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Network Powers: strategies of change in the multipolar system

DANIEL FLEMES

ABSTRACT The multipolarity of the 21st century is fundamentally different from that of its harbingers because in the past decade change and innovation have been induced through sites of negotiation and by the establishment of intergovernmental foreign policy networks. New powers like Brazil, China and India have gained relative weight thanks to their status as agenda setters, brokers and coalition builders. This paper examines the relevance of different foreign policy networks such as India–Brazil–South Africa (IBSA) and Brazil–South Africa–India–China (BASIC) for their strategic approaches and argues that they are crucial vehicles for their ascension. Drawing on the work of Hafner-Burton et al, who raised the question of how states increase their power by enhancing their network positions, a typology of foreign policy networks is proposed: mediation, advocacy and substitution networks play important roles in today’s shifting global order. The paper analyses how the different network types work together and how particular states have adapted better to the new environment than others.

Prima facie the current global order shares its principal defining characteristic of multipolarity with the international system existing at the beginning of the 20th century. Since then the leaders of the modern nation-state have driven us through two world wars and several other conflicts into the bipolar power structure of the cold war era. Thereafter, the collapse of the USSR gave way to a short period of unipolarity with one dominant power—the USA—and a few established major powers anxiously trying to preserve their prerogatives. Nowadays, as these efforts have seemingly not been successful, it appears that a century of wars and diplomacy has brought the international system right back to where it was at its inception. This circadian view is appropriate in terms of the system polarity, reflecting structures of international oligarchy, where power rests with a small number of powerful actors who determine the rules of the game.

This regressive tendency is even more accentuated upon viewing the nature of the dominant actors of current global politics; with the exception of the
stumbling political integration of Europe, the situation is clearly indicative of the way being paved back to Westphalia. This path is paved by such rising powers as China, India and Brazil, who are staunch guardians of the principle of national sovereignty, foremost because of their national weaknesses and territorial vulnerabilities (Tibet, Kashmir, the Amazon). The last time these states had to make a practical choice regarding the principle of national sovereignty was on UN Resolution 1973 on the Libya intervention in March 2011 under the premise of the ‘responsibility to protect’. China, India and Brazil (and Russia and Germany) abstained from that Security Council vote. And, even though a lot has been written on non-polarity and the empowerment of non-state actors, it is still powerful states and state coalitions that allow multilateral trade negotiations and climate conferences to fail.

According to this perspective, it seems that statesmen have merely spent the last 100 years treading water. But that would be to articulate only half the truth. The multipolarity of the 21st century is fundamentally different from that of its harbingers in at least three ways. First, the geographic scope of multipolarity has been extended beyond the European or Western concert of the previous century. As a consequence of accelerated economic globalisation, the new order is much more global, with new power poles in Africa, Asia and Latin America. Second, the patterns of behaviour and means of foreign policy enactment within the international system of states have changed dramatically. Great power wars or clashes of superpowers are no longer the dominant vehicles of global power shifts. In the past decade change and innovation in the meshwork of global politics have been induced through both formal and informal sites of negotiation and by the establishment of intergovernmental foreign policy networks. Consequently, third, the procedural culture of international relations has changed fundamentally. The diplomatic culture of the networked world order is marked by an informal multilateralism, through which situational, policy-specific coalitions determine the outcomes of global bargains.

Foreign policy networks such as the G20 are characterised by the different roles of their member states. Some states might build coalitions located in the centre of the foreign policy network; others might be marginalised and thus forced into outsider roles. If global decision making is increasingly a matter of bargaining and coordinating divergent national interests in different global issue areas, the status of single states as agenda setters, brokers and coalition builders is path-breaking for the outcomes of those bargains. Brazil, China, India and South Africa have gained relative weight in the international system during the first decade of the 21st century. I will discuss three major points in this essay: first, what are the primary strategies that make rising powers influential forces and veto players in global bargains under the conditions of multipolarity? Second, different foreign policy networks such as India, Brazil, South Africa (IBSA), Brazil, Russia, India and China (BRIC), or Brazil, South Africa, India and China (BASIC) seem to be crucial vehicles for their ascension. Therefore, I will analyse the role and characteristics of these networks. Can we distinguish different kinds of foreign policy networks? And, third, I will ask what the USA and other established powers might learn from the foreign policy strategies of Brazil, China, India and South Africa.
I will tackle these questions through the lens of a network approach, which so far has been applied mainly to the transnational level of analysis, focusing on economic and other non-state actors. I will shed light on its capacity to also help us explore intergovernmental relations, which until now have rarely been reflected upon. Hafner-Burton et al brought network analysis into International Relations, challenging conventional views of power by defining network power in three different ways: as access, brokerage and exit options. Drawing on this seminal study, which raises, among others, the question of how (state) actors increase their power by enhancing and exploiting their network positions, I will propose a typology of foreign policy networks. Three types of foreign policy networks play important roles in today’s shifting global order: mediation, advocacy and substitution networks. These three overriding categories are characterised by different origins, memberships and objectives. I will analyse how the different network types relate to each other and how particular actors have adapted better to the new environment than others by pursuing foreign policy strategies that strive for beneficial network positions.

