Reassesing 1989: Lessons for the Future of Democracy

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When the Berlin Wall fell 30 years ago, many in the West dreamt of a Europe whole and free and at peace. This was back when the nations of Europe and North America agreed on the Paris Charter and its fairy-tale ending, a “new age of democracy, freedom and unity” for Europe, and implicitly, for the entire world. It turned out somewhat differently. Three decades later, Europeans are neither unified nor do they all live in peace and democracy. In the rest of the world things do not look any more promising. Instead, the types of government that get by without too much liberal democracy have been making a comeback. A new nationalism is tightening its grip on Western nations. Its target is no less than the idea of an international cooperation that is built on norms and rules and values. As German historian Andreas Roedder writes, today we are confronted with “the ruins of our expectations.”

What went wrong? What has led to the recession of democracy, the resurgence of neo-authoritarianism, and ultimately the weakening of the liberal international order?
The small cohort of “populism experts” have placed the sources of the crisis in the domestic domain of Western democracies. They offer two related explanations, an economic one and a cultural one.

According to the economic thesis, an ever-increasing global division of labor has, over decades, prevented middle class incomes in many relevant Western nations from rising. Income stagnation is deemed to be the cause of the feeling of being left behind which, in turn, has caused anti-elite and anti-internationalist sentiment. The other interpretation sees a cultural backlash against a one-world-movement at work. As this narrative goes, globalization has made borders porous or even eliminated them, has created uncontrolled migration thereby undermining the status of the nation state and its middle classes. This development has ultimately resulted a kind of political revolt.

Both explanations are not mutually exclusive. However, the mix between them varies from country to country. For France, Great Britain, and particularly the United States, the economic thesis can help to explain what happened. In these countries, industrial production has been exported to China on a broad scale. In several regions, this has led to the loss of well-paid jobs and to long term unemployment.

Especially in the United States, income distribution is significantly more unequal today than several decades ago. Adjusted for inflation, incomes of full-time employees have not increased since 1980. In 1999, the median family income in the United States was at $59,039. Seventeen years later, a typical family had just $374 more at their disposal, again adjusted for inflation. The tremendous wealth gains that the innovation boom of the digital age has generated found their way almost exclusively to the bank accounts of the top 10 per cent. Their share of the America’s gross national product has risen from 34 to 47 per cent since 1980. It should not come as a surprise that those people will revolt when they consider themselves the victims of globalization and stand watching a new economic oligarchy develop in their own country.

The situation looks quite different in Northern and Central Europe. In Sweden, the economy has been growing since 2010, barely interrupted and at healthy rates. Growth rates of up to six per cent are quite unusual for mature industrial societies. Consequently, the unemployment rate is decreasing seemingly without end. To the south of Sweden, the Federal Republic of Germany is enjoying its second economic miracle. Entire regions of the country are able to report nearly full employment. The gains have not been all in precarious employments, as critics like to insinuate. Also in East Germany unemployment rates have been falling continuously, even if they are still higher than West German levels. And inequality is not rising at levels comparable to the United States. On the contrary, the German Economic Research Institute states that “net incomes have been increasing significantly for large portions of society.” Compared with other western countries, income inequality is below average in Germany and has for the most part, not increased since 2005. Before the labor market reforms of the early 2000s inequality had been increasing, largely because of Germany’s then-overregulated economy which had helped to produce mass unemployment thus opening up large income gaps between the employed and the unemployed or the underemployed. The reforms and modernization of Germany’s industrial production combined with significant redistribution dampened and even stopped the move towards growing inequality of net incomes. Recent data shows newly rising levels of income inequality. But it could be a transitional phenomenon, as the German Institute for Economic Research assumes. The reason is deemed to be the large influx of immigrants since 2010. Many of them find themselves at the bottom of the income ladder, at least initially.

When labor shortage is the most significant problem of the labor market, it is hard to argue that victimization from globalization and economic marginalization are at the heart of the anti-liberal revolt. As British historian Timothy Garden Ash put it at an event here in Berlin, in regards to Germany “it’s not the economy, stupid!” He points out that economic factors simply cannot account for the rise of the populist Alternative for Germany (AfD), given that four out of five AfD-voters say they were doing well or very well economically.

Given its lack of persuasive power, the economic thesis rarely helps to explain the rise of the anti-liberal movement in Germany and its affluent neighboring
countries. Which leaves the cultural thesis and the sentiment of cultural alienation and uprooting. It is remarkable how little attention has been paid to this phenomenon for years. According to Timothy Garton Ash, the ruling liberal majorities – in Germany as in other Western countries – have not only been ignoring dissenting opinions on migration and identity politics. They have delegitimized such views. Whoever voiced what did not fall into the mainstream of liberal thinking was easily maligned as “sexist, racist, or fascist,” says Garton Ash. He attributes this behavior to an “illiberal liberalism” which will only tolerate liberal views, thereby turning liberalism on its head.

Garten Ash does not primarily focus on inequality of incomes but inequality of attention and, as he calls it, an “asymmetry of respect.” It is precisely this respect – the acknowledgment and consideration of their views – that populist rebels want to regain. The semi-authoritarian nationalists from Poland’s “Law and Justice Party” (PIS) have developed a battle cry from this observation: They promise the “redistribution of dignity.” Poland’s semi-authoritarians want to grant attention to all those that see themselves as victims. What sounds like an emancipatory agenda for an ignored middle class, is in fact something entirely different: it is PIS’s justification for a massive critique of the elites that – according to their playbook – shall result in an exchange of these elites. As PIS has demonstrated when handling personnel issues in the justice system, the public media, cultural and education institutions, the gloves come off when it comes to putting an ideologically aligned elite in place.

Whatever the mix of cultural and economic drivers for the rise of populism in different Western countries, both theories are quite similar on one important count: they are both variants of a critique of globalization. Whether people consider themselves to be economically disadvantaged or culturally marginalized, they assume the source of their oppression to originate outside of their borders, either from migrants or from a global cosmopolitan elite to whom their own national elite are falsely loyal. It this therefore paramount for them to regain control over their own fate by controlling these forces.

Therefore, the battle between those who support the economic explanation over the cultural explanation is – while intellectually challenging – a bit of a distraction, for there is something else that has not been sufficiently considered in the discussion. It could be called the internationalist’s original sin: the self-serving and lazy interpretation of the events of 1989 and their consequences for the international order.

In retrospect it is evident that after the end of the Cold War, Western countries settled into a naive optimism about the future of the world. It was commonly believed that the triumph of capitalism over communism would translate into the global triumph of the Western model of organizing society. Governing elites in Western countries proved themselves to be willing students of the American scholar Francis Fukuyama. They adopted, repeated and trivialized his thesis of “the end of history” and his expectation of a lasting democratic peace. Unintended by Fukuyama, his theory became the blueprint of Western triumphalism. For it was not just optimism that won out, but a belief in democratic determinism. Hope for a better future turned into certainty about the course of history. Yale University historian Timothy Snyder identifies the “politics of inevitability” as a major consequence of this view, leading to a course of action that tolerated no alternatives and left individuals with a profound sense of a lack of agency.

Since the goal of all politics was predetermined, according to the teleology of the times, it seemed as if the package of liberal democracy, economic freedom, uninhibited trade, and international cooperation no longer had to be fought for, justified, or exemplified. Some even held the view that it was okay to take liberties with principles, values, and rules and that they could allow themselves double standards, negligence of norms and rules, and even pure recklessness. The only fitting word for this behavior is hubris.

Gradually, liberal overreach emerged: a belief in a glorious democratic future spread and a tremendous sense of entitlement promulgated throughout the West. At the same time, while the will and the means to implement the necessary policies remained limited. The liberal world no longer knew adversaries (apart from some terrorists), only partners who were on course to become like-minded friends. This new world allowed for its inhabitants to indulge in self-deception when listening to sermons on Western values on Sundays, while tolerating free riders and rule breakers during the work week.
It was easy to turn a blind eye to the fact that there were players within the international system who only pretended to play along. There were the Chinese, for whom the economic opening of their country meant that they would eventually adopt participatory governance, perhaps even some version of democracy. Western elites repeated this narrative until it was impossible to overlook that the Chinese leadership considers international rules merely a product of Western self-assurance which can be taken advantage of, can be bent, and can be broken whenever it serves the cause of the rise of dictatorial China.

Secondly, there were the Russians who seemed to be on course to become a normal, perhaps even democratic nation in Europe. According to this theory, reforms would be adopted to modernize the country and move it closer to the rest of Europe. Whenever the Russians strayed from liberal orthodoxy, Western mainstream thinking was more than willing to call for more patience with Russia. Until, a couple of military interventions later, even the staunchest believers had to own up to the fact that Russian leadership does not intend for the country to be on a path to the peaceful liberal-democratic land of plenty.

And finally, there were the Central Eastern Europeans. They were especially important because they were considered to have permanently moored in the harbor of liberal democracy (which is why most of them became members of the EU and NATO). But as Branko Milanovic analyzes, former chief economist at the World Bank, 1989 was not just a triumph of Western values in the countries of Central Eastern Europe, but primarily a “revolution of national emancipation” – an emancipation from Soviet imperialism.

For centuries, Central Europeans have fought for their own nation states. Finally, almost homogeneous national states had emerged. Post 1989, the citizens of these countries were ready to accept market economy and democracy, but not ethnic heterogeneity. It contradicted with their spirit of national self-liberation no matter how strongly Western Europeans insisted that ethical heterogeneity was the natural consequence of freedom of movement and ultimately, an open society.

Over the past years, considerable efforts have been made to reconstruct how large or small the group of the so-called ”Western liberals” in Central and Eastern Europe really was. Back then, it appeared larger and more influential than it really was because in reality it was an alliance of liberals and nationalists. Even die-hard nationalists, as Milanovic writes, talked “the language of democracy because it gave them greater credibility internationally as they appeared to be fighting for an ideal rather than for narrow ethnic interests.” This group included Viktor Orban and Jaroslaw Kaczynski – today the strong men of Hungary and Poland. Their metamorphosis from freedom fighters to anti-liberal nationalists is illustrative, for it did not entail as much of a change as is often assumed. For them, as for others, liberal democracy was not the political system of their dreams but a useful tool.

In 2015, when the refugee crisis swept across Europe, the latent conflict between liberal democrats and nationalists erupted. Confronted with a massive critique of their seemingly cold-hearted refugee policy (and sometimes even government-supported xenophobia), Central Eastern Europeans argued that their elected representatives were faithfully representing the views of the majority and protecting the values of their country from a bunch of messianic Western Europeans who preached a form of idealistic universalism that the Central Eastern Europeans were not committed to, did not believe in, and had never signed up to.

The question of how Europe will deal with this schism remains unanswered. Will Western Europeans treat Central and Eastern Europeans like “fallen” democrats? And will Central and Eastern Europeans adopt a posture of victimhood for the long term, thus deepening the divisions within Europe? Only one thing is clear: in 1989, the number of supporters of a liberal worldview was smaller than assumed.

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they are voted out of office, their successors will tow a similar line because of unchanged preferences of the electorate. In other words: from the end of history to endless populism. Consequently, books are flying off the shelves with titles like About Tyranny, The Road to Un-Freedom, or How Democracies Die.

The problem with this type of linear thinking is that it extrapolates the future from present trends and tends of overlook countervailing tendencies. The analysis of the new fatalists often ignores that neo-nationalism itself gives birth to an opposition that will eventually lead to populism's downfall. Crises of nationalism, a loss of voter confidence, ultimately failure – all of that is not in the fatalists' calculations. Thus, they underestimate the resilience and the self-correcting powers of liberal democracy.

Cultural pessimism is a powerful force that one ought to resist. That was Fritz Stern's warning 40 years ago. He urged Americans and Europeans not to engage in endless jeremiads about the impending decline of their nations, their continent or the West as a whole. Cultural pessimism, he argued, could easily revert into cultural despair and thus become a destructive political force.

Humankind has always lived through periods of transformation. In fact, periods of stability and self-assuredness such as the past three decades have been rare. What Ian Kershaw observed in his grand history of postwar Europe remains true: “uncertainty will remain a characteristic of modern life.”

The End of Techno-Utopianism

by KAREN KORNBLUH

The optimism over the future of democracy globally that dominated Washington's foreign policy circles in the early 1990s had a tech companion, similar to the neoliberal faith in markets. From the beginning and throughout the Internet's first decades, its policy architects were sanguine about an open Internet being a quasi-automatically democratizing force. It would provide a voice for the voiceless and power to the powerless. Like the other parts of the story of democracy, the Internet's role in free societies turned out to be murkier. The Internet's open architecture allowed the Internet to become a global network that has fostered extraordinary innovation and empowered entrepreneurs, consumers, and political organizers. But along the way, some of the openness was lost, and darkness crept in. Today, the platforms provide too many opportunities for disinformation to corrupt democratic debate and these online tools for deception are increasingly being weaponized by anti-democratic forces.

