

## Power Playing With Others

By Jonathan Broder, CQ Staff

Ever since the United States began positioning itself as a world power a century ago, presidents have used aphorisms to frame their approaches to foreign policy. Theodore Roosevelt's promise to "speak softly and carry a big stick" signaled his readiness to back up diplomacy with newly forged military might. John F. Kennedy's vow to "pay any price, bear any burden" for the cause of freedom summed up his Cold War mentality. And George W. Bush's warning that "either you are with us, or you are with the terrorists" heralded his black-and-white views of appropriate behavior after Sept. 11.

In his recent remarks about the country's place in world affairs, Barack Obama hasn't been pithy at all — but he has revealed much about a worldview that in some ways is revolutionary for an American president.



WHO'S FRONT AND CENTER? Not President Obama when 32 leaders gathered this month in Strasbourg, France. He was between NATO Secretary-General Jaap de Hoop Scheffer (on his right) and Hungarian Prime Minister Ferenc Gyurcsany. In the middle: Polish President Lech Kaczynski. (Source: POOL PHOTO VIA GETTY IMAGES.)

At this month's NATO summit, a reporter asked if Obama had abandoned the high church of American exceptionalism, which preaches the unique qualifications of the United States to lead the world. After noting the nation's unrivaled economic size, unchallenged military power and historic role in spreading democracy, he offered a note of soft-spoken humility unheard in decades from a president appearing on a global stage. His national pride does not prevent him from "recognizing that we're not always going to be right, or that other people may have good ideas, or that in order for us to work collectively, all parties have to compromise," Obama said. "And that includes us."

The tone was all the more notable because, just two days before, he had essentially conceded he lacked the sort of power to drive world affairs claimed by so many of his presidential predecessors. "If it's just Roosevelt and Churchill sitting in a room with brandy, that's an easier negotiation," he said at a summit meeting of world economic leaders in London, also earlier this month. "But that's not the world we live in, and it shouldn't be the world that we live in."

And so, after three months on the job, neither a declared doctrine nor a quotable dictum has emerged from Obama's lengthy disquisitions on America's role in the world. But a summary of his emerging foreign policy might sound like this: Play to our strengths. Most importantly, play nicely with others, because today's world is far too complicated to go it alone. In time, such behavior will pay off for the good of the nation and the world.

Following eight years of Bush's swaggering unilateralism in world affairs, Obama's readiness to embrace multilateral cooperation and a long-term view of the world represents a fundamental shift in Washington's diplomatic tone and direction. More significant, it points to a more pragmatic brand of statesmanship that recognizes that power is shifting away from U.S. dominance to a post-American world. And in that new world, such rising powers as China, Russia, India and Brazil are openly

challenging U.S. political and economic models.

Nowhere was that new reality more evident than at the London summit. France and Germany bluntly blamed Wall Street for the worldwide economic pandemic and took the lead in pressing for greater regulation of global financial markets. And China, with Russia's support, called for a new international currency to replace the dollar as the primary repository for the world's cash reserves. That was a clear non-starter given the dollar's recent strength. But it is an idea that, just by being taken seriously, reflects the challenges facing Obama in this new multipolar world.

"The U.S. moral authority to pronounce how markets or industrial policy should be designed is no longer there," said Eswar Prasad, the former China division chief at the International Monetary Fund (IMF) and now a senior fellow at the Brookings Institution.

### Learning to Share

Such challenges don't mean the United States is in decline, foreign policy experts generally agree, because it still has the world's strongest military and the largest economy. But, these experts caution, successful global leadership by the United States now depends on its ability to share both economic and political power with ascendant nations, play to its strengths when it can and seek partnerships with other countries when it can't act on its own.

Obama appears to have recognized that shift, taking steps near the start of his tenure that should boost his leverage in the international disputes ahead. Independent experts cite his order to close the prison for suspected terrorists at Guantanamo Bay, Cuba; his success in persuading world leaders to pledge \$1.1 trillion in new funding for the IMF and global trade initiatives; and his agreement to resume arms control talks with Russia.



His Foreign Policy Wish List: [Click Here to View Chart](#)

"No one should think that being the indispensable leader — which we still are — means we can dictate our positions. We can't," said Leslie H. Gelb, a former president of the Council on Foreign Relations and the author of "Power Rules: How Common Sense Can Rescue American Foreign Policy."

But Obama clearly has learned the historical lesson, Gelb says, that "we have succeeded when we have exercised leadership to solve common problems. When we have done that, the others have followed."