Strategies of change

The UN Security Council, the Bretton Woods institutions and the G8 no longer represent the global configuration of power. Established powers that are in relative decline—in particular the USA—are confronted with the ever-increasing ambitions and demands of rising powers. Nevertheless, we can neither expect the complete decline of the dominant power, nor the outright appeasement of the rising powers in the near future. On the contrary, the current global distribution of military capabilities still indicates systemic unipolarity, a situation that may last for many decades—not least because the US defence industry benefits from increasing returns to scale. In addition, those established powers that are struggling to defend their prerogatives are shielded by a dense network of economic and political relationships, including a security community that has been fostered among some of the leading established powers.

The current constellation of power and polarity can be framed from different theoretical perspectives: we could follow the main argument of neorealism that says force is the ultimate rationale of international politics and, therefore, polarity must be predominantly defined in military terms. In this case the balance-of-power theory predicts that states will respond to concentrated power by external balancing. In contrast, the liberal view suggests that the increasing interdependence of states in dealing with the problems of the international financial order or global climate issues reduces the relative significance of military capabilities in global politics and, hence, multipolarity is the order of the day. In that case power transition theory still predicts that wars are more common, with power being more evenly distributed between potential belligerents, or power poles.

But realists have always been more fascinated by war as being the likely consequence of great-power rivalries and as a basic feature of international politics, rather than by the alternative possibility of peaceful transitions. However, the explanatory abilities of power-balancing and power-transition...
theories are limited in the context of the imminent global power shifts. There is already a variety of reasons for the absence of military alliance building under the conditions of unipolarity. The likelihood of there being external balancing and great-power wars in the upcoming multipolar order is even lower.

From a realist perspective the absence of a great-power balancing alliance against the USA after the end of the Cold War can be explained in two ways. First, the USA has not threatened the vital interests of rising powers (Iran is not considered part of this category). From this viewpoint, Washington has been a benign hegemon because it has demonstrated no interest in territorial conquest. The argument that the USA has a less threatening nature is reinforced by its geographic isolation and by the fact that its role is that of a sea power, which, in contrast to the European land powers of the past, does thus not strive for the expansion of a regional empire.11

Second, the distinct military supremacy of the USA—still accounting for nearly half of all global defence spending—would make it potentially very costly and risky for any great-power alliance to take a stand against the dominant power. In addition, internal balancing—in the form of a substantial expansion of military capabilities by rising powers—would potentially provoke threat perceptions, political contestation and possibly even military counterbalancing within their own regions.12 For instance, Japan has lately revised its military strategy to build up a ‘dynamic defense force’, as a reaction to the recent Chinese naval build-up.13 At the same time secondary regional powers can react to the massive rearmaments of rising powers by seeking the assistance of the USA in order to balance the regional, instead of the global, threat. Both explanations remain valid for the multipolar 21st century, which will still be marked by the military supremacy of the territorially saturated USA.

Contrary to the hypothesis postulated by power transition theory, four arguments originating from different schools of International Relations theory suggest that there is a low probability of there being major conflicts among established and rising great powers in the near future. First, great-power wars as vehicles of power transition are unlikely because of the possession and potential use of nuclear weapons by all established, and some rising, powers. Hence the violent redistribution of power might well be expected to be a zero-sum game.

Second, high levels of economic interdependence and, in particular, high expectations of future trade will foster peace.14 Rising and status quo powers are most likely to cooperate if they have strong economic ties with each other. One example is ‘Chimerica’—the combination of Chinese export-led development with American over-consumption.15

Third, the existing international order is more open, consensual and rule-based than past international orders have ever been. Thus, from the perspective of rising powers, it is easier to join and harder to overturn because it provides some protection for them (for example, the anti-discriminatory rules of the World Trade Organization—WTO) and they can therefore gradually rise up through the hierarchies of international institutions.16

Fourth, from the perspective of the USA, it might be advisable and prudent to foster global institutions, considering that its dominant position and role will almost certainly decline in the years ahead. The value of rules and institutions
may increase to the extent that those rules can help to lock in the preferred international order. One can reasonably expect that the USA will try to reform and consolidate formal institutions, thus enabling them to persist ‘after hegemony’, while also reflecting the former’s own interests and values. These reformed institutions would also permit the USA to reduce the share of its burden by negotiating a new set of bargains with the rising powers.

In short, in the 21st century the political version of the Schumpeterian process of creative destruction does not and will not come about by military alliance building and great-power wars. Rather, it will be expressed through three parallel processes: first, the gradual reform, where possible, of outdated formal institutions; second, the subtle diminution of their significance, if they prove to be resistant to reform; and, third, the emergence of network patterns resultant from the strategies and behaviours of state actors who have become discontent with the formalised status quo of the international system. For these reasons the rising powers have no interest in disrupting—only in modifying—the current order, so as to improve their own systemic position. Instead, then, of the international order being prone to conflict, in fact innovation pressure, accompanied by some atmospheric turbulence, will be generated by the activities of those dissatisfied actors who can effectively cut across established boundaries.

The primary strategic choice made by rising powers has been that of soft balancing, which does not directly challenge US military preponderance, but rather uses non-military tools to delay, frustrate and undermine any unilateral policies. Soft balancing involves the use of institutional strategies such as the formation of limited diplomatic coalitions or ententes—like IBSA or the Shanghai Cooperation Organization (SCO)—to constrain the power of the USA and other established powers. This institutional strategy is also referred to as buffering and aims to extend the room for manoeuvre of weaker states vis-à-vis the stronger states.