Today, large technology companies have come to dominate the online experience, constantly gathering users' personal data, often without their knowledge, and feeding it through proprietary algorithms to curate search results, recommendations, and news. Propagandists and extremists wishing to conceal their identities fund targeted ads and create armies of social media bots to push misleading or outright false content, robbing citizens of a basic understanding of reality. And authoritarians take advantage of technology to censor information and suppress dissent.
It is past time for Washington to overcome its techno-utopian belief that the Internet can fix itself and instead take active steps to ensure that the Internet is a tool to strengthen, not undermine, democratic values.*

The most commonly told origin story of the Internet starts with the brilliant young entrepreneurs who invented life-changing technologies from inside their garages. In reality, the early Internet received significant help from the U.S. government. It grew out of ARPANET, the Advanced Research Projects Agency Network, a decentralized network created by the Pentagon that was designed to withstand a nuclear attack. The inventors of the Internet Protocol and the World Wide Web received government grants and support from government research labs.

In 1989 the first commercial dial-up provider offered access to the Internet and in February 1990 ARPANET was officially decommissioned, ending formal military involvement in what would soon be known as the World Wide Web. The U.S. government, however, continued to shape the Internet’s development through policy. In the mid-1990s, when the Internet was beginning to enter people’s homes and workplaces, the U.S. government aggressively promoted competition with the existing telecommunications network, a choice that allowed the early Internet to flourish. The Federal Communications Commission exempted Internet service providers, such as AOL, from paying the charges that long-distance carriers had to pay and implemented the Telecommunications Act of 1996 in a way that, for a few years at least, opened the regional phone companies up to competition, stimulating billions of dollars of spending on the deployment of broadband networks. When Congress passed the 1996 Communications Decency Act, it included a provision – Section 230 – that largely freed certain Internet companies from liability for third-party content posted on or moving across their networks or platforms. Combined with the decentralized design of the Internet, these policies promoted a medium that allowed users to exchange information freely.

The United States proselytized its pro-openness policy framework abroad. In 1997, Washington negotiated an agreement through the World Trade Organization that committed 67 signatory countries to “procompetitive regulatory principles” when it came to telecommunications, paving the way for the global Internet. And to set the rules of the road for the Internet, it endorsed a handful of “multistakeholder” organizations, including the Internet Corporation for Assigned Names and Numbers, or ICANN (which manages the domain name system), and the Internet Engineering Task Force (which promotes technical standards). This framework promoted competition, provided new avenues for sharing information, and allowed the Internet to become a vibrant platform for free expression and innovation. The Internet seemed to be ushering in a new era of democratization and entrepreneurship. By 2011, it was being credited with causing the Arab Spring.

But by then, the Internet had changed greatly. Early on in its history, users communicated directly, and e-mail was the “killer app.” With the advent of the World Wide Web, users could easily generate and share their own content. But today’s digital platforms – including Amazon, Facebook, Google, and Twitter – use algorithms to organize the user experience. Social media companies earn more ad revenue the longer they can get people to spend on their platforms and the more narrowly they can target them, and so they have every incentive to gather as much data as possible and feed it into algorithms that optimize the content their users see.

At the same time, the offline world moved online. In a 2017 survey of Americans conducted by the USC Annenberg School for Communication and Journalism, respondents admitted spending an average of 24 hours a week online. Forty percent of them said they thought the Internet plays an integral role in American politics, and 83 percent reported that they shopped online. Most of the relevant government policies were designed when the Internet was just a fringe part of people’s lives, but it has come to touch nearly every aspect.

News also moved online,² with more people now getting it through the

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² Pew Research data shows that almost as many people now get their news from the Internet as
Internet than from television, as did advertising. As a result, print journalism's economic model fell apart. In the past, when the future of news seemed in question, Americans publicly debated what role media should play in a democracy. Congress regulated growing forms of media, with the 1927 Radio Act and then the 1934 Communications Act requiring broadcasters to act in the public interest as a condition of their receiving licenses to use the public airwaves. Civil society joined the debate, too. After World War II, the Commission on Freedom of the Press, led by Robert Hutchins, the president of the University of Chicago, concluded that mass media must be committed to social responsibility. And in 1967, the Carnegie Commission on Educational Television issued a report on how to bring public broadcasting to U.S. households, spurring the passage that same year of the Public Broadcasting Act, which established the Corporation for Public Broadcasting. But when online news took off, no such examination took place.

In short, as the Internet grew more centralized and as its role expanded, policymakers failed to keep up. When it came to updating regulations for online activities — whether the matter at hand involved political advertising or privacy — the Internet was treated as a special realm that did not need regulation. And the bad guys took notice.

**Digital Dictators**

In the heady days of the Arab Spring, some observers believed the Internet gave dissidents a distinct advantage over their oppressors. But the despots largely learned to use the technology for their own ends. It turned out that even though social media and other technologies can help protesters, they can also help the state.

A 2018 report by Freedom House found that Internet freedom had declined globally for the eighth year in a row as China, Russia, and some Gulf states deployed a number of sophisticated methods for restricting access to online information and to communications tools. They have blocked virtual private networks, making it harder for users to evade censorship controls, and they have done the same with encrypted messaging apps such as Telegram, robbing dissidents of the ability to organize confidentially. In the Philippines, President Rodrigo Duterte has enlisted an army of paid online followers and bots to project an atmosphere of public enthusiasm and intimidate his critics. Sometimes, autocrats even get private companies to do their bidding. The Turkish government, in the midst of a crackdown on opposition since a failed coup attempt in 2016, forced Facebook to remove content. (Wikipedia left the country rather than edit or remove content.) And in some countries — notably China, Iran, and Russia — governments require that citizens’ data be kept in the country.

The most sophisticated effort comes from China, which, in addition to its Great Firewall, is developing a system of “social credits,” which takes the idea of a credit score to its creepiest extension. The idea is to aggregate information from public and private records to assess citizens’ behavior, generating scores that can be used to determine their opportunities for employment, education, housing, and travel. China is using facial recognition and vast data to exert control over the Uighurs in Western China in a high-tech update of the mass surveillance and societal control of East Germany’s Stasi and, before that, Hitler’s Germany.

The United States has struggled to respond to the online authoritarian threat. As secretary of state, Hillary Clinton championed an Internet freedom agenda to empower dissidents. The State Department devoted tens of millions of dollars to programs aimed at enhancing Internet access, fighting censorship, and creating technologies to circumvent controls. And in 2016, it established the Global Engagement Center, which was charged with coordinating efforts to counter propaganda spread by states and nonstate actors alike. All the while, the tools for surveillance and control have grown more sophisticated.

**Hacking democracy**

Not only has the Internet been used to strengthen authoritarian states; it has also been used to weaken democracies.³ As detailed in the indictments issued

³ For more on this see Laura Rosenberger’s article in this collection.
in February by Robert Mueller, the U.S. special prosecutor investigating Russian interference in the 2016 election, Russian operatives created fake online personas aimed at spreading false information. For example, a Twitter account by the name of @TEN_GOP purported to represent the Tennessee Republican Party and posted a steady stream of content supporting Donald Trump, the Republican nominee. In fact, it was run by the Internet Research Agency, an organization linked to the Russian government that is responsible for online influence operations. A particular goal was to depress African American turnout in order to hurt Clinton's campaign. As an investigation by CNN found, one social media campaign called “Blacktivist” was actually a Russian troll operation; it had more “likes” on Facebook than the official Black Lives Matter page.

Those who organize disinformation campaigns on social media exploit commercial data-gathering and targeting systems. They sweep up personal data from a host of sources across different devices and categorize people by their behavior, interests, and demographics. Then, they target a given segment of users with ads and bots, which encourage users to like pages, follow accounts, and share information. In this way, disinformation campaigns weaponize digital platforms, whose algorithms seem to reward outrage because that is what keeps users engaged. As the scholar Zeynep Tufekci has found, YouTube’s recommendation algorithm steers viewers toward increasingly radical and extremist videos.

To be fair, the big tech companies have begun to wake up to the scale of the problem. After the consulting firm Cambridge Analytica was found to have collected the personal information of 87 million Facebook users for use in political campaigns, its CEO Mark Zuckerberg testified in Congress that Facebook would extend worldwide the controls it is implementing to satisfy the EU’s General Data Protection Regulation. (But the company’s removal of non-European data from European servers, which puts the information out of reach of EU regulators, raises doubts about his commitment.) By January 2018, Twitter had publicly identified 3,814 accounts associated with Russia’s so-called Internet Research Agency (IRA) and estimated that approximately 1.4 million people may have been in contact with those accounts. Twitter has accelerated its removal of fake accounts, deleting 2.8 billion accounts between October 2017 and November 2018. All these companies have taken steps to increase transparency when it comes to who has paid for a particular political ad. There are also the cases of cites like Infowars – a conspiracy theory site that has propagated the idea that school shootings are hoaxes and their victims “crisis actors” – which Facebook has allowed to operate a page with over 900,000 followers. After almost of year of controversy, Facebook finally removed the real accounts of Infowars and its director Alex Jones in May.

Once again, public policy has not kept up. There is no federal agency charged with protecting U.S. democracy in the digital age, and so the only cops on the beat are the Federal Trade Commission and the Federal Election Commission. The FTC is charged with the wide-ranging task of consumer protection and lacks sufficient staff and authority to address most of the challenges specific to the weaponization of the Internet. The Obama administration proposed an update to privacy laws that would have given the FTC more power when it comes to that issue, but Congress never took it up. And although a draft of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act contained a provision to give the FTC rule-making authority, the provision was stripped out before the bill passed. The FEC, for its part, is perpetually stalemated along partisan lines, just as it was in 2014, when a vote regarding whether to require transparency in online political advertising ended in a deadlock. For the most part, the government has left it to individuals and digital platforms to design their own defenses, and they are falling short.

**Intervention For Openness**

Even though public policy played a large role in enabling the creation and growth of the Internet, a mythical, libertarian origin story arose, which fed the belief that the Internet is so open that regulation is unnecessary – indeed, that government is like Kryptonite to the Internet. This was also a convenient narrative for opponents of regulation, who fought updating rules to fit the online world for economic or ideological reasons. But Washington must act now to prevent the further weaponization of the Internet against democracies and individuals attempting to exercise their human rights – and to do so without sacrificing democratic values such as freedom of expression. The history of the
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Internet’s founding offers the right model: intervention on behalf of openness. To help tilt the balance against autocrats, the U.S. government should fully fund and staff the Global Engagement Center, which was leaderless until early 2019, so that it can coordinate support for activists abroad and counter disinformation and extremist content. Washington should also continue to support the efforts that the Broadcasting Board of Governors, the federal agency that oversees Voice of America and other broadcasters, is making on this front, including developing tools that help dissidents get online and backing the fact-checking website Polygraph.info.

There are also ways to reduce the opportunity for so-called dark money and dark data to undermine democracy. Congress should pass the Honest Ads Act, a bill proposed in October 2017 that would apply television’s rules on disclosing the funding behind political advertising to the Internet. Despite being a bipartisan bill, it has yet to make it out of committee. Platforms should be required to insist that entities buying political ads provide information on their donors, as well – and to verify the identity of those donors and disclose that information publicly in a sortable, searchable database. In order to deal a blow to microntargeted disinformation, Congress should borrow from Europe’s General Data Protection Regulation: organizations should be required to treat political and philosophical data about users as sensitive information – so that it cannot be collected and then used to target political advertising without express permission. Users should also have more data rights, such as the ability to take their data to another platform or use it interoperably.

Digital platforms should find a way to offer users more context for the news their algorithms present. They might do so through some method of differentiating those news outlets that follow accepted journalistic practices (customs such as having a masthead, separating news from opinion, and issuing corrections) from those that do not. The platforms should be required to take down fake accounts and remove bots unless they are clearly labeled as such. The largest social media companies – Facebook, Twitter, and YouTube – need to be transparent about their content-moderation rules. Regulation might even require certain platforms to provide due process protections for users whose content is taken down. And a narrow change to Section 230 could eliminate immunity for platforms that leave up content that threatens or intentionally incites physical violence.

Of course, change must come from the top. Trump himself repeatedly refuses to acknowledge Russia’s interference in the 2016 election, despite the clear findings of the intelligence community. In May 2018, the Trump administration’s National Security Council eliminated the position of cybersecurity coordinator and handed the portfolio to a deputy with many other responsibilities. That decision should be reversed, and foreign information operations should be treated as seriously as cyberattacks are. And at the international level, Washington should promote its approach through multilateral organizations and provide technical assistance through the World Bank.

What’s needed is U.S. leadership. The European Union has begun to create policy responses, but the U.S. is needed to force a redesign of our online public square – and to build consensus around new international norms for the use of technology. The Internet would never have become such a transformational technology were it not for openness – a quality that was inherent in its design yet nurtured by government policies. But over time, those policies did not keep up with changes in technology or the way it was used. The victims of this lag have been those who initially benefited the most from the Internet: democracies, champions of freedom, and ordinary citizens.

It is time for them to take back the Internet. The United States is uniquely positioned to assume the lead on this task. As the promoter of the key early policies and the home to many of the largest Internet companies, only it can drive the development of a framework that ensures the openness and transparency necessary for democratic debate without harming innovation. But if the United States shirks its responsibility, it will further empower the adversaries of democracy: revisionist states, authoritarian governments, and fraudsters bent on exploiting the Internet for their own, dangerous ends.
While the peaceful revolution that led to reunification of Germany and the end of the Soviet Union receives a celebrated 30th anniversary in the West, for the Chinese leadership any remembrance of their 1989 is highly unwelcome. The world has changed enormously since the Chinese Communist Party clamped down on protests in Tiananmen Square on June 4, 1989. China itself has become almost unrecognizable after decades of record growth and development of singular scale. The Chinese Communist Party, however, as the anniversary elucidates, has remained remarkably unchanged. It continues to justify both the violence of 1989 and its continued tight grip on control as necessary to preserve stability for the greater good of economic development.