Some critics scoff at the generally fawning coverage Obama received in Europe, adding that his accomplishments amounted to an easy harvest of low-hanging diplomatic fruit. After all, says Robert Kagan, a foreign policy expert at the Carnegie Endowment for International Peace, it is as much in Moscow's interest as the United States' to negotiate a new arms control treaty.

Obama's critics note that he did not persuade Europeans to send many more NATO troops to Afghanistan or inject more stimulus funding into their economies. And in response to the president's call on European allies to take some of the prisoners now at Guantanamo, only France stepped up — with an offer to accept a single inmate.

White House officials say these critics have unrealistic expectations of a president in office for so short a time. Considering how unpopular the United States has become during the past decade, restoring U.S. diplomatic relations to a positive footing is a major accomplishment in itself, they contend, and sets the stage for bigger and more tangible gains in the months ahead.

No one disagrees that the real tests will come when Obama presses other nations to do things they don't want to do. And there are several major challenges looming in that category.

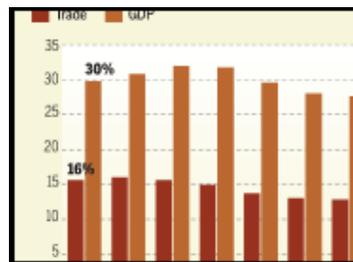
Although Obama is winding down the war in Iraq, he's escalating U.S. involvement elsewhere, making some fellow Democrats in Congress apprehensive. The Capitol Hill debate over Obama's defense and foreign policy budgets is already raging, with many lawmakers challenging administration priorities.

Obama may have come across as a resolute commander in chief after approving the Navy sniper attack that freed an American freighter captain from Somali pirates in the Indian Ocean last week. But he faces a difficult — some say impossible — task in reviving nuclear disarmament talks with North Korea since Pyongyang's most recent launch of a long-range missile. And despite Obama's outreach to Iran, Tehran continues work on its nuclear program in defiance of U.N. sanctions. And then there are the incalculable consequences for U.S. foreign policy should Israel make good on its threat to attack Iran's nuclear facilities.

### Living With Less Leverage

In his first presidential trip overseas, in June 2001, Bush succeeded in putting much of the world on guard. He made it clear that he would unilaterally assert U.S. global prerogatives unencumbered by the concerns of other nations. He repudiated the Kyoto treaty to slow global warming and signaled his intention to junk an anti-ballistic-missile treaty so he could pursue a missile defense system.

Once the al Qaeda hijackers struck that September, the military came to dominate Bush's foreign policy; U.S. troops invaded Afghanistan the next month and then Iraq in March 2003 — a move most of the world's governments opposed from the start. Reports of the indefinite detention and torture of suspected terrorists and of Iraqi prisoner-of-war abuses at Abu Ghraib tarnished the country's claim to moral leadership and turned world opinion solidly against the United States.



Declining the U.S. Economic Might: [Click Here to View Chart](#)

After Obama took office, he lost no time trying to regain some of the moral and geopolitical high ground. He signed one executive order to close the Guantanamo facility within a year and another to ban the use of torture in interrogating prisoners. He appointed special envoys to handle the Israeli-Palestinian dispute and the Afghanistan-Pakistan situation. He set a timetable for withdrawing combat troops from Iraq by August 2010 and all other troops by the end of 2011. He also set plans for deploying 21,000 more troops to help fight the al Qaeda resurgence in Afghanistan and asked Congress for billions of dollars in economic aid to neighboring Pakistan to weaken the Taliban's appeal there.

Obama also has reached out to Iran in hopes of starting a dialogue — based on what he called “mutual respect” — that might end 30 years of enmity between the two nations. His visit to Mexico last week followed Secretary of State Hillary Rodham Clinton's acknowledgment that the United States bears some responsibility for that country's violence by serving as the main market and gun supplier for the Mexican drug cartels. Obama has said he will seek Senate ratification of a small-arms-trafficking treaty to help stem the flow of guns into Mexico. And, after relaxing restrictions on the gifts and visits Cuban Americans can pay to relatives on their home island, last week the president welcomed a dialogue in response to Cuban President Ra??l Castro's offer of talks.

“When Obama talks with such great sensitivity about the beauty of Iranian culture, or when Clinton owns up to our share of the responsibility for the situation in Mexico, it clears the air and allows us to get down to business,” Gelb says.

Obama's personal style, however, can go only so far toward changing the nation's diplomatic tone. With less leverage over world affairs than the United States has had for decades, some say, a conciliatory approach is essential if American foreign policy is to remain in the realm of the practical.