Soft balancing also involves the strengthening of economic ties between rising powers—through trading blocs and other types of sector cooperation—to shift relative economic power, which as a result increases the economic growth of its members, while also directing trade away from non-members. However, the possibilities for bi- and multilateral trade among Brazil, China, India and South Africa are limited by several key constraints. For instance, their different geographic sizes and the varying degrees of global integration of their economies lead to different degrees of trade benefits. On one hand, the rising powers are very competitive in different specific sectors, such as Brazil’s agro-business, India’s service sector and China’s low-to middle-tech products. On the other hand, the vulnerable sectors that each of them wants to protect before opening their markets also differ and lead to divergent interests in the WTO negotiations. The limited complementarities that exist between the four economies are reinforced by the fact that they compete for access to the OECD markets.

However, the most important soft balancing instrument employed by rising powers has been their ‘entangling diplomacy’: that is, the use of the rules and procedures of international institutions in order to influence the established powers’ foreign policies and effect emerging norms in ways that are congruent
with the interests of the rising powers.\textsuperscript{23} In addition, rising powers use global governance institutions and summits to build new coalitions and networks for the pursuit of common interests. Just two examples are that the IBSA Forum was launched at the 2003 G8 meeting in Evian, while the G3 was established during the UN General Assembly of the same year. Two key demands of IBSA /G3 are the reform of the UN Security Council and the establishment of global market conditions that allow developing countries and emerging economies to benefit from their comparative advantages in agriculture, industry and services. However, while the WTO negotiations have hardly progressed in terms of content or resulted in greater representation for the least developed countries, IBSA have been able to improve their own individual positions in the international trade hierarchy. In essence, the global approach of rising powers is much more pluralistic than universalistic.\textsuperscript{24} At the 2004 WTO conference in Geneva, Brazil and India were invited to form the G5 preparation group at the heart of the WTO trading system, together with the EU, the USA and Australia. At the German G8 Summit in 2007 Brazil, China, India and South Africa (as well as Mexico) were invited to formalise their dialogue with the elitist club of the world’s richest industrialised countries through the so-called Heiligendamm or O5 process.

The SCO summit in Yekaterinburg in June 2009 was held simultaneously with the first BRIC summit, where state leaders advocated the institutionalisation of the G20 into a more democratic framework of global decision making. Only three months later the Pittsburgh G20 summit established the protagonist roles of Brazil, China, India and South Africa, as well as of six other countries from Asia, Latin America and the Middle East (Indonesia, South Korea, Argentina, Mexico, Saudi Arabia and Turkey). Most scholars of IR agree that the G20 is the new permanent council for international economic cooperation and will essentially replace the G8, which will continue to meet on major security issues but which will in future carry less influence.\textsuperscript{25}

The invitation of the risings powers to the G5 and O5 already reflected the increasing acceptance and recognition by the established powers of the former’s (prospective) major power status. Moreover, the gradual reform of the IMF and the official parity of places at the table of the G20 demonstrate that the system is responsive and that the established powers are willing to accommodate the demands of the newcomers. It is my contention that the systemic repositioning of Brazil, China, India and South Africa cannot, however, only be explained by their evident—and increasing—material capabilities. Their relatively rapid rise is also a consequence of the successful foreign policy strategies that have been pursued by these rising powers. So far their global approach has roughly consisted of a discursive strategy that emphasises their representative function and role for the developing world in general, and for their regions in particular, while their strategic approach has simultaneously been aimed at them becoming equal members of the great powers club. The rising powers now play key roles in a multiplicity of global institutions. They are highly integrated in the global order and also operate within single global institutions in order to enhance incremental power shifts.\textsuperscript{26} Ultimately this course of action is intended to
transform the global order in such a way that allows for the realisation in the medium term of the power gains that have long been aspired to.

To accomplish this goal, Brazil, China, India and South Africa—in contrast to the relatively static behaviour of the established powers in this regard—have been innovating new cooperation processes such as BRIC or BASIC. The rising powers thus pursue a strategy of ‘latent multi-institutionalisation’, which is reflected in their omnipresence on the global stage in flexible coalitions, all of them characterised by low degrees of institutionalisation (G3, G5, O5, etc). This network strategy guarantees a maximum of national sovereignty, flexibility and independence to the rising powers’ foreign policy makers. The soft balancing behaviour of those state actors discontented with the status quo institutions has brought forth an incremental reform of the international order. One of the most fundamental changes induced by these innovators has been a change in the procedural culture of international relations. What has, consequently, emerged is a Zeitgeist of multilateral informality, which will mark the networked world order of the 21st century.

Building a networked world order

It is my assumption that powerful states are, and increasingly will be, the most important nodes of the networked world order and that, accordingly, regional institutions and cooperation processes will subsequently play a more subordinate role in multipolarity. While rising powers who have already reached great power status (namely China and India\(^{27}\)) place less emphasis on regional institutions, those who still strive for that status continue to emphasise, at least rhetorically, the importance of regional cooperation processes. These concentric networks consist of the Mercosur, the Unasur and the Community of Latin American and Caribbean States (CELAC) in the Brazilian case,\(^{28}\) and the Southern African Customs Union (SACU), the Southern African Development Community (SADC), and the African Union (AU) in the case of South Africa.\(^{29}\)

In their roles as regional powers both players have initiated most of these concentric processes and have successfully preserved their positions as their fulcrums. However, instead of building democratic and participative regional institutions, they mainly provide to their regions the specific public goods that are necessary for their own economic development—such as relative stability and regional infrastructure. Even though the Brazilian and South African foreign policy discourses suggest the opposite, their strategic approaches rest on the assumption that regional acceptance and legitimacy only matter to a very limited extent for their path to great powerhood. They believe that they can ultimately make it alone on the global stage, as China and India are already doing.