It is well worth reexamining the lessons of 1989 in the context of China. First, because the Tiananmen shock reverberates until today within the party. But also because the West did not pay close enough attention the first time, assuming Party control could not survive economic revolution. It did, and it is gaining new tools, as we begin to witness the twenty-first century version of technologically enhanced authoritarianism. But at the same time we are also seeing fissures in the picture of total control, which deserve Europe’s attention.
In 1989, just a decade into the reform and opening-up process which was initiated by Deng Xiaoping, China was still a negligible economic power. The Communist leadership had begun to experiment with price liberalizations and attempted to slowly move away from the state-planned economy of the Mao era to greater market-orientation. In the 1980s this resulted in economic growth, but also in rising prices and inflation. Paired with discontent in the Party’s leadership, due in large part to rampant corruption, this sparked peaceful protests throughout the country, which culminated in mass protests in Beijing – led by students, supported by many workers and ordinary citizens of China’s capital.

After the brutal crackdown in Tiananmen Square, a political cleanse followed. Progressive elements within the Party’s leadership who had been driving liberalization were marginalized. For the Party, the lessons of 1989 dictated firm control: Until today, continuous economic growth and increasing prosperity remain crucial to prevent public disquiet, and political liberalization is viewed a threat for one-party rule.

**Capitalism with Chinese Characteristics**

As we know from today’s vantage point, the events on Tiananmen Square only temporarily derailed China’s economic transformation. Market-opening reforms resumed shortly afterwards and, just a little more than a decade later, China eventually became a member of the World Trade Organization in 2001. Not because it had suddenly transformed into a full-fledged market economy, but because it had great potential. An overconfident West, inebriated by its own dominance, firmly believed in the power of capitalism to bring about change.

Within the restraints of the Party’s written and unwritten rules, the Chinese people managed to engage in unprecedented economic activity, which led to a stunning output and made China the prodigy of global growth. In 1989 China’s GDP was around $350 billion – which is roughly the current economic performance of South Africa. In 2017, however, the GDP was already $12.2 trillion, rendering the People’s Republic the second largest economy in the world.

Policy makers in Washington and Europe, convinced of their own 1989 narrative, were certain that Chinese communism would soon be a thing of the past. The Western economic elites, caught in the gold rush of the China business, were happy to buy into the “change through trade” idea. Western companies benefited enormously from trading with and producing in China, as did Western consumers, who soon became accustomed to low prices for their most wanted consumer goods. Party leaders in China, however, held tight to the political lessons of their own 1989 experience, pushing firmly against the political change that the West anticipated.

**The China Challenge**

The international system that emerged after 1989 was favorable to China’s stability and development. To this day, China’s leadership under Xi Jinping has every reason to defend the existing multilateral mechanisms. The Party quickly learned how to work within these structures while subtly altering them, hollowing out liberal principles to favor its own form of governance.

But the existing order is reaching its limits, as is the patience of European and American bureaucrats, who have been lobbying for greater market access and reciprocity for decades. China is reinventing the rules of the game and challenging traditional economic and political assumptions. The state continues to play a dominant role in the Chinese economy, and the Party calls the shots. This Chinese system is irreconcilable with the principles of free and fair trade.

Washington has decided to no longer tolerate China’s aggressive state capitalism. In the United States, a broad consensus across party lines has emerged that views China’s rise as the greatest challenge to American prosperity and security. The incumbent and the emerging superpower are in strategic competition for power and influence in the world. Donald Trump already targeted China and its “unfair trading practices” during his campaign, and conflict in the form of tariffs and counter tariffs has become the new normal of Chinese-American relations. Talk of “decoupling” the two economies and a new Cold War has emerged, a great power confrontation reminiscence of the 1980s. It does not seem reasonable, but it also seems almost unavoidable.
On the European side of the Atlantic, some still harbor hopes that China will come around and move further into a market-economy direction. Perhaps nowhere is this wish more pronounced than in Germany. German businesses and politicians have put even more of their eggs in the Chinese basket than other countries. Having always boasted a close relationship to Beijing, Berlin now finds itself in a key role. The Chinese leadership recognizes this and is keenly campaigning for German favor. Turning away from the China business is not an option for many of the major German companies, as some of them generate almost half of their turnover in China. Yet developments may be beyond their control. The economic disruptions we face could have a grave effect on Germany’s economy.

What makes things harder is the fact that the rivalry between the United States and China is not limited to the economic sector. For Europe’s most important ally, China has become not just an economic but a military challenge. China does not constitute a direct military threat to Europe. But things can change quickly, as up until recently the American security guarantee had also seemed immutable.

The concurrence of transatlantic tensions and the U.S.-China confrontation has put Europe yet again on the frontlines of a systemic competition. Neutrality is not an option, but neither is unconditional transatlantic allegiance in today’s world. Thirty years after the end of the Cold War it is the China challenge that is forcing Europe to figure out where it stands.

Do Not Underestimate the Moment

It is worth reflecting on the events of 1989 to inform decision-making in the present. As Gideon Rachman has noted, the events on Tiananmen Square have in hindsight proven to have much greater significance for the future of the West than initially recognized. Civic protest led to revolutionary change in Europe, but was crushed to assure continued Communist Party rule in China. That the party could resist the pull of political liberalization for three decades seemed impossible to too many in the West for too long. Our own 1989 is the main reason for that.

June 2019, however, brought a new and surprisingly strong uprising against the Chinese Communist party. The citizens of Hong Kong have taken to the streets at this historic moment, protesting Beijing’s increasing grip on power on one of the last bastions of independence – the judicial system – demonstrating that there is limited tolerance for China’s subversion of their government, especially among the young.

The next domestic battle for power will likely not be won or lost by tanks and machine guns, but in the digital space, for better or for worse. The economic super power cannot afford another Tiananmen. But the next domestic battle for power will likely not be won or lost by tanks and machine guns, but in the digital space, for better or for worse. The scale of protest in Hong Kong is drawing attention to the existing cracks in the Communist Party’s carefully crafted narrative of economic power without the nuisance of independent courts and democratic control. However, it remains unclear whether it will have a lasting effect beyond Hong Kong’s borders. Europe will have to step up its game quickly and wake up from its strategic slumber of the post Cold War era, redefining its relations with both Beijing and Washington. What happens in China now will shape Europe’s options for the years to come. Underestimating another historic moment in East Asia could have devastating consequences.
It is tempting to look back into the history of socialist Yugoslavia and see the bloodshed of the 1990s as the culmination of an inexorable march of history. But in 1989 very few Yugoslavs saw the wars coming – and, indeed, options presented themselves that could have led the multinational state of 23 million people in other directions.

For many of the peoples of Yugoslavia, 1989 was a year of change and hope. Socialist Yugoslavia was a soft version of “democratic centralism,” so far from that of its Central European cousins that the ruling ideology even earned its own label, namely “Titoism,” after its 1945 to 1980 leader Josip Broz Tito. Since the 1970s, the peoples of Yugoslavia’s six constituent republics had enjoyed ever more significant but not absolute freedoms: such as the ability to travel abroad, a high degree of artistic liberty, and a lively but still-censored press.
The situation for Yugoslavians in 1989 did not change dramatically from one day to the next as it did for the Central Europeans, even though the nightly news programs were dropping one bombshell after another: power plays in the party, historians violating postwar orthodoxy, trade wars between republics, demonstrations in far-away Kosovo, an outspoken Serb politician named Slobodan Milosevic on the move.

Social and political reforms had been stopping and starting for nearly two decades, and they quickened pace with Tito's death in 1980. By 1989, independent-minded reformers inside the communist party were pushing up against old-school traditionalists – and nationalists of a variety of stripes in the republics were cranking up the rhetoric against centralists as well as the other republics. Throughout 1989, and even well into 1990, critics and discontents challenged much in the system but, critically, not the legitimacy of the idea of Yugoslavia itself, a patchwork state of peoples and ethnicities that had somehow, despite all of its shortcomings, been providing its peoples – though more so in the north than the south – with a standard of living higher than ever before and a relaxing stretch of peaceful coexistence. (Central to 1989: this living standard was by then plummeting while foreign debt had skyrocketed, unemployment rose to 17.5 percent, and inflation topped 120 percent.)

Most Yugoslavs welcomed the new spaces and ideas that sprouted from the cracking façade of socialism, including the liberty to identify more openly with one's ethnicity. Most Yugoslavs welcomed the new spaces and ideas that sprouted from the cracking façade of socialism, including the liberty to identify more openly with one's ethnicity.

Markovic's idea of reworked Yugoslavia as a democratic federation was one option – and a popular one, particularly in urban centers, in 1989. The economist Branko Horvat argued that Yugoslavia had the best prospects of any Eastern European country to transition smoothly to democratic socialism or social democracy.

What Might Have Been

But in a region with weak democratic traditions, the odds were long, especially with the northern republics of Croatia, Slovenia, and Serbia furiously agitating against one another on issues of trade, tax revenues, and control of the federal presidency, the country's foremost governing body. The nationalist shouting match grew ever more raucous as some prominent intellectuals endorsed a fierce ethnic nationalism that echoed of wartimes past and precluded reasonable cooperation to redesign the multinational country. In February, for example, the nationally minded historian and former Yugoslav general Franjo Tudjman made a public appearance at the Writer's Association of Croatia in Zagreb, Croatia's foremost city, where he spoke of a new nationalist party that looked out for the interests of Croats alone.

In the largest republic, Serbia, a former banker and communist party loyalist Slobodan Milosevic became the republic's president in May 1989. Two years previously, Milosevic had tasted the power of nationalism firsthand in Kosovo,
where he spoke with the minority Serbs in the ethnic-Albanian-populated province and promised to protect them. As Serbian president, he stripped Kosovo and the northern province of Vojvodina of their autonomy and set about procuring Serb domination of the country. His machinations served to ramp up nationalist passions across the country and greatly diminish the possibilities for a collectively negotiated, all-Yugoslav way out of the crisis.

Looking back at the year 1989 in Yugoslavia, it is understandably taxing to imagine how events could have taken an entirely different course than they did, ending in the terrible wars, millions of refugees, and over one hundred thousand casualties. Perhaps Markovic’s democratic federation was a chimera, but there was nothing inevitable about the descent into such violence. The lateness of Western Europe’s response, which was never unified, and the irresponsibility of the region’s national populist políticos, literati, and returned exiles ensured that Yugoslavia’s disintegration would be a bloody one.

That region is still paying for those choices today. Fragmented and stuck in transition, former Yugoslavia is now comprised of two EU states, two international protectorates, two EU accession countries, and one still struggling to become an accession country. The scars of the war and ethnic hatred inform everything and hold all of these countries back, and together with the persistent corruption chase the smartest of the younger generations to more promising futures elsewhere in the world. To its detriment, western Europe and the United States failed to pay sufficient attention to Yugoslavia’s fragility in 1989, at the very least they should not repeat that mistake.
The Mixed Fruits of Poland’s Freedom

by WAWRZYNIEC SMOCZYŃSKI

Thirty years after leading the democratic transition in Central Europe, Poland is struggling to uphold democratic institutions and discover a sense of political community.

On June 4, 1989 Poles had their first partially-free election since World War II and peacefully removed communists from power. What followed were over 20 years of spectacular and thorough transition: from authoritarian, semi-military rule to a thriving democratic state that is an independent regional player; from a run-down, centrally-commanded economy to an open-market capitalist powerhouse; and from a closed, agrarian society to a Europeanized modern nation. Initially the laggard leader of reform in Central Europe, a decade ago Poland emerged as the posterchild of Western success – proof of which could be found in the Economist, which finally stopped adorning articles on Poland with black and white pictures of horse-drawn carts and instead featured Warsaw’s shining skyscrapers.
2008 was a turning point for Poland’s international image and self-perception. As the world reeled from a global financial crisis, it avoided a recession. Warsaw started to punch above its weight in EU politics and positioned itself as a regional ally of the United States in Central Europe. Donald Tusk became the first Polish prime minister to win re-election, unlike his predecessors who were thrown out of office by voters weary of so much reform. Around 2013 Poland seemed to be defying historical gravity, bullish in a bear-market world, and avoiding political turmoil. For the international observer Poland appeared to have become a mature liberal democracy, some even expected it to provide a fresh political impetus to a crisis-ridden Europe.

And then Tusk was appointed President of the European Council.

Opinions differ on whether his departure to Brussels initiated Poland’s liberal breakdown or if Tusk just anticipated what was coming his way and wisely chose an exit. Voters’ fatigue with his party and the leadership void left him certain that the landslide victory of illiberal forces under Jarosław Kaczyński in 2015. But there were three other factors driving the shift. First, Russia’s invasion of Ukraine undermined the sense of physical security that Poland had enjoyed since 1989. Secondly, televised images of chaos in Hungary, Austria, and Germany as large numbers of refugees entered the EU rekindled connections to ethnic, cultural, and religious identity. And thirdly, though Poland avoided the recession that followed the global financial crisis of 2008, the near miss resurrected traumatic memories of 1989.