"The United States is just not as dominant a player in the world economy as it used to be, though it is still the most important country," said Prasad, the former IMF official. And, in fact, the United States in recent years has been contributing a declining share of the global output of goods and services, a smaller amount to the growth of the world economy and a reduced share of the international trade volume. In addition, U.S. financial markets have been losing market share to competitors in Europe and East Asia.

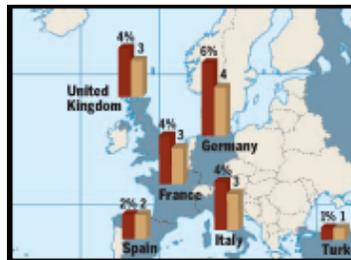
Meanwhile, experts note, the economic crisis in the United States has weakened Washington's leverage on China, its biggest creditor, making it easier for Beijing to resist Obama's demands for tougher sanctions against North Korea. These experts suggest that Washington's loss of leverage dictated much of Obama's pragmatic approach at the London summit.

Even so, the same experts are reluctant to discount the importance of Obama's personal style in his diplomacy. "Even if the United States were in a more dominant position right now, the Obama approach to engagement on international economic and political issues would have been very different from that of the previous administration," said Prasad. "So it's not all just changed circumstances."

### The Hope of Deferred Dividends

The argument repeated by conservative critics is that Obama returned home from Europe with nothing important. And on his two biggest priorities, they note, he neither persuaded Europeans to provide more combat troops for Afghanistan nor convinced France and Germany that they should spend more in the name of economic stimulus.

Former Bush adviser David Frum, who's now at the conservative American Enterprise Institute, told ABC News' "This Week" afterward, "I don't know why we're saying the president didn't get everything he wanted; the president didn't get *anything* he wanted."



Evolving GDP Giants: [Click Here to View Chart](#)

The president's aides say such criticism is shortsighted. Since much of the world has been nursing a grudge against the United States for eight years, they say, Obama's top priority on the trip was not tangible commitments of troops or money; instead, it was putting U.S. diplomatic relations back on a positive footing. That's principally what was accomplished, they say. And because of that, Obama has a much better chance to win meaningful gains later on.

"Why didn't the waters part, the sun shine and all ills of the world disappear because President Obama came to Europe?" David Axelrod, Obama's top political adviser, jokingly responded to reporters. "That wasn't our expectation. That will take at least a few weeks."

Even once the economies of Germany and France revive, though, it's not clear that either will heed Obama's call to increase government spending. The reluctance of both countries to pump more stimulus funding into their economies reflects their different economic models, which already spend heavily on health care, unemployment insurance and infrastructure. And French and German leaders have not been shy in touting their economic models as superior to that of the United States.

Meanwhile, Obama's challenge in persuading NATO nations to send more combat troops to Afghanistan stems from the

alliance's original mandate in that country. Although the Sept. 11 attacks prompted NATO to invoke Article 5 of its charter, which calls for mutual defense if any member is attacked, the Bush administration effectively turned down the alliance's offer of combat troops. It wasn't until April 2003 that NATO took over the International Security Assistance Force in Afghanistan, created by the United Nations in 2001 with largely a peacekeeping mandate. A few countries, most notably Britain, Canada and Denmark, sent combat troops to the southern Afghanistan, where Taliban forces were resurgent, but most of the 32,000 non-U.S. forces have been limited to rear-guard duties.

"Most NATO members went into this thinking that their missions would be largely restricted to nation-building and peacekeeping," said Charles A. Kupchan of the Council on Foreign Relations. "They were not ready to go into war-fighting mode and engage in counterterrorist and counterinsurgent operations. And today that's the main challenge."

Richard N. Haass, a director of policy planning in the Bush State Department and now president of the Council on Foreign Relations, sees an irony in the situation. The Europeans, he says, regularly complained of Bush's go-it-alone style and called for greater multilateralism in U.S. foreign policy. Now that the multilateralist Obama is in office, "the Europeans have to do more, and they are clearly not ready for that."

Kupchan says that, for now, U.S. expectations are realistic. "The Obama administration essentially has said, 'We would like as much as you will give us, and we will take as much as you give us,'" he said. "There has been a tactical decision to preserve alliance comity and therefore not berate the Europeans in a situation in which it's unlikely they will meet his original expectations for warm bodies."