As a result, in this instance only global foreign policy networks will be reflected upon. On the basis of what Podolny and Page understand by network organisations,\(^{30}\) foreign policy networks are defined as a collection of more than two state actors that pursue repeated, enduring exchange relations with one another and, at the time, lack a legitimate organisational authority to arbitrate and resolve disputes that may arise during the exchange.
Rising powers that are located at the crossroads of various foreign policy networks—such as BASIC, BRIC or IBSA—can be termed ‘network powers’. Because of their strategy of latent multi-institutionalisation, network powers lie at the very heart of the new world order. Within this reality their network diplomacy may aim at a further increase in their influence in the multipolar order and/or at functional foreign policy goals that are connected to issues of security or climate. In the following analysis, I will distinguish between mediation, advocacy and substitution networks.

**Mediation networks**

In spite of their relative success, rising powers continue to be largely excluded from mediation networks that tackle global security issues, such as the Middle East Quartet (consisting of the EU, Russia, the United Nations and the USA). Mediation networks are *ad hoc* mechanisms that temporarily bring states together in order to solve a specific security problem. The participating powers do not necessarily share values or interests (besides the resolution of the conflict), and often favour different ways of handling the respective security crisis. With the exception of China, which—thanks to its permanent UN Security Council (UNSC) seat and its broker position—is part of the P5-plus-1 group on Iran, and of the Six-Party Talks on North Korea, the established great powers have so far successfully defended these last exclusive domains of high politics. However, the inclusion of Germany in the P5-plus-1 group and the mediation initiative of Brazil and Turkey regarding the Iranian nuclear programme portend the demise of these prerogatives. We can assume that the new powers’ interest in participating in mediation networks stems not least from the connected increasing international prestige and authority, their rise in the global security hierarchy and, in particular, from their UNSC ambitions.

Even though, at first glance, the Iran initiative of the Turkish–Brazilian tandem fell through, both players successfully managed nevertheless to secure their place on the chessboard of the Middle East and, as such, will continue to offer their mediation services in the region. The ‘amateurish conduct’ of the Turkish–Brazilian mediators, as many political observers put it, can be turned into an argument for their future inclusion in a network of more experienced negotiators. Furthermore, as UK Prime Minister David Cameron said, in a speech delivered in Ankara in July 2010, Turkey is the European country with ‘the greatest chance of persuading Iran’.

With a view to the Israeli–Palestinian conflict, Brazil’s former President Luiz Inacio Lula da Silva offered his mediation services and said on his Middle East tour in March 2010, that the peace process requires ‘someone with neutrality’ to speak to all sides. A few weeks before he left office, he added, ‘I am convinced that there will be no peace in the Middle East as long as the United States is the tutor of peace there’. Political analysts have proposed expanding the membership of the current Middle East Quartet, suggesting including China and India to form a Middle East Sextet.

During the second Indo-US strategic dialogue in July 2011, Secretary of State Clinton stated for the first time that the USA is looking towards India as a
partner in the transition process in Afghanistan.\textsuperscript{39} India’s soft power approach, with its emphasis on capacity building, has been well received and appreciated in Afghanistan, and by directing most of its aid through the Afghan government, India has gained legitimacy and credibility. From the perspective of the USA, the active inclusion of rising powers in mediation networks that tackle the world’s crucial security crises might be the litmus test of its future foreign policy. Balanced network diplomacy might be the key to overcoming the hitherto historical failure of peace-building initiatives in the Middle East, because the shortfall in Washington’s legitimacy there, which is partly a result of its lack of neutrality, can in the networked world order no longer be balanced by its hard power.

To justify the inclusion of rising powers in mediation networks, one might expect them to bring in novel ideas and approaches to overcome long-standing conflicts. The aspiring powers have not yet lived up to these expectations. In addition, the aforementioned orthodox stance on national sovereignty most rising powers have, along with their subsequent unwillingness to intervene in the internal affairs of conflict parties, are albatrosses around their necks on the way to gaining more prominent roles in mediation networks.

\textit{Advocacy networks}

Advocacy networks are foreign policy networks among peers linked by common interests in global politics. The origins of such networks mostly stem from soft balancing coalitions; their membership consists exclusively of non-status quo powers.\textsuperscript{40} Advocacy networks are relatively horizontal clusters characterised by flat hierarchies and small memberships. Their members have built relatively strong ties based on common interests. The network powers’ common foreign policy objectives, on the one hand, consist of their quest for major power status. On the other hand, they share issue-specific interests. Three examples will further highlight these defining characteristics and relative success of the network powers’ advocacy networks.