Fear is a prerequisite for populism, but the key to Kaczyński’s political success was his reappraisal of Poland’s transition. He promised to set right the perceived injustices and inequalities of the past 30 years. This is the unifying purpose of his project, which binds together a rejection of misguided liberalism with an adjustment of national priorities. The correction of the injustice of recent years thus entails an attack against the liberal elites who have held power since 1989, including the judiciary that still purportedly carries a communist legacy, and a rejection of progressive values allegedly imposed by the EU, as well as family-oriented social spending and redirection of public investment toward domestic companies. Kaczyński caters to that part of the electorate that has felt economically left behind, politically unrepresented, and socially alienated as a result of the changes that followed 1989.

The Cost of Transition

There were two distinct parts of Poland’s transition: evolutionary political transition and revolutionary economic change. The architects of 1989 subscribe to a different narrative – of a sudden political breakthrough and gradual capitalist reforms. In reality, while free elections and sovereign statehood were achieved gradually, the initial privatization of the economy and removals of price-control happened instantly. Liberal democracy was established over several years, free-market capitalism in a matter of several months. Economic changes were faster, more forceful and destructive to the preexisting order than political changes. They also had an incomparably bigger impact on individual destinies of people.

Poland’s transition was impossible to plan or control fully, even though it was undertaken with the best of intentions following the best available blueprints. But it also was an experiment on a living organism – the collective Polish people, professional groups, local communities, families, and, finally, individuals. There is a strong case to support that it was morally correct and historically inevitable, and even a triumph for democracy and capitalism. But this does not erase the fact that it was first and foremost a social transition that carried a human cost.

There were cities that the changes of 1989 pushed into decline, whole professional groups that were made obsolete and jobless, and families who lost hope for their future. Łódź, Poland’s second-largest city and the country’s industrial hub, lost tens of thousands of jobs as local garment factories were shut down by market competition from Asia. As a result, Łódź has seen severe depopulation, losing about 16% of its population between 1990 and 2015, followed by social decline. The same happened to smaller localities like Bytom, Słupsk, or Łomża.

Herein resides the unintended and overlooked failure of Poland’s III republic:
the state born out of the 1989 was unable to critically assess the transition that made it. The avoidance of critique enabled the transition republic to fulfil its mission, but at the same put it on a path toward its demise. The III republic was not brought down by Kaczyński – it fell to pieces several years before his victory, as its arc was complete, its values moribund, and its elites worn out. Kaczyński captured the moment of fatigue and combined the resentment of different groups into a wholesale critique of post-1989 Poland. The fact that Kaczyński cleverly exploited these social sentiments for political gain does not negate their veracity or legitimacy. The decades-long neglect of these feelings is the source of today’s social conflict in Poland.

The Mixed Fruits of Poland’s Freedom
by Wawrzyniec Smoczyński

Solidarity Died in its Homeland

Due to the abruptness and sheer scale of change, anyone alive in 1989 suffered psychological stress. Those who climbed the social ladder and prospered may have forgotten the insecurity and fear of the future those early years brought. For those who were not lucky enough to find social advancement and wealth, that same insecurity, fear, and wistfulness for a lost world have become a formative trauma. The traumas varied. For thousands of workers of closed factories, it was sudden unemployment and penury. For thousands of civil servants, teachers and managers of the state-controlled economy 1989 meant social demotion as the transition brought in a new, capitalist middle class. In the end the vast majority found their place within the new system – but the experience of 1989 shaded their view of transition and of Poland as it is today.

What they longed for was respect. They did not receive it from the new state, which could not afford large-scale social assistance, nor from the new elites, who were preoccupied with building a new state and blinded by their own success. But most importantly, respect for the disadvantaged, underprivileged, or needy receded from daily life: in the race for a better, richer, and stronger Poland we somehow lost the capacity for compassion. Solidarity died in its homeland. 30 years on, Poles woke up in a community of strangers bound together by a trauma nobody wanted to speak about. Until Kaczyński brought it into politics. And it is no accident that he was the one who did. A senator and long-time MP, Kaczyński was highly influential in the early 1990s as chief of staff to President Lech Walesa, but then his conservative camp was sidelined by the liberals who shaped Poland for the next 20 years.

To address and channel the trauma, Kaczyński waged a counterattack that is both his reflex and his preferred political method. He could retaliate against the same elites that had rejected him and dismantle the III republic that he had been sidelined out of building. He made that choice from a place of political exclusion where impotence breeds anger and anger transforms into power. This anger has driven Polish politics since 2015 – Kaczyński’s personal anger and through him that of thousands of voters unhappy with the distribution of power, wealth, and prestige since 1989. One might think events from 30 years ago have no bearing on young voters of today, but traumas are hereditary. Kaczyński attracts not just those hurt by the transition but a broad representation from all generations of voters who share his hunger for retribution.

They also share something beyond resentment, something much more important: a longing for community, which the III Republic failed to deliver. What defines Kaczyński’s politics is not populism, conservatism, or authoritarianism – it is communitarianism that brings Poles to vote for his party. Similarly, what defines the leader of the opposition, Grzegorz Schetyna, is not his love of technocracy, liberalism, or democracy – it is individualism, the political promise to create conditions for personal advancement and prosperity.

The tension between communitarianism and individualism is the key fault line in today’s Polish politics. After 30 years of policies promoting individual wellbeing, Poles want more concern for the common good. The economic transition is complete; the country can afford to attend to its needy and its social fabric again.

Kaczyński builds a community which is to be identical with his political tribe – that part of Poland which espouses traditional values, supports autocracy, accepts a statist economy, and fears closer ties with Europe. His party does not build an inclusive community for all Polish citizens. This is his weakness.
The speed and determination with which Kaczyński is transforming Poland has an air of irrevocability, but in truth his project is very fragile. It is impossible to change a country thoroughly or durably while avoiding social dialogue, aggressively imposing solutions, acting in haste and without respect for the law. Kaczyński's mistakes will culminate in another wave of tribal anger, but this time directed at him. It will sweep away his project only to replace it with another politically divisive and socially exclusive proposal.

30 years after the fall of communism, Poland faces the final challenge of 1989: how can it build a political community to sustain democracy and buttress the achievements of the transition? The backlash against the post-1989 failures was inevitable, but it is about closure with the past not opening a new future. Further polarization will result in political violence, -- as we saw with the murder of Gdańsk's liberal-minded mayor, Paweł Adamowicz - and ultimately civil strife. Poles are too wise to go down that road. At its core, democratic politics is an attempt to shape a common destiny for a diverse group of people – it relies on the assumption that they share a basic sense of community. For that community to emerge, common values need to be articulated, in an empathic and compelling way, probably by a new generation of politicians.
Can the Transatlantic Security Relationship Reach Adulthood?

by ALEXANDRA DE HOOP SCHEFFER & MARTIN QUENCEZ

The transatlantic relationship has experienced some turbulence in the decades since the Cold War ended, but populations and leaders have largely remained committed to the raison-d’être of the transatlantic strategic partnership. The dedication is laudable, but the legacy of the bipolar world has created an imbalanced relationship, one that rests on the paired assumptions that Europe’s stability and security will remain the priority of the United States at the global level, and that the strategic future of European powers should be reduced to being followers of U.S. leadership on the global stage. The terms of this partnership need to be adapted to fit today’s security and political environments.

Presidents Barack Obama and Donald Trump have both sought to redefine U.S. global leadership, and their presidencies offered opportunities to modernize the transatlantic security partnership accordingly. In parallel, several initiatives and new agreements have aimed to make the EU and European countries more credible actors in the security field, and political leaders have expressed their will to assume more responsibilities. Despite these dynamics, the transatlantic security debate seems stuck, unable to update itself as the question of burden-sharing and the articulation of different frameworks of European defense cooperation still poison the discussions. It has proven very difficult to overcome the comfortable habits of the pre-1989 world. Europeans still have to prove that they can sustain the political and financial investments required to take more of the burden of collective defense, while Washington continues to hinder the emergence of a more credible Europe as a strategically autonomous partner. The time for slow and small-step approaches has passed.
The strategic environment, and more contentious domestic politics on foreign and defense policies in the United States and in Europe, will force transatlantic partners to adapt quickly. The U.S. commitment to European defense is strong, but the nature of the threats faced by Europeans demand new answers, many of which cannot be covered by the traditional transatlantic deal. The focus of great power competition, as highlighted in U.S. official strategic documents, will also affect U.S. engagement in the stability and security of Europe and its neighborhoods. Washington will put increasing pressure on its European allies to do more for their security as well as to support U.S. policy vis-à-vis China. The solutions can only arise from updating the terms of the transatlantic partnership, rebalancing the security inputs of each partner, and showing political will to accept the implications of a more robust European power.

The Need for an Ambitious Update to the Transatlantic Security Partnership

Transatlantic allies have sought to adapt their defense policies and multilateral initiatives to the new strategic priorities since the collapse of the Soviet Union. This effort has been successful in that NATO has remained the key to collective defense in Europe, but it has also left the transatlantic security partnership structurally imbalanced. The need for an update based on more reciprocity is driven by three main trends.

First, the well-worn question of transatlantic burden-sharing is only becoming more serious. As we celebrate the 70th anniversary of NATO, we should remember that U.S. presidents have complained about European free riding since the 1950s. Dwight Eisenhower, then the first SACEUR, was already weary of the long-term burden of guaranteeing the security of Europe, while John F. Kennedy, in a tone that seems almost Trumpian, declared in 1963: “We cannot continue to pay for the military protection of Europe while the United States.

Tension over inequitable balances rose to new levels in the 2010s. During the Obama administration, Defense Secretary Robert Gates’s last policy speech in 2011 illustrated the new level of frustration of the U.S. towards Europeans’ lack of will to “pay the price” of alliance commitments. Then followed President Trump, who has used even stronger rhetoric around the idea that the United States was being taken advantage of by its allies.

The question of burden-sharing is not going anywhere, and it is more complicated than the 2% GDP threshold. In the United States, the idea that European allies should do more for their own security is one of the rare points of bipartisan agreement, shared by the population, the political leadership, and the foreign policy establishment. This reality and its implications are still difficult to grasp for many in Europe. In fact, the Trump administration’s obsession with the 2% figure has distorted the burden-sharing debate in Europe, deviating the attention from the real issue, which is about providing useful capabilities for the security of allies and being able and ready to use them. It is about having a sense of responsibility that has direct implications on financial and political investments. The issue of defense spending has become particularly toxic in Germany, where leaders are hesitant to make the case for increased military spending so as not to be associated with one of the most unpopular American presidents in history.

Instead, as Karen Donfried has pointed out, Germany advocates “strategic patience” – the willingness to minimize the risk of political confrontation with Washington pending Trump’s departure to stabilize the situation. In contrast, France calls for greater European “strategic autonomy,” while Poland deepens its “strategic alignment” towards Washington. The German, French and Polish divergences are symptomatic of the EU’s disunity, which stems from different degrees of dependence (trade and military) on the United States.

The German, French and Polish divergences are symptomatic of the EU’s disunity, which stems from different degrees of dependence (trade and military) on the United States.

1 Quoted in “Promises, promises: Spending” The Economist 16 March 2019, 8(UK)
Second, the emergence of Asia-Pacific as the strategic center of global affairs in the 21st century will have several implications for the transatlantic security partnership. The U.S. defense and foreign policy resources, although immense, are limited, and Europe will lose its primacy in the difficult choices that will need to be made. Europeans have to be ready and able to take the lead on security of the European continent as well as its neighborhoods, while the U.S. will provide support. This is especially true in the Middle East and Africa, where Washington would like to shift the burden of crisis management and counterterrorism to regional and European partners. Furthermore, the Sino-U.S. competition will also require Europeans to be more active in the Asia-Pacific region itself, in addition to containing Chinese influence in Europe. It will also have implications in terms of technological investments, as the U.S. push to outpace Chinese and Russian innovation will require Europe to review its technological policy as well not to become a second-tier power in this critical domain.

Last but not least, the European project itself is at a crossroad, and the transatlantic relation will have to adapt to a new European political environment. The EU status quo is not sustainable, and EU member states will have to decide whether to further deepen European integration in foreign and defense policy or admit that European cooperation is not the right format to defend their interests at the global level. In either case, the role of European powers in transatlantic security affairs will be affected. If European defense cooperation is strengthened in the year to come, the United States will have more capable partners, as European powers will take more security responsibilities and become credible actors in the great power competition. However, more responsible Europeans will also better define their own strategic interests, which might differ from U.S. interests and could lead to transatlantic uncoupling in the future. On the other hand, a weakening of the European project is likely to make European powers even more dependent on the United States for their security and the stability of their neighborhood. Washington would then have reliable but ever less efficient security partners.

**Lasting Legacy of the Cold War and Strategic Pull Factors**

The Cold War established the transatlantic security architecture we still inhabit today. The U.S. provided security guarantees to European allies, who in return accepted U.S. political leadership and supported U.S. endeavors. Each side of the Atlantic, however, had different expectations about how interests, values, and obligations related to each other. Washington saw the transatlantic link more as a business-like contract, expecting European allies to “do their part,” while most European capitals leaned toward the idea of a compact, expecting a permanent partnership that unites Europe and the United States in a common vision, but not necessarily translating into specific commitments. The late U.S. ambassador to NATO (1965-1969) Harlan Cleveland famously noted, there was an inbuilt conflict from the outset, as the Alliance seemed an “organized controversy about who is going to do how much.” Yet, Washington accepted the free riding of many European allies because NATO, as a whole, still served U.S. interests, some Europeans at least made serious efforts to meet military requirements, and Europe accepted U.S. political leadership most of the time. The general outline of this bargain – the United States pledging continued involvement in European security arrangements in return for a European commitment to organize itself both for external defense and internal stability – has remained unchanged.