The administration's plan now is to allow Europe more time to study the president's new strategy for Afghanistan and Pakistan, which he detailed at the NATO summit earlier this month. "If Obama can win more European support for the strategy and convince the Europeans that progress is being made, it's more likely that some of them will step up to the plate down the road," Kupchan said.

### Paying for Stability

Europe may be the least of Obama's worries on the Afghanistan-Pakistan front. Problems are developing in Pakistan itself, and obstacles to Obama's strategy are forming on Capitol Hill, as well.

The president says his aim is to "disrupt, dismantle and defeat al Qaeda" in those countries, a narrower set of stated goals than Bush's. Instead of nation-building, the new approach is on expanding the Afghan army and national police by 58,000 to a well-trained combined force of 216,000.



Rising on the World Stage: [Click Here to View Chart](#)

This month Obama sent Congress an \$83.4 billion supplemental spending request, which includes some economic aid for Pakistan. The annual Senate budget resolution, which is on course to be reconciled with the House version this week, assumes that the president will get his wish for \$7.5 billion in such aid for Pakistan over the next five years. And powerful sponsors have lined up behind a bill that would enact Obama's plan to create "reconstruction opportunity zones" in the two countries, from which certain goods could be exported to the United States duty-free.

A big piece of Obama's strategy is an expanded military partnership with Pakistan, with U.S. military aid tied to the Pakistani army's performance against al Qaeda and Taliban forces in the tribal areas.

Pakistani officials say they would welcome the aid, but they complain that trust between the two countries has suffered significantly — principally, these officials say, because of civilian deaths from missiles fired by U.S. drones at suspected militants in Pakistan's tribal areas. Retired Gen. Talat Masood says the inability of President Asif Ali Zardari to stop the missile attacks makes him look weak in the eyes of his countrymen, an image that has increased Pakistan's political instability.

Zardari also appears weak in the eyes of some influential lawmakers — so weak, in fact, that they are now questioning the wisdom of further aid to Pakistan. Patrick J. Leahy of Vermont, the Democrat who chairs the Senate Appropriations subcommittee that doles out foreign aid, worries whether U.S. aid can help stabilize the country. Democrat Carl Levin of Michigan, the chairman of the Senate Armed Services Committee, says Pakistan must show it is willing to confront the Taliban and al Qaeda extremists within its own borders before the United States delivers more assistance.

"If I thought we could buy stability, I would buy it," Levin said at a breakfast with reporters last month. "But I don't think it's effective unless the recipient of the support sees where the threat is to them." And Pakistan, he added, still thinks it can "buy peace" from extremists who appear determined to destabilize the Zardari government.

### **Dances With Wolves**

Another foreign policy challenge for Obama that will require him to work with other countries is nuclear proliferation — a danger that surged to the forefront three weekends ago, when North Korea tested a long-range missile in the guise of a satellite launch. (At its best, the rocket might have reached Alaska, but instead it fell into the Pacific Ocean off the coast of Japan.)

In addition to the suspicion that North Korea is working on a delivery system for its nuclear weapons, Iran is known to be enriching uranium for what the United States believes is a nuclear weapon. As a signatory to the Nuclear Non-Proliferation Treaty, Iran claims the right to enrich uranium for use in nuclear power plants; it denies that it's developing a weapon.

Both the North Korean and the Iranian activities underscore the difficulties and dangers Obama faces in trying to mobilize other powers against nuclear threats.

For example, immediately following the North Korean launch, a quick round of U.S. consultations with officials from China, Russia, South Korea and Japan — the other participants in the so-called six-party talks to end Pyongyang's nuclear program — revealed Beijing's and Moscow's reluctance to join in a U.N. resolution that would condemn North Korea for returning to behavior that prompted U.N. sanctions in 2006, after that nation carried out an underground nuclear test.

After more than a week of diplomatic arm-twisting by U.S. and Japanese officials, China and Russia signed on to a somewhat weaker "presidential statement" by the U.N. Security Council condemning the launch. North Korea quickly ordered U.N. inspectors to leave the country while vowing to restart its nuclear reactor and abandon the six-party talks.

Administration officials are hoping a new plan for U.S. nuclear disarmament can bring other nations to Obama's side to halt proliferation. The plan, which Obama unveiled in Prague just hours after the North Korean launch, includes a pledge to reduce the role of nuclear weapons in U.S. defense planning and a drive toward a deal with Russia this year to significantly reduce nuclear warheads.

The president also said he would also press the Senate to ratify the Comprehensive Test Ban Treaty, which would expand the existing ban on atmospheric nuclear tests to include tests underground or for peaceful purposes. (A Republican-majority Senate soundly rejected the treaty a decade ago.) And Obama said he'd pursue a new treaty to end the production of fissile materials that could be used to make nuclear bombs.