First, BASIC act jointly in climate affairs, adhering to the principle of ‘common but differentiated responsibility’ since the Copenhagen summit, where they threatened a unanimous walkout if their commonly held minimum position was not met by the established powers. At their Cape Town meeting of April 2010, the BASIC network announced the possibility of its members providing financial and technical aid to poorer countries, an action apparently intended to shame the established powers into increasing their own funding for the mitigation of climate change issues in developing countries.\textsuperscript{41} Accordingly, the Cancun agreement includes a ‘Green Climate Fund’, proposed to reached US$100 billion a year by 2020.\textsuperscript{42}

Second, the BRIC format has so far mainly pushed for the reform of global financial institutions.\textsuperscript{43} At its first summit in Russia in 2009, BRIC advocated a reform of the \textsc{imf} voting quota system. In 2010 at the G20 meeting in South Korea the finance ministers and central bank governors of the G20 agreed on a shift in country representation at the \textsc{imf} of 6\% in favour of dynamic emerging markets, which moved BRIC up among the top 10 shareholders of the \textsc{imf}.\textsuperscript{44}
With regard to another question of the global financial order the BRIC grouping has been less consensual: Russia, in particular, had emphasised the need for a new global reserve currency to reduce dependence on the US dollar. In their summit communiqué BRIC asserted, in more general terms, the need for the creation of a ‘diversified, stable, and predictable’ international monetary system. Even though the Chinese representatives also advocated an alternative international reserve currency, they were not interested in the Kremlin’s ‘dollar-bashing’ and enforced their more cautious approach. This incident demonstrates that the influence of network members can vary and that alternative common stances of the BRIC network may have different distributional implications for the member states, for instance the negative impact of a devaluation of the dollar on the Chinese economy in view of the PRC’s great dollar reserves.

Finally, despite its regional blueprint, the SCO can be considered an advocacy network as well. China and Russia share an interest in balancing US influence in Eurasia. Russia’s membership in the SCO was partly motivated by the ‘colour revolutions’ in Georgia and Ukraine in 2003–04. The SCO’s priority is combating the ‘Three Evils’ of terrorism, extremism and separatism, which often acts as a cover for the suppression of legitimate opposition groups and the cutting-off of transnational ties between them.

Another particular common interest of China and Russia within the SCO framework is to exclude the USA from Asian security affairs and, specifically, to avoid a US military presence or even intervention in any of their border areas. The USA applied for observer status in the SCO, but this request was rejected in 2005. At the Astana summit of the same year the SCO urged Washington to set a concrete timetable for the withdrawal of its troops from the territories of SCO member states. Shortly afterwards Uzbekistan asked the USA to leave the K2 air base.

In addition to their convergent interests, some advocacy networks share a wide range of norms and values, such as democracy and human rights. Their member states are connected by ‘we-feelings’, which are reinforced by common processes of socialisation that occur as by-products of their continuing collaboration; some of them—for instance IBSA—are also building nascent cross-regional security communities, as defined by Karl Deutsch. Value-driven networks are a subtype of advocacy networks, and are more suitable for the diffusion of norms and values in the international system. It is true that the global justice discourse projected by the IBSA Dialogue Forum defends the principles of equality among states and the universality of human rights. But when its governments have to weigh human rights protection against the principle of non-intervention, they have often not been able to convert their discourse into political practice. IBSA are also committed to democratic multilateralism and the promotion of sustainable social and economic development. Likewise, the G4 based its claim to permanent UNSC seats on a civilian power discourse that advocates good global citizenship, peace, solidarity and the diffusion of equality, justice and tolerance. These kinds of value-driven network have been formulated and nurtured among many who share the common historical experience of exclusion or relative marginalisation from global decision-making processes.
The SCO reflects another kind of value-driven network, one which first and foremost is characterised by the status quo orientation and objective of self-preservation of its member states. The SCO approach to counter-terrorism, modelled on the ‘Three Evils’ doctrine, highlights the principles of territorial integrity, non-interference in internal affairs and social stability. The network strives for the de facto legitimisation of authoritarianism and is establishing itself as a counterweight to external democratic norms. The SCO suggests that Western models of democratic development are not universally applicable. Russia and China are also using their leverage to socialise smaller network member states into maintaining authoritarian rule.

Both issue-driven and value-driven advocacy networks contribute to trust building and also succeed in generating and consolidating solidarity among their exclusive membership clientele. Further inward functions of advocacy networks include policy coordination and the production and exchange of knowledge among rising powers. The most important outward functions of advocacy networks consist of agenda setting in global bargains, lobbying in formal institutions and the diffusing of norms and ideas of the network members into the global political milieu. In a revision of world polity theory, Beckfield argues that ‘states…with privileged positions in the world polity are able, to a significant degree, to set agendas, frame debates, and promulgate policies that benefit them’. As demonstrated above, advocacy networks can successfully deploy processes of innovation at the systemic level, induce new procedural cultures, or even challenge the entire structure of the global order itself.

**Substitution networks**

Substitution networks are the product of the systematic pressures generated by rising powers. These foreign policy networks—such as the G20—have a mixed membership of established and rising powers and stake the claim of being universally representative. Substitution networks have as their aim the replacement of formal institutions. Until then, the former continuously threaten to substitute or overrule the latter through their mere existence, if the status quo institutions should prove to be immune to being reformed. Substitution networks are established for the long run, and might eventually come to follow the path of formalisation, once the previously status quo institutions have become completely outdated.

Because of their more numerous and more diverse membership, substitution networks tend to be more hierarchical than the aforementioned network types. As a result, they are not only platforms for discussion and negotiation, but also may serve as sites for the co-option and/or subtle coercion of weaker states. It is my contention that substitution networks will become increasingly instrumental in global policy coordination and in the management of global crises and public goods. As long as processes of institutionalisation do not get under way, then the necessary decisions will be made by way of both tough bargaining and complex consensus building.