The end of the Cold War left transatlantic partners in a fundamental imbalance that they failed to address. The 1990s were marked by a feeling of hyper-confidence in U.S. leadership in the success of Western liberal democracy. This euphoria overshadowed the emerging divergences within the Alliance, while the U.S. promoted a vision of a “global NATO,” expecting European partners

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5 Although not purely a zero-sum game, the increased engagement of the U.S. in the Asia-Pacific will have implications for the U.S. presence in other regions. Obama’s “pivot” strategy had aimed to rebalance the military and diplomatic resources from the Middle East, and a similar process is likely to affect other continents.

6 Wess Mitchell, Remarks at the Atlantic Council, October 18 2018

to align with U.S. priorities under U.S. leadership. Following September 11, the U.S. focused on the so-called “global war on terror” and counterinsurgency operations, this left little space for serious strategic debate at the transatlantic level on a reassessment of major security challenges or on the division of labor among allies. The 2004 NATO enlargement could have been an opportunity to update the terms of the debate, but instead the 2000s were a lost decade. The election of Barack Obama was another favorable moment for transatlantic partners to set new rules and understandings for their security partnership, but despite some improvements, especially following the wake-up-call of the Russian annexation of Crimea, structural hurdles have prevented a more comprehensive revision from taking place. The Europeans continue to experience crippling capability shortfalls due to years of insufficient investment in their defense, and have shown limited political willingness to take more responsibility in the security and stability of their closest neighborhoods. On the other hand, the U.S. is torn between its desire to have European allies become more credible security actors and its concerns about them becoming more strategically autonomous. Both sides have also yet to design a coherent vision for transatlantic cooperation in Asia, which constitutes the long-term priority of Washington. Thus, over the last thirty years, the need for continuous defense policy coordination and dialogue, as well as new challenges and objectives – from crisis management to counterterrorism to energy security to cybersecurity – kept alive yesterday’s transatlantic bargain.

Europeans, for their part, are still struggling to agree upon and implement what needs to be done in order to become more responsible powers. The 2011 operation in Libya proved that European allies – even the most militarily potent ones – were incapable of conducting a major military operation without substantial U.S. enabling support. The operation also underlined that the EU Common Security and Defense Policy was far from mature enough to address a major crisis in Europe’s neighborhood, and this despite prior ambitious rhetoric and long-standing efforts to enable the European Union to conduct autonomous military operations. Since then, numerous initiatives in-and-outside EU institutions have been launched to increase European capabilities and capacity to act, but the endless debates on European strategic ambitions reveal the scope of what remains to be done. A pointless opposition between proponents of the concept of “European strategic autonomy” and those who advocate keeping strong transatlantic defense ties continue to derail intra-European discussions. The inability to overcome this conceptual and semantic dispute, and the constraints stemming from domestic politics in key countries, only delays the much-needed definition of Europe’s shared strategic interests.

Within the United States, too, there are conflicting goals. Washington has not reconciled its need to see Europeans become more capable allies and its opposition to initiatives that reinforce Europe’s defense and industrial power outside the transatlantic framework. Washington supports the development of European capabilities to better balance burden-sharing within the transatlantic alliance. Yet it is at best ambivalent toward initiatives that aim to make the EU less reliant on U.S. capabilities if it means Europe could become more autonomous. As a result, current U.S. administration officials have warned Europeans against the risk of decoupling of European and transatlantic cooperation, reaffirming the prohibition against the “3 Ds” (de-linking, duplicating, discriminating) inherited from the 1990s. Concerns that more European cooperation could weaken commitment to NATO were expressed by every administration since Bush 41, when the idea of European defense cooperation was embryonic. The United States is also worried about competition from a European defense industrial base, and recent European initiatives have been portrayed as protectionist measures against U.S. defense companies. The U.S. industries and government have been actively lobbying to enable unconditional participation of U.S. companies to PESCO and the European Defense Fund projects, which has heightened the tensions with EU institutions and private sector. The political reality here is that in absence of

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8 See Derek Chollet, The Long Game, PublicAffairs New York, 2016
9 At the time, the fact that even France did not consider having the EU lead operations in Libya underscored the inherent limits in European-only (and thus EU) military action.
10 Since 2016 and the release of the EU Global Strategy only: PESCO, CARD, EDF, MPCC, E2I...
11 “Any initiative must avoid preempting Alliance decision-making by de-linking ESDI from NATO, avoid duplicating existing efforts, and avoid discriminating against non-EU members.” See https://1997-2001.state.gov/statements/1998/981208.html
12 https://www.iss.europa.eu/sites/default/files/EUISSFiles/cp039e.pdf
an existential threat similar to the one posed by the USSR, many European countries – and in particular in Western Europe – can only sustain defense investments if there are direct economic benefits for European companies.

**Shape the New Political Reality or Be Shaped by It**

Political and security dynamics will force Europeans to take more security responsibilities, whether they are ready or not. Underlying political and security trends will reshape the transatlantic partnership, despite stubborn hopes that the transatlantic security deal of the Cold War can somehow persist. The current instability of the security order should be seen as an opportunity to finally transition to a new era for U.S.-Europe relations. The exact outlines of the new order are no clearer than they were in 1989, but there four key elements are identifiable.

In the next transatlantic order, domestic politics will matter even more. In the United States, President Trump is the expression, albeit a radical one, of a tendency in American domestic policy to question America’s role in the world and the implications of the “liberal hegemony” promoted by liberal interventionists and neoconservatives since the 1990s. The mistakes of the last 30 years and the perceived lack of accountability of the U.S. foreign policy establishment has fueled criticisms that will influence U.S. foreign policy decisions in the coming years.13 On both sides of the political spectrum, American voices argue for a more restrained use of military forces abroad, relocation of resources, and redefinition of alliances.14 The intention to “break the silos between domestic and foreign policy”15 will have implications for the U.S. engagement in European affairs and the willingness to absorb the costs of European security. Furthermore, a cultural and demographic transformation in the U.S. may lead to an eventual disengagement from Europe, as personal ties to Europe – either through migration or memory of the World Wars and Cold War – are less prevalent in today’s American population and make the value of the transatlantic link less obvious. In Europe, domestic politics has also played an important role in strategic affairs, either in the case of the German defense spending debate, the ideological closeness to different U.S. administrations, the relationship to Russia, and now the exit of the United Kingdom from the EU. The so-called populist wave has not faded away, and whether it will take a pro- or anti-U.S. turn remains to be seen. This will most notably affect European and transatlantic discussions on trade, defense cooperation, and foreign policy priorities. These evolutions are not necessarily negative for the transatlantic partnership, unless we continue to try to ignore them.

Second, Europeans are increasingly aware that they are facing threats that demand collective responses. As Federica Mogherini stated, “this is no time for global policemen and lone warriors.”16 Cooperation and coordination among Europeans and with their closest allies are the only way to manage crises and deal with interdependent challenges. Either in the hard of soft security domains, no European country can pretend to address contemporary challenges on its own. Recent years have also shown that diverging threat perceptions do not prevent Europeans from working together. The negotiations leading to the Iran Nuclear Deal or the maintenance of sanctions against Russia, are a good illustration of the member states’ ability to adopt an approach of pragmatic coordination even when the strategic priorities are not shared.

**For Europe, the priority is to be an acting player rather than the chessboard on which U.S.-China competition is played out.**

Despite a drive toward more European cooperation there is no united desire – and indeed no ability – to uncouple the European project from the transatlantic security partnership in the near future. The U.S. can rest assured that the strongest proponents of European strategic autonomy are not planning to cut ties with the U.S. and this is likely to remain the case regardless of the political evolution in Europe. What is being negotiated is not a cut, but a

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13 See for instance Stephen Walt, The Hell of Good Intentions, Farrar, Strauss and Giroux, 2018
delineation of the security space European partners can take ownership of on their own, between NATO’s collective defense mission and current limited military operations like the EU military training mission in Central African Republic.

The U.S. position on China is clear. There is a bipartisan consensus on the Asia-Pacific region. The tactics may differ, but political figures argue all for a more assertive engagement with China. This provides a much-needed predictability to U.S. strategic priorities, to which European allies can adapt. It also gives leverage to Europeans as Washington will need them in this global competition with Beijing. For Europe, the priority is to be an acting player rather than the chessboard on which competition is played out. That means first developing the policy and tools to contain Chinese involvement in European affairs. In addition, Europeans have to be ready to take more responsibilities beyond the sole European continent. The U.S. Administration has openly acknowledged that it considers Europe as an instrument that it can use to respond to crises elsewhere. In that sense, the shifts in the U.S. priorities away from counterterrorism and deep military engagement in Africa and the Middle East strengthen the French case for greater European strategic autonomy and the need to think beyond the scope of the European territory. The United States, in return, would continue to provide security guarantees to European partners while helping them take a more balanced share of deterrence. This means encouraging European defense initiatives and articulating constructive and fair competition in the industrial realm. The United States will have to allow European industry, especially in the defense sector, to have an advantage in Europe in order to see real strategic changes in Europe.

Thirty years is a rather long period of infancy. It could be a positive upshot of today’s uncertainty and the lost promise of U.S. post-Cold War dominance, that the partners may find the urgency and humility to create a new, mature transatlantic security relationship.

As party systems across Europe are adjusting to changed popular demand at rapid speed, the European Union struggles to find its bearings in this whirlwind of political transformation. Euroscepticism has earned a few big victories across Europe, and loose talk about the EU falling apart or being beyond repair is rife.

To understand the malaise, it helps to take a look in the historic rearview mirror. The seeds for the current EU illness were planted at the very moment of the bloc’s greatest triumph – in 1989. When open societies and markets prevailed over closed ones, when cooperation in Europe triumphed over enmity, the EU’s long trek to today’s situation of “system overload” began.
First of all, 1989 unleashed what we now call globalization, and with it an integration dynamic that led the EU into previously unthinkable. Not only was more and deeper cooperation between countries suddenly possible – it was necessary. As the world became flat, and double whammy of removed borders and the IT revolution put globalization on steroids, the EU answered marvelously. It expanded its integrative, regulatory, and compromise-brokering mechanisms into more and more policy fields.

But with time, push-back against the broaderer EU scope grew, and thirty years after 1989, the EU finds itself in a double bind. The problem is that integration has gone too far, but also not nearly far enough, as the ongoing crises neatly illustrate. For too long, the EU member states integrated the easy bits. Today, success or failure of the EU is measured in those policy fields that are hard to integrate. The EU is now asked to produce results in policy fields that it was never designed to manage. Migration, defense, social policy, border security, a shared currency – all of these are fields in which the member states of the EU have reserved strong national veto rights for themselves and where the competences of the EU’s institutions are weak. The member states cannot find compromises to move forward, and they also oppose any major treaty change that would allow for the EU institutions to step in and broker deals. Intergovernmentalism, not the community method, is now the mechanism of choice in Brussels, at least in the key policy fields against which EU success or failure are now mostly being measured. As member states block any kind of meaningful reform in any of these fields, it is “the EU” that unjustly gets blamed for the lack of results.

Perhaps nowhere is this trap more evident than with Europe’s shared currency, the euro. In the great political bargain that made German re-unification possible, Germany gave up its strong and successful deutschmark as a concession for retaining enlarged territory and population. This deal worked, and Germany became much more closely intertwined with its neighbors’ economic fate than before. The currency also did exactly what its integration-friendly creators had envisioned: it unleashed market forces that made closer political integration between the euro countries an obvious necessity.

What the founders of the euro failed to anticipate, however, was that the member states could ignore necessity. That they would be eager to cash in on the benefits of the shared currency but would remain unwilling to integrate politically. By now few people doubt that a common currency also needs a joint fiscal policy, which, in the end, means joint budget-making and joint decisions about how to spend the money, in other words: massive political integration. Nonetheless, member states cannot jump over their shadows, even after the painful euro debt crisis dramatically illustrated the enormous vulnerabilities and imbalance between deep economic integration and shallow political integration. Nearly thirty years after it was dreamt up, the euro seems stuck in an improvised middle, functioning but not fully-functional, without meaningful currency reform in sight.

Soon after the wall came down and the Soviet Union collapsed, the EU, like NATO, embarked on its own path toward enlargement. Western Europe owed membership in its economic community to the countries who had been denied freedom and prosperity for so long. Enlargement was the right thing to do and any alternative would have been a disgrace. But what the Europeans failed to see was that a largely expanded EU realm would also require the geopolitical means to assert itself in the world.

To be fair, the rise of China was in its infancy in 1989, and few people would have predicted relations with Russia going as sour as they eventually did. Nearly no one expected America’s interest in Europe to fade so starkly. So its perhaps no surprise that few policy makers in member-state capitals took discussions of an EU foreign and security policy too seriously in the early years. To this day, EU foreign policy is a game that the member states play without including the EU institutions significantly.

As a consequence, the EU is unable to play geopolitical hardball, as was visible in the Ukraine crisis 2014 (where it tried to play geopolitics bureaucratically), nor is it even a major player in global diplomacy, as proven by JCPOA, aka the Iran nuclear deal (where Iran and United States were focused on each other and needed the EU only as place holder before they could get to the core of the matter). Thirty years after the iron curtain was lifted, Europe is again a contested geopolitical space with a fragile

Enlargement was the right thing to do. But what the Europeans failed to see was that a largely expanded EU realm would also require the geopolitical means to assert itself in the world.
neighborhood, but the EU, the centerpiece of its political architecture, has no effective means of dealing with any of it.