Administration officials say the idea behind Obama's plan is that if the United States leads by example, other nations will be encouraged to work against nuclear proliferation as well — as a start by getting tougher with North Korea and Iran.

For North Korea, many U.S. officials have long contended that the key is persuading China, Pyongyang's closest ally, to toughen its sanctions. But since China provides North Korea with most of its food and energy supplies, severe sanctions could cause North Korea to collapse, sending hundreds of thousands of North Korean refugees flooding across the border into China.

“The Chinese are most concerned about stability and avoiding another Korean War,” said Daniel C. Sneider, the associate director for research at Stanford University’s Asia-Pacific Research Center. He adds that if tough sanctions prompt North Korea to provoke a war with the United States, it would be China, along with South Korea, that would bear the brunt of any military confrontation.

Some experts, such as Charles L. Pritchard, who was a Bush administration negotiator on North Korea, urge Obama not to entice Pyongyang back to the six-party talks and to let it “stew” in its international isolation before making the next move. Others, such as Sneider, say Obama must be prepared for the possibility that North Korea will never give up its nuclear weapons, which means greater U.S. vigilance to prevent the country from selling its nuclear know-how to other countries.

As for Iran, Obama’s efforts at outreach, along with his decision to join international allies in the on-again, off-again negotiations with Tehran about its nuclear program, have produced a more positive atmosphere than in the Bush administration, which refused to participate in the talks. Hard-liners, however, worry that a resumption of negotiations would allow Iran to stall for time while continuing its uranium enrichment to the point where it could build a bomb.

As the administration works with the Europeans on an opening proposal to Iran, there are reports that Obama is considering dropping Bush’s insistence that Iran halt its enrichment activities during the early stages of negotiations as a way to draw Iran into a new round of talks that would lead, over time, to greater inspections and ultimately a suspension of its nuclear program. After Obama’s private talks with European leaders when he was abroad, The New York Times reported that there was consensus among those leaders that Bush’s demand should be dropped.

White House officials have refused to confirm the report, saying the goal of any negotiations with Iran is the suspension of its nuclear program. But if the administration were to allow Iran to continue nuclear fuel production for the time being, that would almost certainly provoke howls of protest from a bedrock U.S. ally: Israel, whose prime minister, Benjamin Netanyahu, is coming to Washington to meet Obama this spring.

### Differing Timelines

Netanyahu, who considers Iranian nuclear weapons capability an existential threat, is expected to arrive armed with an analysis by Maj. Gen. Amos Yadlin, Israel’s chief of military intelligence, who told the Israeli Cabinet last month that Iran has already “crossed the technological threshold” for enriching uranium and needs a few more years to make a nuclear weapon.

Netanyahu has said he’ll support Obama’s approach to Iran as long as the nuclear program is brought to an end quickly. Some Israeli officials say the country’s time frame is months, not years. Netanyahu has vowed not to allow Tehran to develop such weapons — strongly suggesting that Israel will move to end the threat if Obama doesn’t.



CONFRONTATION NO. 1: Obama and Benjamin Netanyahu met in Jerusalem last summer. When they meet this spring in Washington, the president wants to persuade Israel’s premier not to attack Iran’s nuclear facilities. (Source: GETTY IMAGES \ OLIVIER FITOUSSI.)

The administration has tried to steer Israel away from such talk. In testimony on Capitol Hill last month, Director of National Intelligence Dennis C. Blair told lawmakers Iran possesses only low-enriched uranium, suitable for generating electric power, and has “not yet made a decision” to convert it to the highly enriched uranium required for a weapon. And Vice President Joseph R. Biden Jr. went on CNN to warn Israel that it would be “ill-advised” to launch a military attack on Iran.

Foreign policy experts note that Obama's success in keeping Israeli jets on the ground depends not only on the progress of any talks with Iran but also on the success of any U.S.-led peace process between Israel and the Palestinians. With Obama insisting that Netanyahu agree to the establishment of an independent Palestinian state in the West Bank and Gaza Strip, some fear that the more Obama pressures him to compromise with the Palestinians, the more likely the Israeli leader will be to play his Iran card, either to deflect U.S. pressure or to mollify his hard-line coalition partners.

As a result, many Middle East analysts now believe Obama may opt to mediate peace talks between Israel and Syria before tackling the Palestinian issue. Turkey had been mediating indirect talks between Israel and Syria until Israel's Gaza offensive in December.