Within substitution networks the rising powers benefit from their additional memberships in a variety of advocacy networks. Their multiple network links
Advantages of network strategies

Foreign policy networks represent a specific mode of international interaction, which is grounded in three principles: their member states are mutually dependent; the ties between them can be channels for the transmission of both material (for example, weapons or money) and non-material products (information, beliefs and norms); and persistent patterns of association among them create structures that can define, enable or restrict their foreign policy behaviour. All three principals are most distinct in advocacy networks, whose member states are connected by more stable ties than in the other network types. Knoke defines network power succinctly as ‘prominence in networks where valued information and scarce resources are transferred from one actor to another’.

Hence, the competitive advantages of network powers arise, in part at least, from their privileged access to information that is a consequence of their trust-based ties to various other powerful states. In addition, the experiences of cooperation and shared learning processes among network powers allow them to relate to each other on the basis of greater credibility and predictability in their reciprocal behaviour. Higher levels of mutual trust result in a comparatively greater reliability in the actions and expectations initiated among such interest allies. Network powers have also become more familiar with the foreign policy interests and the strategies of their peers in global bargains. Sociological findings suggest that highly central actors in networks possess high social capital. These comparative advantages are most pronounced—and the position of the broker state is most beneficial and influential—when it is the only actor that can connect several clusters of states and resolve interconnected problems of multilateral coordination.

These information asymmetries give network powers much room to manoeuvre in negotiations at the G20 summits and elsewhere. The more network links state actors build, the more powerful and autonomous from single actors they will potentially be. However, network opportunities decrease with an increase in the number of hostile relations that exist with single major powers. In this regard Brazil and South Africa are on good terms with all established great powers, a situation that might partially compensate for their hard power deficiencies as compared to China and India, who maintain a competitive relationship with each other (besides the several further constraints existing in the Asian security cluster). However, because of their multiple instances of friendly relations with their peers, network powers are actually relatively...
independent from single great powers—even though these great powers might command superior material resources. This point is also true in the case of neighbouring states or secondary powers, who might not be willing to endorse or follow the rising power’s claims to regional leadership.\textsuperscript{63}

In the current order these comparative advantages increase not only with the number of network memberships, but also with the dissimilarity (clubs of established powers, emerging powers, developing countries and clubs of mixed membership) and the looseness of the different foreign policy networks. From this perspective India and Brazil are the champions of the networked world order. They are part of all the aforementioned advocacy networks of the rising powers—although India’s observer status in the SCO has its limitations, and Brazil is entirely absent from this entente, because of its regional mandate. India and Brazil are also the only rising powers that have joined the foreign policy networks of both established and rising powers. Through the G4 they maintain ‘special relationships’ with Germany and Japan, and in the G5 preparation group of the WTO they negotiate face-to-face with the USA and the EU. The perspective of network analysis suggests that, in particular, midlevel, open and connected powers like Brazil and India, skilled at building and exploiting their position in multiple networks, may gain global influence.\textsuperscript{64} Therefore the asymmetry in influence (decision makers versus decision takers) \textit{vis-à-vis} their regional neighbours, who are mostly excluded from global advocacy networks, will further increase.

And even though China has based its rise to a great extent on its material power (potential), Beijing successfully projects network power in many ways. First, like the other network powers, it participates in many of the aforementioned advocacy networks. Second, along with Brazil and India, the PRC is a key peace broker in the mediation networks on Iran and North Korea. Third, China is an influential broker in trade and financial affairs because it is the most important geo-economic hub of the Asian and Trans-Pacific spheres. Fourth, Beijing strives for central network positions in external regions like Africa and Latin America that can be exploited in order to build up cross-regional follower networks to gain support for its position in global bargains.\textsuperscript{65}

The networked world order is still hierarchical, even though far less so than the bi-, uni- or even multipolar orders of the past. As a matter of course there exist hierarchical relations within this order, particularly inside substitution networks. The hierarchy of foreign policy networks is influenced not only by the relative material resources of its different members but also to a large extent by their institutional capabilities—such as diplomatic professionalism and effectiveness at negotiation. The structural power of state actors depends, for instance, on their effectiveness in constructing new, and cultivating already established, diplomatic ties. In this regard effectiveness means the necessity of indirectly fostering many different relations, by investing fewer capabilities directly into exclusively bilateral channels alone.

Even though hierarchy continues to be a helpful category for the understanding of foreign policy networks, their stratification can ultimately be better understood as consequential patterns of centre and periphery. While it is true that the centre–periphery pattern—in a way similar to the nature of the hierarchical
structure—is characterised by the centre holding high status, the relations between the centre and the periphery in foreign policy networks are, however, marked more often by reciprocity than they are within formal institutions. The hierarchy of the shifting global order is increasingly defined by the degree of centrality that state actors achieve.

Currently the centre of the G20 comprises four established powers—France, Russia, the UK and the USA—and four rising powers—Brazil, China, India and South Africa. The civilian powers Germany and Japan are in a category of their own; marginalised from global decision making after the Second World War, they have nevertheless managed to jump on the bandwagon of the rising powers’ soft balancing coalition, even though they exist as (second-rate) members of several established clubs, such as the G8. As a result, similarly to Russia, which as a declining established power now participates in rising powers’ advocacy networks, Germany and Japan are located in advantageous network positions, with great opportunities for brokering and bridge building between their G8 and G4 partners in the substitution networks.