Europe needs to integrate more (albeit carefully), not less, if it wants to keep its levels of wealth and freedom. Europe needs to become a foreign policy and security power if it wants to play a role in the newly emerging world order. And it needs to reform governance of its currency so that a more balanced euro can become a unifying force, not one that drives Europeans apart.

As party systems across Europe are adjusting to changed popular demand at rapid speed, the big question is whether, under these changed conditions, the EU can make the progress it will need. The new generation of policy makers in Europe that has been swept to power in their home countries need to prove whether they are worthy of the legacy of 1989.
In evaluating history, T. S. Elliot reminded us that human beings often “had the experience but missed the meaning.” In efforts to make sense of our past, we look for patterns to wrap around the path of experiences. Yet we – both individuals and states – find ourselves continually confronted by new experiences that challenge our assumptions and require us to reassess the meanings we have settled on. During the last three decades, debates over the narrative and rationale of U.S. global leadership has illustrated this struggle. And given where we stand 30 years after we thought we had ended history, one must ask what meanings did we miss in our experiences?
The event of the Soviet Union’s implosion created a vision of a world community that would now converge around the “indispensable nation” to shape a global world order based on the web of multilateral alliances, the rule of law, and networks of trade backed up by the military might of the lone super power. That vision was articulated by President George HW Bush in 1990: a “...new world order where the nations of the world can prosper and live in harmony and the rule of law supplants the rule of the jungle.” With the image of thousands east Germans streaming through a fallen Berlin Wall, the defeat of Saddam Hussein in Kuwait, it seemed the opportunity was there to make not only Europe “whole and free” but include all nations around the world in the new liberal order.

In many ways, this American vision echoed the post-1949 view of a world, in which the rebuilding of security and prosperity was dependent on the leadership of the United States. Because that strategy had worked reasonably well for those under the American umbrella during the previous four decades, it would certainly work again. But there was a crucial difference in the two periods. Those who crafted the strategies in the late forties were burdened by the specter of catastrophe, and driven to prevent another. The post-Cold War environment, however, was accompanied by a greater hubris. This time it was believed that the world could really be made safe for democracy.

This was the meaning we drew from 1989, but almost immediately new events collided with the story. In the wake of the disintegration of Yugoslavia, the return of war to the European continent was one of many red flags pointing at the fact that the melting of Cold War ice sheets could uncovered the fires of nationalist entities.

The brutal suppression of human rights demonstrations in the streets of Beijing in the Spring of 1989 should have also reminded us that a convergence of values among nations was not self-evident. The turmoil in Afghanistan did not subside after Soviet troops left, but continued to simmer until it boiled over a decade later in the attacks of Al Quaida in Africa – and then on 9/11. Regional conflicts continued, financial insecurities erupted, inequalities deepened and the bonds of alliances were strained over the Iraq war.

What Price Can We Pay Today?

The post 1989 framework with which we approached the dramatic changes unfolding drew on some of the lessons of World War II, that of an expansive global presence to help secure peace and anchor democracy. It was a vision of American leadership, as captured in John F Kennedy’s inaugural address: “we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and success of liberty.”

The American consensus around that mission had been largely supported by both the strategic community, the experts and scholars who advised them, and the public at large. Fear of nuclear war and communist threats further strengthened resolve. And it all fit into the larger self-perception of the United States as the source and guardian of global peace and prosperity.

Of course, the peace guardian made many mistakes along the way. The war in Vietnam, a failed military intervention in Cuba, the support of dictators in South America and in the Middle East. And then came the invasion of Iraq and the war in Afghanistan, which has become the longest war in U.S. history. Americans increasingly came to question whether they should, and whether they could, bear these burdens, as the hubris of the first post-Cold War decade began to fade. Building schools in Kabul seemed less urgent than repairing bridges at home.

Thus America today is struggling with another iteration of a long-standing debate over how the United States should exert global leadership, project its power, and exercise its responsibilities at home and abroad.

On one side of that debate are those who wish to limit both capabilities and put “America first.” The election of Donald Trump was evidence that a large number of Americans have ambivalent feelings about the global role of the United States and international entanglements. As Secretary of State Pompeo recently stated in Brussels “Our mission is to reassert our sovereignty, reform the liberal international order, and we want our friends to help us and to exert their sovereignty as well.”

The other vision holds that the United States is and should remain the leading
Of Leadership and Burdens

by Jack Janes

force for global stability, security while working with the multinational framework of cooperation and consensus with its partners. This system, and U.S. leadership within it is still the best chance to prevent the breakdowns of the global system which roiled the first half of the twentieth century.

Yet arguing simply over how much or how little we need to do is missing the meaning of the moment we face today. The United States is confronted with an environment unlike that of seventy years ago or thirty years ago. It is not the sole globally dominant economy, not uncontested on the world stage, nor is it capable of achieving a globalized liberal order. Moreover political polarization at home is undermining its capacity to develop a consensus for new strategies to confront these challenges.

We need to decide how, when, and where we can respond both at home and within our alliances. The answers may be uncomfortable, unsettling, or even uncertain – but they will not be easy. In 1947 George Kennan described this challenge with these words: "The bitter truth in this world is that you cannot even do good today unless you are prepared to exert your share of power, to take your share responsibility, to make your share of mistakes and to assume your share of risks."

Seven decades later, that is a still much needed message. While the questions we confront today may appear similar to those of yesterday, the answers will be shaped by the new moments and meanings we recognize today and tomorrow, perhaps with a greater portion of humility than hubris.
**Total Merchandise Exports**

Average Annual (in mill. US Dollars)

- **US**: $363,812 mill.
- **EU 15**: $87,970 mill
- **China**: $52,538 mill.
- **BRICS**: $24,149 mill.
- **EU 2004 Newcomers**: $5,035 mill.

**Labor Force**

Average Participation Rate (in % of total population ages +15)

- **US**: 65.4%
- **BRICS+Turkey**: 63%
- **EU 2004 Newcomers**: 60%
- **EU15**: 57.1%
- **Balkans**: 56.4%
- **EU 2004 Newcomers**: 59.3%
- **EU15**: 58.6%
- **Balkans**: 52.7%

**FDI**

Average Net Inflows in trill. of US dollars

- **Balkans**:
- **BRICS+Turkey**:
- **US**:
- **EU 2004 Newcomers**:
- **EU15**:

Average Net Outflows in trill. of US dollars
Number of Nuclear Warheads

Evolution of the Number of Nuclear Warheads
In percentage, compared with the previous 10 year span

In 1998 India and Pakistan produced their first nuclear weapons. Over the next 10 years their inventory increased up to 9 times.

Security Overview

Security & Defense

Sources:
FAS Nuclear Notebook,
Worldbank
Average Defense Expenditures
Percentage of GDP

Military Expenditure
In millions of dollars

Sources: SIPRI, Our World in Data
Share of Individuals Using the Internet
(in % of Population)

- Balkans
- BRICS+Turkey
- US
- EU 2004 Newcomers
- EU15

Source: World Bank

2017
Number of People Using the Internet

<table>
<thead>
<tr>
<th>Region</th>
<th>Usage (as of 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU 15</td>
<td>9 out of 10 people</td>
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<tr>
<td>EU 2004 Newcomers</td>
<td>8 out of 10 people</td>
</tr>
<tr>
<td>US</td>
<td>8 out of 10 people</td>
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<tr>
<td>Balkan</td>
<td>7 out of 10 people</td>
</tr>
<tr>
<td>BRICS+Turkey</td>
<td>6 out of 10 people</td>
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Inequality

Perception vs. Reality

Today, it is true that the rich get richer and the poor get poorer... % completely agree

Top 10% Share of National Income
% change 1991-2009

Bottom 50% Share of National Income
% change 1991-2009

Sources: Pew Global Attitude Project,
**Economy Strengthened or Weakened by the Economic Integration of Europe in % (2009)**

- **United Kingdom**
  - 29% Strengthened
  - 21% Weakened
  - 9% Neither
  - 5% Don't Know

**Compared with Communism, the Current Economic Situation is... (2009)**

- **Poland**
  - 66% Better
  - 10% Worse
  - 6% About the Same
  - 18% Don't Know

- **Lithuania**
  - 74% Better
  - 15% Worse
  - 9% About the Same
  - 2% Don't Know

- **Russia**
  - 53% Better
  - 29% Worse
  - 11% About the Same
  - 7% Don't Know

- **Slovakia**
  - 71% Better
  - 14% Worse
  - 4% About the Same
  - 11% Don't Know

- **Hungary**
  - 53% Better
  - 14% Worse
  - 8% About the Same
  - 25% Don't Know

- **Ukraine**
  - 53% Better
  - 11% Worse
  - 9% About the Same
  - 28% Don't Know

- **Czech Republic**
  - 45% Better
  - 29% Worse
  - 15% About the Same
  - 11% Don't Know

- **Bulgaria**
  - 48% Better
  - 28% Worse
  - 12% About the Same
  - 12% Don't Know

- **Germany**
  - 46% Better
  - 21% Worse
  - 12% About the Same
  - 11% Don't Know

- **France**
  - 43% Better
  - 21% Worse
  - 14% About the Same
  - 12% Don't Know

- **Spain**
  - 41% Better
  - 21% Worse
  - 12% About the Same
  - 6% Don't Know

- **Italy**
  - 38% Better
  - 12% Worse
  - 14% About the Same
  - 4% Don't Know

**Sources:**
Pew Global Attitudes Project
The state is run for the benefit of all people?
% Agree (1991, 2009)

Most elected officials care what people like me think (1991, 2009)

Sources:
Pew Global Attitudes Project
Success in Life Determined by Forces Outside Our Control (2009)

<table>
<thead>
<tr>
<th>Country</th>
<th>% Agree</th>
<th>% Disagree</th>
<th>% Don't Know</th>
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<td>Italy</td>
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<td>67</td>
<td>66</td>
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<td>Germany East</td>
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<td>Germany West</td>
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<td>United States</td>
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Who benefited a great deal/fair amount from changes since 1989/1991?

<table>
<thead>
<tr>
<th>Country</th>
<th>% Ordinary People</th>
<th>% Business Owners</th>
<th>% Politicians</th>
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</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>53</td>
<td>35</td>
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<td>Poland</td>
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<td>RussiaS</td>
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<td>United States</td>
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<td>35</td>
<td>16</td>
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</table>

Sources: Pew Global Attitudes Project
Values

Economy vs. Democracy

Which is more important...
Democracy vs. A Strong Economy (2009)

<table>
<thead>
<tr>
<th>Country</th>
<th>% Strong Economy</th>
<th>% Good Democracy</th>
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<tbody>
<tr>
<td>France</td>
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Thirty years after the fall of the Berlin wall, democracies again face a struggle against authoritarianism. This is not the ideological battle of the Cold War, but it is a confrontation between systems of government. As democracies are showing cracks and as authoritarian regimes are gaining strength, the global balance of power is beginning to shift to a world where authoritarian regimes are setting rules for new global challenges, especially in information, technological, and in some cases economic spaces. Using economic and technological tools once thought to be democratizing forces, authoritarian regimes are undermining and eroding democratic institutions while enabling the growth of more authoritarian governance systems. Illiberalism and authoritarianism are on the march at the expense of liberal democracy.
This is not how it was supposed to be. The 2002 U.S. National Security Strategy declared: “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. In the twenty-first century, only nations that share a commitment to protecting basic human rights and guaranteeing political and economic freedom will be able to unleash the potential of their people and assure their future prosperity.” That overconfident assessment led to complacency – dominated by the idea that democracy could be consolidated, and that when certain conditions were met, including economic development, it was unlikely to be reversed. Policymakers trained their attention on expanding democracy across new borders, rather than on maintaining and improving existing institutions within them. Without an obvious alternative, democratic societies stopped explaining why democracy is important, and democratic governments cut budgets for civic education. Without caretaking, institutions of democracy began to erode.

At the same time, policymakers assumed that technological developments and trade and investment would pierce the veil of authoritarian states. Former U.S. President Bill Clinton famously said in 2000 that China trying to crack down on the Internet was “like trying to nail Jell-O to the wall.” In 2005, former UK Prime Minister Tony Blair told reporters after meeting then-Chinese premier Wen Jiabao that “The whole basis of the discussion I have had in a country that is developing very fast – where 100 million people now use the Internet, and which is going to be the second-largest economy in the world – is that there is an unstoppable momentum toward greater political freedom.”

But Moscow and Beijing had other ideas. These regimes continued to see democracy as a threat to their power, and invested in means to halt this march toward freedom. They understood earlier than democratic leaders that technology could be harnessed for control and manipulation, developing tools to constrain, surveil, and insidiously shape the views of their populations using information and technology, bolstering their power. And they took advantage of market asymmetries and non-transparent western financial practices to gain leverage and consolidate power.

Moscow harnessed tools of surveillance with Soviet roots to monitor telecommunications traffic and Internet traffic within its borders. Its System of Operational-Investigatory Measures (SORM) enables the FSB to collect, analyze, and store all forms of communication that pass over Russian networks. Russia also uses information warfare tactics online to control and manipulate public perception in support of the regime: the now-infamous Internet Research Agency originally targeted Russian domestic audiences in Russian, when it first began posting to Twitter in 2009.