Martin Indyk, who served as President Bill Clinton's ambassador to Israel and assistant secretary of State for Near Eastern affairs, says Netanyahu prefers such a Syria-first approach, if only to postpone cracks within his largely right-wing coalition over the compromises he would be forced to make with the Palestinians. "In his own mind, a deal with the Syrians would be easier," Indyk said.

A U.S.-negotiated peace between Jerusalem and Damascus would also affect Iran, which has served as Syria's main ally. Indyk, who has advised Obama, believes a policy in which the United States deals simultaneously with Syria and Iran would encourage both of those countries to move ahead toward their separate understandings with Washington for fear that one will get left behind by the other. "That's the idea of having an approach that tries to engage them both simultaneously on separate tracks," said Indyk.

As the situations in Europe, the Middle East and North Korea show, Obama still has plenty of diplomatic cards in his hand, but he is sitting at a table with far more players than before, whose own concerns will have to be taken into account. His diplomatic skill and those of his foreign policy team will go a long way in determining whether the United States can prevail in what has been called "the art of letting the other guy have your way." But in this new, unruly world, Obama — and the nation — may have to learn that the best the United States can do is manage the threats that once would have dissolved in the face of U.S. power.

**FOR FURTHER READING:** *Supplemental appropriations request*, p. 915; *budget resolution (S Con Res 13, H Con Res 85)*, *CQ Weekly*, p. 781; *International Monetary Fund*, p. 712; *Iraq*, pp. 584, 108; *Mexico*, p. 534; *Israel*, pp. 336, 12; *envoy diplomacy*, p. 296; *Guantanamo*, pp. 184, 168; *Asia, 2008 CQ Weekly*, p. 2806; *Russia*, p. 2760; *Obama's negotiating*, p. 1885; *U.S. image abroad*, p. 2656; *Pakistan*, p. 2137; *nuclear test ban treaty, 1999 Almanac*, p. 9-40. *The reconstruction zone bills are HR 1318 and S 496.*

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# His Foreign Policy Wish List

During the first three months of his presidency, Barack Obama has revealed an ambitious roster of foreign policy goals that include:

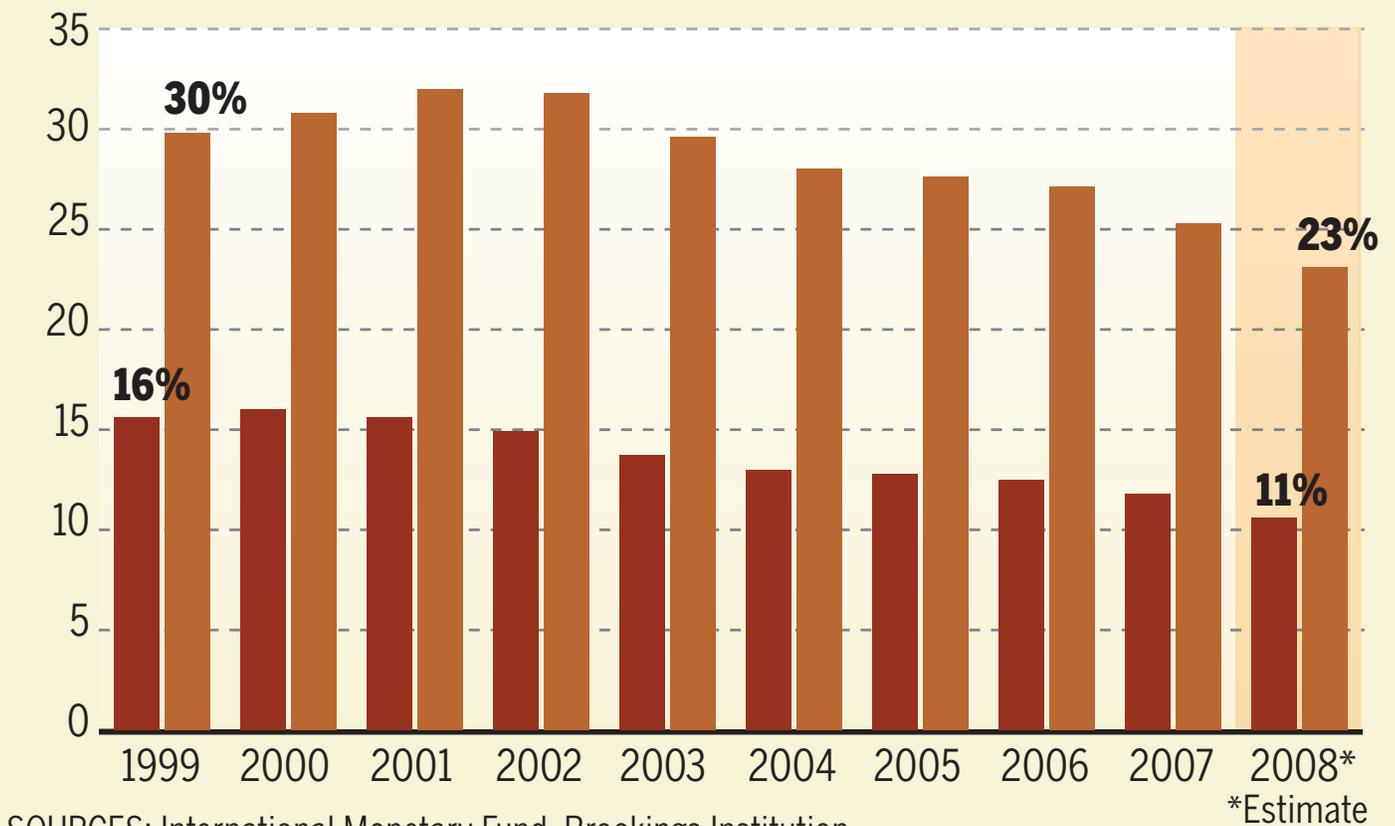
- Successfully withdrawing all U.S. troops from Iraq by the end of 2011
- Persuading the Chinese to continue underwriting U.S. government debt
- Securing NATO assistance in training Afghan army and national police forces
- Obtaining congressional approval of \$7.5 billion in aid for Pakistan over the next five years
- Agreeing on a new arms control treaty with Russia by the end of the year
- Persuading the Senate to ratify the Comprehensive Nuclear Test Ban Treaty
- Strengthening the Nuclear Non-Proliferation Treaty
- Ending Iran's nuclear program
- Ending North Korea's nuclear program
- Mediating peace treaties between Israel and the Palestinians, Syria and Lebanon
- Helping Mexico defeat drug cartels
- Easing U.S. sanctions on Cuba