Hafner-Burton and her colleagues compare the power of network brokers with imperial systems, drawing on Nexon and Wright:

Most accounts of empire emphasize bilateral relations between the imperial metropole and its peripheral possessions as the core of the empire’s definition. Network theory suggests an equally important characteristic: power claimed by the metropole because of the weakness of network ties among nodes on the periphery. The metropole creates bargaining power vis-à-vis its colonial possessions, not only through its intrinsic military and economic capabilities, but also by its ability to construct and maintain exclusive...links to societies on the periphery.

The semi-periphery of the G20 consists of two further potential network powers—the EU and Turkey. The EU suffers from its lack of actor status, and the absence of a harmonised Common Foreign and Security Policy. The EU’s ‘capability–expectations gap’ persists because of a lack of decision-making procedures capable of overcoming dissent. As long as the consensus–expectations gap exists, the EU is likely to remain a partial and inconsistent foreign policy actor. These deficiencies undermine its potential role as a peace broker in the Middle East or as a bridge builder into Africa, with South Africa as its central gateway. Turkey is both culturally and geopolitically predestined to be a mediating bridge between the established Western powers and the Muslim world.

The world ahead

In general three factors might explain the influence of state actors in the multipolar order: relative material, ideational and institutional capabilities. Foreign policy strategies are the vehicles by which to convert these capabilities into political influence. The relative wealth of a country is a precondition for large-scale military capabilities and coercive strategies. In the same way relative
legitimacy and credibility can be converted into discursive strategies. The innovative perspective of the network approach challenges conventional views of power in IR. It is true that relative material power still is— and for the foreseeable future will remain—the precondition for major influence in the international state system. But power is no longer derived solely from individual attributes, such as material capabilities.

It has been demonstrated here that, in the definition of the global status of states in the new order, military and economic resources are losing ground to institutional resources—in particular, to network capabilities such as information advantages and brokering capacities. Distinct diplomatic abilities of coalition and bridge building bring about new patterns of asymmetry. The power of a particular state actor depends on its network position, defined by its persistent relationships with other powerful states. Central network positions with high levels of prestige become foreign policy objectives in their own right, because they entail more visibility and attraction on the global stage. Powerful states in prestigious network positions incrementally become the destination guiding cooperation proposals and information exchange. Consequently network powers have to bear lower searching and bargaining costs than others.

In this regard, the USA—as well as the EU and Germany—has engaged in so-called strategic partnerships with Brazil, China, India and South Africa in recent years. Where initial scrutiny is concerned, this bilateral approach seems quite beneficial because, as a Canadian free trade negotiator remarked, ‘negotiating with the United States is like sleeping with an elephant’. But the rising powers’ advocacy networks reflect a superior approach because, as detailed above, in the networked order diplomatic effectiveness is conditional upon the ability to indirectly foster many different relations, as opposed to the channelling of diplomatic capabilities directly into bilateral endeavours. Thus, the central player in the networked world order will be the one with the most connections. However, the view that the USA has a ‘clear and sustainable edge’ because of its position in the Atlantic hemisphere and its deep ties to the Asian hemisphere might be more a potentiality than an actual fact.

Joseph Nye confuses the logic behind building counterbalancing blocs and foreign policy networks when he proposes the enhancement of the net position of the USA by building an interest alliance with Japan and Europe, so as to undermine an allied East Asia. The impacts and outcomes of strategies of balancing and exclusion are very limited in the networked world order, because divergence and convergence of national interests do not depend on belonging to certain regions or to ‘the West’; the composition of advocacy networks shifts according to the interests and needs in each global issue area. To paraphrase the immortal words of Bill Clinton, ‘It’s the policy, stupid!’ As states form security alliances with some states and trade with others, they will have to form distinct networks to pursue their climate and currency-related interests. In this regard it might even be possible to conceive of different major power hierarchies across various issues areas. For instance, both Brazilian and Japanese foreign policies have aimed at achieving major power status in climate change politics.

It is a situation that will become more complicated, as we can realistically expect an extension of the G20 agenda beyond purely economic and financial
issues. At the 2010 G20 summit, held in Seoul, global problems such as corruption, energy and food security were also discussed. In the post-Copenhagen context analysts and diplomats have looked to the G20 as an alternative forum in which to break the current deadlock between the USA, the EU, and the BASIC network. Global health and trade are further possible issue areas that might be negotiated through the G20. An extended G20 agenda can turn the summits into locations of highly complex cross-issue bargaining (for instance, reductions in agricultural subsidies in return for the reduction of CO₂ emissions).

In the course of cross-policy negotiations, states, as such, have to meet two preconditions for not being taken advantage of by their counterparts. First, there is an increasing need for the coordination and formulation of competence guidelines for foreign policies at the state level, because ministries of environment, health, foreign affairs and trade have to coordinate their specific interests so as to not be played off against each other in the course of multilateral cross-policy bargaining. Second, before being able to build cross-issue coalitions a state has to find those players that share issue-specific interests and to ally with them; not least because cross-policy deals will not always be necessary and/or possible.

