open society. Such a vision is badly needed. After September 11, President Bush has managed to convince the country that it is unpatriotic to disagree with him.

The two visions—American supremacy and America as the leader of a global open society—are not that far apart. In fact, they are so close to each other that I am afraid that when the pursuit of American supremacy fails—as it is bound to fail—the vision of a global open society will also be abandoned. That is why it is so important to distinguish between them.

Both visions recognize the dominant position of the United States. Both agree that the United States has to take an active leadership role in international affairs. Both favor preemptive action. But when it comes to the kind of preemptive action that America ought to take, the two visions differ. A global open society requires affirmative action on a global scale while the Bush approach is restricted to punitive action. In the open-society version, crisis prevention cannot start early enough; it is impossible to predict which grievance will develop into bloodshed, and by the time we know, it is too late. That is why the best way to prevent conflicts is to foster open societies.

The Bush administration claims to be fostering democracy by invading Iraq. But democracy cannot be imposed from the outside. I have been actively involved in building open societies in a number of countries through my network of foundations. Speaking from experience, I would never choose Iraq for nation building.

Military occupation is the easy part; what comes afterward is what should give us pause. The internal tensions and the external ones with neighboring countries such as Turkey and Iran will make it very difficult to establish a democratic Iraqi regime. To impose a military regime as Douglas MacArthur did in post-World War II Japan would be to court disaster.

It would have been easier to achieve success in Afghanistan because both the Taliban and al-Qaeda were alien oppressors. But having won a resounding military victory, we failed to follow through with nation building. Secretary Rumsfeld opposed the extension of UN peacekeeping beyond Kabul, and, as a result, law and order have still not been fully established outside the capital. Hamid Karzai needs to be protected by American bodyguards. His government is making slow progress, but the historic opportunity to build on the momentum of liberation was irretrievably lost.

The war with Iraq does not help the building of open societies in other countries, either. In our efforts to gain allies and buy votes in the United Nations, we have become less concerned with internal conditions in those countries than we ought to be. This is true of Russia and Pakistan and all the central Asian republics, not to mention Angola and Cameroon, which are among the most corrupt regimes in Africa. To claim that we are

invading Iraq for the sake of establishing democracy is a sham, and the rest of the world sees it as such. The Atlantic Alliance has been severely disrupted, and both NATO and the European Union are in disarray.

Disarming Iraq is a valid objective, but with regard to weapons of mass destruction, Iraq ought not to be the top priority today. North Korea is much more dangerous, and it has to be said that President Bush precipitated the current crisis. North Korea's nuclear program had been more or less contained in 1994 by the Agreed Framework concluded by the Clinton administration. In the meantime, President Kim Dae Jung of South Korea had engaged in a sunshine policy, and it began to bear fruit. There was progress in removing land mines along the border, and a direct train connection was about to be opened. The North Korean leadership seemed to become increasingly aware that it needed economic reforms.

When Kim Dae Jung came to Washington as the first foreign head of state to visit President Bush, he wanted to enlist the president's support for the sunshine policy. But Bush rebuffed him rather brusquely and publicly. Bush disapproved of what he regarded as the appeasement of North Korea, and he was eager to establish a discontinuity with the Clinton administration. He also needed North Korea out in the cold in order to justify the first phase of the National Missile Defense program, the initial linchpin in the Bush strategy of asserting U.S. supremacy. Then came the "axis of evil" speech, and when North Korea surprised the Bush administration by admitting its uranium-enrichment program (strictly speaking not in violation of the Agreed Framework because that covered only plutonium), Bush cut off the supply of fuel oil. North Korea responded with various provocations.

As this magazine goes to press, North Korea could soon start producing a nuclear bomb a month. In mid-April, it backed off its demand for bilateral talks with the United States and agreed to three-way talks with the United States and China. But a serious rift between the United States and South Korea remains. South Koreans now regard the United States as being as much of an aggressor as North Korea, and this renders our position very difficult.

The Bush administration's policies have brought about many unintended, adverse consequences. Indeed, it is difficult to find a similar time span during which political and economic conditions have deteriorated as rapidly as they have in the last couple of years.

But the game is not yet over. The quick victory in Iraq could bring about a dramatic change in the overall situation. The price of oil could fall, the stock market could celebrate, consumers could overcome their anxieties and resume spending, and business could respond by stepping up capital expenditures. The United States could reduce its dependency on Saudi Arabia, the Israeli-Palestinian conflict could become more tractable and negotiations with North Korea could calm tensions with Pyongyang. That is what the Bush administration is counting on.

The jury is out. But whatever the outcome in Iraq, I predict that the Bush approach is bound to fail eventually because it is based on false premises. I base my prediction on my theory of reflexivity and my study of boom-bust processes, or bubbles, in the financial markets.

Bubbles do not grow out of thin air. They have a solid basis in reality, but misconception distorts reality. In this case, the dominant position of the United States is the reality, the pursuit of American supremacy the misconception. For a while, reality can reinforce the misconception, but eventually it is bound to become unsustainable. During the self-reinforcing phase, the misconception seems irresistible but, unless it is corrected earlier, a dramatic reversal becomes inevitable. The later it comes the more devastating the consequences. There seems to be an inexorable quality about the course of events, but, of course, a boom-bust process can be aborted at any stage. Most stock-market booms are aborted long before the extremes of the recent bull market are reached. The sooner it happens, the better. That is how I feel about the Bush doctrine.

I firmly believe that President Bush is leading the United States and the world in the wrong direction and I consider it nothing short of tragic that the terrorist threat has induced the country to line up behind him so uncritically. The Bush administration came into office with an unsound and eventually unsustainable ideology. Prior to September 11, it could not make much headway in implementing its ideology because it lacked a clear mandate and a clearly defined enemy. September 11 changed all that. The terrorist attack removed both constraints.

Terrorism is the ideal enemy because it is invisible and therefore never disappears. Having an enemy that poses a genuine and widely recognized threat can be very effective in holding

the nation together. That is particularly useful when the prevailing ideology is based on the unabashed pursuit of self-interest. By declaring war on terrorism, President Bush gained the mandate he had previously lacked to pursue his goals. The Bush administration is deliberately fostering fear because it helps to keep the nation lined up behind the president. We have come a long way from Franklin Delano Roosevelt, who said that we have nothing to fear but fear itself.

But the war on terrorism—which is supposed to include the war on Iraq—cannot be accepted as the guiding principle of our foreign policy. What will happen to the world if the most powerful country on earth—the one that sets the agenda—is solely preoccupied with self-preservation? America must play a more constructive role if humanity is to make any progress.

Acting as the leader of a global open society will not protect the United States from terrorist attacks. But by playing a constructive role, we can regain the respect and support of the world, and this will make the task of fighting terrorism easier.

The Bush vision of American supremacy is not only unsound and unsustainable, it is also in contradiction with American values. We are an open society. The principles of open society are enshrined in the Declaration of Independence. And the institutions of our democracy are protected by our Constitution. The fact that we have a bunch of far-right ideologues in our executive branch does not turn us into a totalitarian dictatorship. There are checks and balances, and the president must obtain the support of the people. I put my faith in the people. But in the end, open society will not survive unless those who live in it believe in it.

George Soros is the founder and chairman of the Open Society Institute.