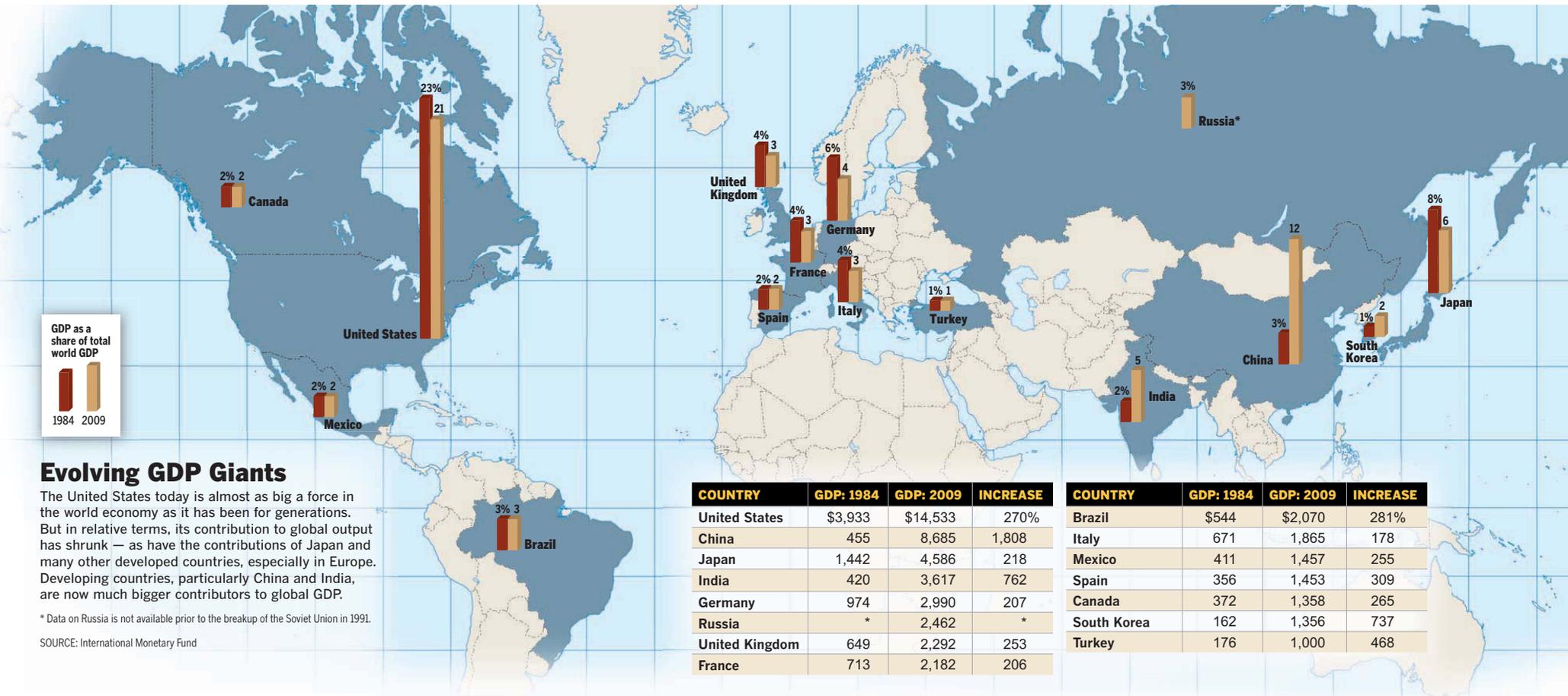
# Declining U.S. Economic Might

The retreat of the United States' economic power began a decade ago, when its contribution to all of the world's trade and the collective gross domestic product of all nations began to decline.

## U.S. share of world trade and GDP

Trade GDP





## Evolving GDP Giants

The United States today is almost as big a force in the world economy as it has been for generations. But in relative terms, its contribution to global output has shrunk — as have the contributions of Japan and many other developed countries, especially in Europe. Developing countries, particularly China and India, are now much bigger contributors to global GDP.

\* Data on Russia is not available prior to the breakup of the Soviet Union in 1991.

SOURCE: International Monetary Fund

COUNTRY	GDP: 1984	GDP: 2009	INCREASE
United States	\$3,933	\$14,533	270%
China	455	8,685	1,808
Japan	1,442	4,586	218
India	420	3,617	762
Germany	974	2,990	207
Russia	*	2,462	*
United Kingdom	649	2,292	253
France	713	2,182	206

COUNTRY	GDP: 1984	GDP: 2009	INCREASE
Brazil	\$544	\$2,070	281%
Italy	671	1,865	178
Mexico	411	1,457	255
Spain	356	1,453	309
Canada	372	1,358	265
South Korea	162	1,356	737
Turkey	176	1,000	468

# Rising on the World Stage

As power shifts away from U.S. global dominance, several other nations are starting to challenge the American political and economic models. At the moment, these are some of the most important rising forces on the world stage:



## RUSSIA

President **Dmitry Medvedev** is challenging U.S. power in the former Soviet republics, where Moscow is determined to restore its historical influence. Russia strongly opposes proposed U.S. missile defenses in Eastern Europe, as well as NATO membership for Georgia and Ukraine, but it has agreed to start arms reduction talks with the United States.