Meanwhile, the Chinese Communist Party (CCP) has shown that apparently Jell-O can be nailed to the wall. Its Great Firewall of a censored Internet is now supplemented by indigenous platforms and apps that allow it to police its users’ activities online, shaping their information reality and tracking their daily routines. This is combined with an AI-powered system of surveillance and facial recognition that monitors offline activities, enabled by cameras that dot every corner of Chinese cities. The CCP has used this system to most aggressively in Xinjiang, where it monitors and manipulates nearly all aspects of Uighurs’ lives and has put large numbers of Uighurs in “reeducation camps” for perceived disloyalty the regime. And a tech-powered system of “social credit,” backed by all of this data, is currently being rolled out nationwide.

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Leaders in Moscow and Beijing have also manipulated markets to fortify their own power. The CCP has developed a directed form of state-backed market economy, and exploited asymmetries between its system and the international economic system in which it was welcomed to gain favorable positions for its companies and interests. Rather than greater economic openness generating a push against the party-state for political freedoms, the party-state has instrumentalized its corporate entities, using them as a means not only for economic growth, but also for coercive political leverage and to cultivate influencers. Vladimir Putin and his cronies used the privatization period in Russia to enrich themselves at the expense of the Russian people, and now rely on the Western financial system to protect these ill-gotten gains, employing a kleptocratic patronage system that both bolsters Putin’s power and enriches his inner circle.

**Exporting Authoritarianism**

Increasingly, these regimes are turning these tools of coercion outward to push back on democracy and enable the spread of illiberalism and authoritarianism in order to advance their own interests. Extending the means of control they have developed at home allows these regimes to fortify that power both within their borders and without. And the erosion of institutions inside democratic countries along with a retreat in U.S. global leadership has provided these regimes with soft targets.

In the case of Putin’s Moscow, this manifests in a strategy of undermining democracies as a means of weakening them to gain relative power and diminish their appeal at home. Seeing vulnerabilities in democracies as opportunities to boost his position, Putin has turned his information weaponry outward, using his intelligence apparatus and proxies to exploit divisions and weaknesses to create chaos and damage democratic governments and institutions across the transatlantic space. Putin’s kleptocratic regime has developed a network of patrons across Europe, spreading corruption that weakens democracies from the inside and helps Putin to maintain power. Former President of Freedom House David Kramer rightly observed that “corruption is Putin’s biggest export,” noting that it is possible only because Western democracies import it, eroding good governance and facilitating Putin’s efforts to make democracies look more like his kleptocracy. Moscow also uses state-owned companies, particularly in the oil and gas sectors, to create and exploit dependencies, cultivate influencers, and coerce governments to adopt policies favorable to Moscow.

For its part, Beijing aims to remake global rules to be more favorable to it, while legitimizing its system of government – what many have characterized as “making the world safe for China.” While the CCP’s end goal may not be weakening democracies, that is the effect of its actions. These include: undermining the rules-based order, including by consistently ignoring those rules; using coercive tactics, including engaging in political interference in democracies; and leveraging state-backed capital to make governments more dependent on Beijing while distorting markets.

The PRC under Xi Jinping has also recognized the importance of “act[ing] aggressively to shape cyberspace at home and on the global stage.” This also helps it shape standards and norms for the technologies and information architecture of the future. The CCP is increasingly turning the tools of control it developed at home outward – censoring discussion beyond its borders on indigenous platforms such as WeChat, and using a cyber-attack tool that some have dubbed the “Great Cannon” to conduct denial-of-service assaults to silence its critics overseas.

Furthermore, the techno-authoritarian systems of surveillance and control that Beijing has deployed internally are being exported to other countries

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— sometimes in the form of “Smart Cities” or other seemingly commercial high-tech deals. These deals are not simply about shipping the technology itself — they often include training for government officials on how to use the capabilities as the CCP does, shaping the behavior of officials in other countries and providing them Beijing’s means of control. Of course, these technological exports are not just about commercial gain. They create dependencies on PRC technologies, which provides leverage that can be deployed for other purposes, and provide data to Beijing that enables its continued technological drive. They also shape norms around the use of such technologies, supporting the development of systems that look more like China’s, which contributes to legitimizing the CCP’s system of government. As New York Times reporter Paul Mozur has observed, by exporting its systems of surveillance and control, the Chinese party-state “become[s] the axle, and all of these different places become the spokes in this wheel, the new version of global governance, a new alternative to the messy democracies of the past.”

Avoiding an Authoritarian Future

The combined effect of these tactics is the weakening of democracies from within and without, and a global creep of illiberalism and authoritarianism. Moscow’s exploitation of internal vulnerabilities to sow division and accelerate dysfunction within western democracies creates space for an authoritarian model that is increasingly shaping openings in the global system. And Beijing’s increasingly assertive foreign policy, growing political and economic heft, and focus on technological development is shaping markets and governance outside its borders. Many of these emerging technologies will shape and govern our daily lives — online and offline — in some cases defining the information architecture and societal structures of the future. When authoritarians define the systems, rules, and standards that constitute and govern that architecture, the information domain will be more authoritarian and less democratic by design. As Council on Foreign Relations’ scholar Adam Segal has observed, if Beijing succeeds in its endeavors, it will “remak[e] cyberspace in its own image. If this happens, the Internet will be less global and less open. A major part of it will run Chinese applications over Chinese-made hardware. And Beijing will reap the economic, diplomatic, national security, and intelligence benefits that once flowed to Washington.”

The implication of these trends is that democracies are now battlefields, data is power, and the information space is a domain of battle. Putin’s Russia and the CCP have recognized the way they can exploit vulnerabilities in democracies and use technology to strategic ends. Information warfare of this kind poses inherent challenges to democracies while advantaging regimes that rely on control and manipulation. Democracies, however, have not yet grasped the magnitude of this challenge. This recognition — acknowledging that a new systemic challenge has already begun — must be the first step in an effective response.

We must jettison the illusion that technology and greater trade and investment inherently favor democratic growth.

The democratic response needs to remain consistent with democratic values, involve humility and a powerful push for renewal. We must jettison the illusions that democracies are self-perpetuating and certain victors, or that technology and greater trade and investment inherently favor democratic growth. This will require more than tweaking around the policy edges.

First, we need to recognize where this battle is playing out and show up. Standards setting processes for technologies like 5G and artificial intelligence may seem technical and niche, but they will play a critical role in defining the information architecture of the future. The PRC has taken a strategic approach to these processes and institutions, sending large and well-connected delegations to standards-setting bodies. China has recognized that shaping these requirements and guidelines can not only provide it commercial and geopolitical advantage, but also allow it to more easily spread its indigenous information platforms, molding rules and norms for the information space.

The battle is also happening in countries across Africa, Latin America, the
Pacific, and even Southern, Central and Eastern Europe, where China’s increasingly assertive investments are providing an attractive option in spaces where the United States has pulled back. The United States must renew its global leadership, working closely with our allies in Europe and Asia. When we pull back from parts of the world, we create space for others to fill.

Second, democracies need to present a competitive offer. Critical to competing is reinvesting in ourselves. That means renewing our democratic purpose through civic education and investing in infrastructure and our education system more broadly. It also means resourcing basic technological research that goes beyond the commercially-driven incentives of private companies. Democracies need to recognize the vulnerabilities and weaknesses that have made them less responsive to citizens’ demands, driven polarization, and opened space for alternative systems. Outdated institutions need to be updated to reflect the 21st century, and strengthened from within. In the financial space, this includes eliminating the non-transparent practices like anonymous shell companies that enable kleptocracy and corruption. We need to show both internally and externally that democracy produces results that benefit people, and not just politicians or corporations. This also means providing a clear alternative – understanding that nationalist responses or closing ourselves off in response to threats plays into authoritarians’ hands – while upping democracies’ public diplomacy game to underscore our strengths while bursting the bubble on the false narrative authoritarians are shaping.

Third, we need to update our institutions to meet the challenges of today. Borders and distances no longer protect against many of the threats democracies face, and the battle is not just for territory but for minds, putting unwitting citizens on the front lines in information battles. The boundary between foreign and domestic security issues has been blurred, and in many cases interior and finance ministries, not defense ministries, play a critical role in winning today’s important fights. Democracies need to not only update and restructure government institutions to close gaps and seams, but also adopt whole-of-nation approaches, with coordination across government agencies, between the public and private sectors, and with civil society.

Finally, sustaining a global system that supports democracies and closes space for authoritarian expansion requires democracies to work together. This starts with remembering who our friends are, and prioritizing those relationships and the values that underpin them. Democracies need to share lessons with one another, prevent the formation of fissures between us, and bolster liberal democracies that are under threat.

Thirty years ago, democratic movements across Europe succeeded in their struggle for freedom against a formidable force. To avoid a future where those gains are lost, we need to remember the inherent strengths of democracies. Democracy is not self-perpetuating, and reinvesting in it is the best way to ensure its continuation in the decades to co
A Silicon Curtain is Descending: Technological Perils for the Next 30 Years

By LINDSAY GORMAN

It could be said that the principal story of 1989 in Europe is a story about technology—of radio and information crossing the East-West divide to bring down the Berlin Wall. Indeed, the post-communist narrative became that more connectivity and more connection meant more freedom and more democracy. It was on the wave of this narrative that the Internet was born as the world’s ultimate connector. It has brought globalization and international commerce in an unprecedented and unimaginable way, given activists a platform and a megaphone, and made information about democratic governance available to anyone with a router. Or almost anyone.

Not half a year before that fateful fall day in Berlin, the Chinese Communist Party had sent tanks and troops with assault rifles into Tiananmen Square to suppress student-led, pro-democracy protests in Beijing (and throughout China), one of the most censored events in modern history. When the Internet entered China in the 1990s, the seeds of control entered with it. Subsequent decades have seen the Great Firewall ensure information about the massacre as well as information damaging to the Party or to “stability” is inaccessible in mainland China.

As the China case indicates, the post-communist narrative that connectivity implies freedom has not been airtight. At the same time that innovation brought tools of openness, it enabled further means of control. Looking forward, the complex relationship between technological innovation and freedom that has characterized the past 30 years will only grow more complex in the next 30.
By 2025, the world’s totality of data is expected to reach 175 zettabytes (10 raised to the 21st power). With the explosion of connected devices, those connected and producing that data will have an online interaction every 18 seconds. How we manage, store, and derive value from that information will determine national economic and military competitiveness. And emerging technologies that harness this data revolution will define the 21st century relationship between freedom and innovation. Depending on how states choose to use them, they risk redrawing old lines around geopolitics.

Artificial intelligence, quantum computing, biotechnology, and the very infrastructure of the Internet are four of the immense technological revolutions that will shape and are already shaping the globe. Ultimately, all are fonts for endless economic and social possibilities that can shape our worlds for good. They also have the potential to be exploited by autocratic regimes to advance repression and control, sometimes at the same time. Indeed, the seeds of this use have already been planted. And aspects of the data revolution—sensitivities to personal privacy and government accountability chief among them—may handicap liberal democracies and strengthen the authoritarian model.

Democracies have an opportunity now to steer 21st century technology in the direction of freedom by understanding our disadvantages in the data age and working to counter them. The solution lies in keeping democracies competitive and bringing clarity on ethical frameworks.

**Artificial intelligence**

Hailed as the technology of our time, artificial intelligence allows us to turn a cornucopia of aggregated data into useful and indeed lucrative insights about the world. Artificial intelligence—and more specifically machine learning—have the potential to transform a myriad of industries: healthcare, transportation logistics, telecommunications, automotive, advanced electronics, and many more. According to McKinsey’s “Notes from the AI Frontier,” AI will create trillions of dollars of economic value. Social good applications span education, urban development, ocean life protection, traffic safety, media bias, carbon sequestration, transparency in governance, energy, and nutrition, among others.¹ According to Russian President Vladimir Putin, “whoever becomes the leader in (AI) will become the ruler of the world.”²

The benefits of many of these use cases will distribute equally to democracies and authoritarian states alike. In some cases, the relatively transparent governance and robust, bottom-up innovation that liberal systems provide may even be necessary to realize societal gains. But there are reasons that democratic governments should not take for granted their continued economic and technological prominence in the age of AI.

The solution lies in keeping democracies competitive and bringing clarity on ethical frameworks.

First, liberal democracies have a data disadvantage. Artificial intelligence systems at their root are classifiers—distinguishing road signs from trees, people from cars. As such, they rely on massive quantities of data to “learn” one class from another. In the case of an autonomous driving system perceiving the road, for example, knowing whether a certain frame or image from a camera on the vehicle contains a stoplight or not requires seeing many images with and without stoplights in the training stage. In fact, providing this labeled training data is exactly what we humans do when we encounter “CAPTCHA” systems asking us to prove our humanity by clicking on the images that contain stoplights or cars. Similarly, in identifying individuals in a facial recognition system, the more training images of a person the system has, the more readily it will recognize him or her. In amassing these datasets, illiberal states without strong privacy frameworks may have an advantage. Additionally, because many AI algorithms need labeled data (e.g. “this image does not contain a stoplight”; “this one does”; “this is Mr. Smith”), regimes such as China may build labeling factories that would be inconceivable in liberal nations with stronger labor protections and standards. Much like today’s factories, human data labelers working long hours on little pay can produce labeled content at scale.³

Second, liberal states suffer from an explainability handicap when it comes to implementing machine learning systems across society. AI systems make

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¹ [https://ai4good.org/active-projects/]
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recommendations and decisions based on reams of aforementioned studied data. However, exactly how those decisions are arrived at remains a mystery, even to the engineers coding the AI. Put concretely, if an AI system considers a hundred factors in determining whether to grant a loan, and decides to decline the loan request, by and large it will be unable to generate an explanation as to why the loan was declined. Whereas human decision makers can create pro/con lists and decision rationales, state-of-the-art AI systems cannot. For autocrats interested in making the best decision without a populace or strong legal system to hold the government accountable, that may work just fine. For societies that champion equitability, fairness, and transparency—upheld by a court of law—AI’s explainability issue poses problems for widespread implementation. When AI systems have already shown to propagate existing societal biases in gender and race, such transparency is all the more important. Autocrats do not have these handicaps.