The objective of statecraft has changed from managing the balance of power to managing global interdependence; therefore established powers such as the USA have to build advocacy networks by convening different clubs for different purposes. The same rallying cry is pertinent to Germany and Japan as well, potential network powers that have not yet used their network opportunities. Instead of building new advocacy networks, however, Germany stoically emphasises the priorities of the European integration process and the cultivation of the historically rooted transatlantic relations, and Japan its transpacific relations, as the central pillars of their respective foreign policies. German foreign policy makers in particular seem to fear that the USA and European major powers might interpret innovative partnerships between Germany and rising powers as a turning away from them and a move towards a new Sonderweg. However, examples such as the Indo-US nuclear deal, and the strategic armament alliance between France and Brazil, in place since 2008, demonstrate the extended room for manoeuvre existing in the multipolar order.

Failure to explore these new corridors of autonomy and flexibility will not only lead to the missing of the train back to Westphalia, but also, more crucially, the missing of the opportunities offered by the networked world order. Peter Wittig, German Ambassador to the United Nations, stated upon Germany’s election as a non-permanent Security Council member (2011–12) that, while a permanent seat for the EU was a long-term project, a German seat was the greatest immediate priority. Hardeep Singh Puri, the top UN representative of India, which was similarly elected for a two-year term, decisively emphasised that India ‘will never leave the Security Council again’. Even though reform of the UN system remains highly uncertain, the current non-permanent Security Council seats of Brazil, Germany, India and South Africa underscore a relative responsiveness of the status quo order. Most probably, however, this cheap way to accommodate the rising powers will not pay off in the long run.
With regard to the role of the USA in the process of reforming the global order, a deep misunderstanding undermines the constructive collaboration with the rising powers. When the US Secretary of State, Hillary Clinton, addressed the Council on Foreign Relations in September 2010, she stated that the solving of foreign policy problems today requires 'linking nations, regions, and interests as only America can ... The United States can, must, and will lead in this new century...And countries like China and India, Turkey, Mexico, Brazil, Indonesia, South Africa, as well as Russia [will have] to accept ... abiding by a set of the rules of the road.' The strategy of picking and choosing certain rising powers to integrate into institutions such as the Security Council—if they have proved, from the perspective of the USA, to be responsible global stakeholders—does not seem a very promising one in a networked world order.

The rising powers do not, and are not obliged to, grant the USA the legitimacy and sole authority to define either the rules of the game or what responsible behaviour is. On the contrary, many leaders of rising powers argue that there are alternative forms of burden sharing and assuming global responsibilities to supporting or participating in military interventions. A dominant leadership style that partially neglects the principles of justice and relative equality of states is not likely to pay off, because the networked world order is more transparent, horizontal and reciprocal than its predecessors. The USA is the most visible player, as it still resides at the centre of the current order and also because it is the preferred target of criticism, often fuelled by anti-Americanism. A selfish style of leadership would make the needed soft power gains extremely difficult to obtain. And, most strikingly, the USA is no longer in the position to be able to appoint new global decision makers. If the rising powers do not perceive that they are being treated as equals, they can in the medium term exert leverage from their privileged network positions to replace formal institutions with substitution networks.

Notes
1 As one example, see RN Haas, ‘The age of nonpolarity: what will follow US dominance?’, Foreign Affairs, 87(3), 2008, pp 44–56.
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13 For a discussion of what makes a great power in the contemporary system of states, see TJ Volgy.
27 For a discussion of what makes a great power in the contemporary system of states, see TJ Volgy et al ‘Major power status in international politics’, in Volgy R Corbetta, KA Grant & RG Baird (eds), Major Powers and the Quest for Status, pp 1–26.
35 ‘Turkey can stop Iran getting nuclear bomb, says Cameron’, Guardian, 27 July 2010.
36 ‘Brazil’s Lula in Israel at start of Middle East tour’, BBC News, 15 March 2010.
40 From the perspective of network analysis homophily, a tendency for actors to form ties based on common attributes, can be a mechanism in the formation of networks. See HF Taylor, Balance in Small Groups, New York: Van Nostrand Reinhold, 1970. But, as argued above, structural homophily (such as similar economic structures) can also lead to competition (for market access) instead of cooperation.
42 ‘Climate change deal agreed at Cancún’, Financial Times, 11 December 2010.
43 LE Armijo, ‘The BRICS countries (Brazil, Russia, India, and China) as analytical category: insight or mirage?’, Asian Perspective, 3(4), 2007, pp 7–42.
44 Brazil, Russia, India and China also agreed to invite South Africa to the 2011 BRIC summit in Beijing, where the network was renamed BRICS.
45 The BRIC summit communiqués are available on the Kremlin website, http://eng.kremlin.ru.
46 ‘SCO: autocrats’ club uses “counter-terrorism” to curb rights’, Democracy Digest, 1 April 2011.
53 S Mallaby, ‘Can the BRICS take the IMF? The emerging world’s chance to break the IMF’s status quo’, Foreign Affairs, 9 June 2011.
For the argument that nodes positioned between different network clusters in structural holes (high ‘between centrality’) have high social capital, see M Granovetter, ‘The strength of weak ties’, American Journal of Sociology, 78(6), 1973, pp 1260–1280.


Hafner-Burton et al, ‘Network analysis for international relations’, p 574.


For networks and hierarchy, see Martinez-Diaz & Woods, Networks of Influence?, pp 12–13.


For empirical evidence of pre-existing network connections forging more additional ties than less-connected nodes (preferential attachment), see AL Barabási & R Albert, cited in Hafner-Burton, ‘Network analysis for international relations’, p 568.

Slaughter, ‘America’s edge’, p 11.


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