## CHINA

Beijing is Washington's largest creditor, holding some \$1 trillion in U.S. government debt, a position that has limited President Obama's ability to pressure President **Hu Jintao** on issues such as North Korea's nuclear program. In an unprecedented move, Beijing has suggested creation of a new reserve currency to replace the U.S. dollar, an idea that Washington has rejected but other emerging markets find attractive.



## INDIA

Under Prime Minister **Manmohan Singh**, India has developed close relations with the United States, particularly in the areas of counterterrorism, joint protection of critical sea lanes and close cooperation on security investigations. But with its burgeoning economy, India has turned to Iran as a possible natural gas supplier, ignoring Washington's pleas to avoid doing business with Tehran.



## BRAZIL

Brazil's economy has been growing steadily since roughly 2002; inflation is low, trade is expanding and the public debt is gradually declining, allowing the country to become a leader in South America as well as a leader among developing nations. President **Luiz Inácio Lula da Silva** has become the most important interlocutor in Latin America for the United States, in particular as a balance to Venezuelan President Hugo Chávez's oil-financed efforts to build an anti-U.S. coalition.



## FRANCE

After unusual strain during the Bush administration, France and its pro-American president, **Nicolas Sarkozy**, have started repairing relations with Washington and warmly welcomed Obama to the elite circle of world leaders. France also recently rejoined NATO's military command. But Sarkozy has fingered Wall Street as a culprit in the global economic meltdown and joined Germany this spring in rejecting Obama's call for greater stimulus spending.