Facial recognition and societal surveillance

In practice, authoritarian regimes are already using AI for suppression and control of populations and political narratives. Deep-learning-powered facial recognition software tracks and interns China’s ethnic Uighur population through a ubiquitous network of cameras in China’s Xinjiang region. Often described as an epicenter for the application of emerging technologies for authoritarian control, Xinjiang has seen over one million Uighurs put into concentration camps for trivial offenses such as having contact with relatives outside China, growing a beard, and attending a mosque. Concerningly, these documented human rights abuses have been enabled in part by the technological diffusion of globalization. Indeed, in some cases, Western tech firms have unwittingly lent expertise, credibility, or technology itself to building the Chinese surveillance state.

The surveillance systems enabling this frightful control are not contained within Xinjiang, nor even within China. In a 2017 show of force, China’s network of over 100 million cameras was able to track down a BBC reporter in Guiyang, a capital city of about 3.5 million in southwestern China, within seven minutes. Furthermore, China is exporting its surveillance technology around the globe. Zimbabwe, Malaysia, the Philippines, Ecuador, the Gulf and others have signed up for Chinese city surveillance packages.4 Russia too plans to expand its own facial recognition pilot project to 105,000 cameras in Moscow.5 With this export of surveillance technology comes training on how to use it and the authoritarian worldview in tow. Missing in action in many cases are pro-liberal privacy and human rights frameworks to go with the AI-powered surveillance packages.

Beyond facial recognition, the applications of AI for surveillance and control are equally alarming. The same AI-based speech recognition software that may enable near-simultaneous language translation in the near future can also enable simultaneous “public opinion monitoring.”6 In Xinjiang, Uighurs’ online activity is monitored; throughout China and its user base around the world, technology, likely fueled by AI, censors dissent on WeChat. In some cases, individuals have been jailed for online comments. Far from an age of freedom, the authoritarian Internet is one of control.

5G and Undersea Cables

The future Internet and the backbone for an estimated 50 billion connected devices by 2020 will also be influenced by who controls its infrastructure. Here too, the technological predominance of the U.S.-led liberal coalition is not assured. Future 5G networks will power the full spectrum of the Internet of things – from autonomous vehicles and smart homes to advanced manufacturing plants and electrical grids. How democracies choose to structure these networks now will have geopolitical reverberations for the next 30 years or more.

Questions about the control of nextgen connectivity have surfaced most prominently in the global debate over Chinese telecom giant Huawei’s embedding in worldwide 5G networks. Europe is taking center stage in this struggle.7 Based on U.S. intelligence community findings that a mammoth Chinese enterprise with an unclear and nontransparent relationship to the

6 iFlyTek HRW report
7 DefenseOne Piece
Chinese Communist Party represents an unacceptable national security risk in future networks, the United States refuses to allow Huawei components in its 5G plans. And it is urging allies in NATO and the Five Eyes intelligence sharing alliance to do the same. But Huawei has already made substantial inroads in Europe and around the globe that make extracting it nearly infeasible economically.

As an analyst at a cyber threat intelligence firm recently told The Guardian, “The breadth of technologies and range of information that Huawei could have access to…will likely be too great an opportunity for Chinese intelligence and security services to pass up.” Beyond the strict information security risks of backdoors to suck out our Internet traffic and the data of our connected lives, the bigger question is what happens if a Chinese-controlled company controls the world’s entire Internet. Concentrating power and market share in the hands of an authoritarian-based global behemoth will surrender our future Internet backbone to its control, including the ability to shut down parts at will.

China is also cementing its Internet and communications infrastructure control with the placement of undersea data-carrying cables beyond the Asia-Pacific. Chinese state-owned telecom providers China Unicom, China Telecom, and China Mobile are owners of the new SeaMeWe-5 cable connecting Europe, the Middle East, and Southeast Asia. China Unicom also partially owns a cable connecting Cameroon and Brazil. And Huawei Marine Systems—a joint venture between Huawei and British company Global Marine Systems—is building these cables throughout Africa. These investments mirror Russia’s inroads in Europe with oil pipelines in projects such as Nord Stream 2, and we have seen how this infrastructure influence can play out.

The geopolitical significance of Internet infrastructure is illustrated by the case of Vietnam, where Chinese investors have dominance in physical and digital infrastructure. When Vietnam criticized China’s stance vis-à-vis the South China Sea, Chinese investors froze energy infrastructure projects in Vietnam. And when in 2016 The Hague’s Permanent Court of Arbitration rejected China’s territorial claims in the South China Sea, a Chinese hacker intruded into screens and sound systems in Vietnamese airports at Hanoi and Ho Chi Minh City. The hacked screens broadcasted propaganda messages criticizing Vietnam’s territorial claims in the South China Sea (which conflict with China’s). With their systems down, staff at the airports had to check passengers in manually for several hours. A similar stunt at Heathrow or Charles De Gaulle would have drastic economic consequences.

In light of the vulnerabilities of an authoritarian controlled Internet backbone on the one hand, and the Internet censorship authoritarians deem necessary for governance control on the other, Alphabet CEO Eric Schmidt and others have predicted a bifurcated Internet along ideological lines. Indeed, Russia has embraced Huawei’s 5G solution and has already called for its own Internet. The logical conclusion to this course is that a new “silicon curtain” of digital connectivity threatens to replace the Iron curtain that lifted 30 years ago.

Quantum Computing

Quantum computing, poised to be the next fundamental revolution in computation, has transformative technological, economic, and geopolitical implications for how we process and secure information.

This technology harnesses the properties of quantum physics – the laws of the universe that govern the behavior of electrons and particles in matter – to solve a new class of computational problems and achieve processing times impossible for even the world’s fastest supercomputer. Even as it opens novel societal applications, a full quantum computer has the potential to render vulnerable our most secure personal, commercial, and even military

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9 https://jsis.washington.edu/eacenter/2017/02/06/cybersecurity-implications-chinese-undersea-cable-investment/

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communications. Much in the way that the leaders in 5G technology will set its standards and ultimately control its use, the geopolitical upshot of the quantum computing race will be that its victors dictate the future of secured information and reap the benefits of processing it.

Three overarching posited applications of quantum computation are especially salient for our global digital future. First, and most challenging to realize, quantum computing holds the possibility to break modern encryption and upend the way we secure information. Second, and related, quantum physics can also be harnessed for an encryption technique called quantum key distribution (QKD). QKD offers a way to shore up communications in a post-quantum world when current encryption techniques are broken. And third, and most immediate in the short term, quantum computing can boost data processing speeds and help solve the computational processing challenge of AI algorithms on the massive data sets of the future; it can thereby both improve AI and optimize it for our connected future.

For these reasons and others, both the United States and China are investing heavily in quantum computing research and development. The winner of that race will gain significant informational advantages and may ultimately hold the cards in the AI era of amassing, safely storing, and processing data.

Biotechnology

Biotechnology in particular will see rapid advancement from a proliferation of genetic and health data. Actors who own that data can drive medical advancement and cure disease, but also employ genetic information for surveillance and the development of sophisticated bioweapons.

By 2025, 40 percent of the datasphere will be in health – the largest of any sector or industry. At the same time, the cost to sequence the human genome has dropped precipitously, from nearly $100 million in 2001 to under $1000 today. The explosion of genetic and health data – and increasing abilities to process it – hold tremendous potential for scientific and medical achievement worldwide.

The future of personalized medicine offers researchers and drug developers the ability to target therapeutics to an individual’s precise genetic makeup. Research is already underway in the United States and China into personalized (and potentially far more effective) treatments for diseases including cancer, cystic fibrosis, and Alzheimer’s. CRISPR gene-editing technology has renewed the promise of genetic engineering with applications such as more nutritious crops, fighting genetic diseases, developing new antibiotics and antivirals, and even the much-hyped (and much criticized) possibility of “designer babies.” In law enforcement, we have already seen DNA databases from commercial genetics companies generate crime suspects, solve cold cases, and even put the long-sought-after Golden State Killer behind bars.

But the United States’ future as the global biotech leader is not assured into the next 30 years. China last year unveiled a $60 billion yuan ($9.2 billion) 15-year research initiative in precision medicine. Further, through research partnerships, investments, mergers, and acquisitions, China has engaged in a systemic exfiltration of biodata from the United States. This data will be the fuel for many next generation applications.

Much as in applications of AI writ large, authoritarian regimes may benefit from fewer privacy scruples in collecting and using biodata for national advancement. In March, Russian President Vladimir Putin decreed that all Russians would be assigned “genetic passports” by 2025. Compulsory “free health checks” in China suck up individual health information. Whereas personal health information in countries with strong privacy protections is considered some of the most sensitive, autocrats can collect and use it largely at will. Even worse, in the case of U.S. biodata, there are legal question marks as to whether HIPAA protects the health information of U.S. citizens when it is transferred overseas.

11 https://www.genome.gov/about-genomics/fact-sheets/DNA-Sequencing-Costs-Data

12 https://www.ft.com/content/245a7c60-6880-11e7-9a66-93fb352ba1fe
Global leadership in biotechnology is not solely a matter of economic competitiveness and national wealth, though those elements are important to secure authorship of the rules of the global technological order. It also has implications for the moral and ethical frameworks of these technologies.

The same lack of meaningful public scrutiny that advantages authoritarian regimes in data collection has already found its way into testing practices. In November of 2018, a Chinese researcher announced he had delivered two babies genetically modified to be resistant to HIV using CRISPR gene editing techniques. The announcement was met with an outpouring of public criticism, including at least nominally from the CCP for its reckless human testing practices. In June 2019, Russian molecular biologist Denis Rebirkov told Nature he was thinking about implanting his own gene-edited embryos by the end of the year. If researchers in China and Russia discard ethical and precautionary measures around modifying the human genome in ways the rules-based liberal international order will not condone, how can democracies and their moral frameworks remain state-of-the-art and the gold standard in genetic technology?

Even more concerning than how autocracies can use data and ethics advantages to outpace the United States in biotech is how the PRC and other autocrats can misuse it. Xinjiang, epicenter of the Chinese surveillance state, has received attention for its frightening network of facial recognition-enabled cameras that produce a near-constant eye on the ethnic Uighur population. What is less discussed is how genetic surveillance is a part of that picture, enabling authorities to target individuals precisely by genetic makeup and ethnicity. The national security implications of nextgen bioweapons are even worse. Targeted viruses or bioweapons that could wipe out an entire population, all individuals with a certain genetic marker (or all individuals who have not been implanted with a certain marker) are not outside the realm of possibility in a future war.

The next 30 years of exploding data will revolutionize biotechnology, often aided by factors such as lax restrictions on privacy and the rule of law.

Democracies need to think outside the box and recognize these global trends to stay competitive and secure moving forward.

**Winning Others to Our Side of the Curtain**

Today’s moment finds an echo with 1946, when Winston Churchill introduced the iron curtain metaphor to an audience in Missouri and the world. By 1946 Soviet Russia had already drawn lines of control across Europe, and threatened to widen its reach. We may not be able to stop a silicon curtain from descending, but we must ensure that we do not find ourselves on the smaller side of it. Western democracies have not yet lost the technological or economic battle, nor the battle to bring states around the globe to their ideological side. Nor do the disadvantages outlined here imply that they will fail. But they could. To succeed, democracies must marry moral frameworks with strong technological achievement in three ways.

First, we can join with like-minded nations in recognizing and countering democracy’s disadvantages in the data age. A strong transatlantic relationship is as vital today as it was in 1946, and there is rebuilding to do. Second, we can jointly invest in technical offset solutions to blunt authoritarian advantages. Novel research in “privacy-preserving” machine learning and “explainable AI” models that attack weaknesses in data aggregation and democratic accountability are sound places to start. Last, we must establish and champion moral and ethical frameworks and standards around new technologies that accord with liberal values in a renewed commitment to human rights and the rule of law around the globe. This action is especially important where authoritarian technology is diffusing rapidly.

For the real danger is not that liberalism will necessarily lose the technological battle, but that it will not win. To win, liberal democracy must also win over the teetering states - not democracies but not quite authoritarian satellites either - to our side of the curtain. Unlike during the contest with Soviet Communism, we cannot rely on superior economic achievement. It was this economic superiority that characterized the initial post-1989 era and, before that, ultimately did bring down the Wall - at least as much as did Berlin’s airwaves. Only by countering our techno-economic weaknesses, investing together in the solution, and championing the morals that unite us as integral facets of our global offering, can liberalism hope to realize some of 1989’s promises of openness and connectivity into a new day.
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