

Paul Tucker, **Global Discord: Values and Power in a Fractured World Order**, Princeton University Press, Princeton, 2022, 552 pages

From his perch at Harvard, after decades as a practical central banker culminating in a term as Deputy Governor of the Bank of England, Sir Paul Tucker has now turned out a second hefty book.

His first, *Unelected Power* published in 2018, focused on the question of when, and in what circumstances, power should be delegated by legislatures to independent national agencies. His key theme was legitimacy. In established democracies, legislatures have it almost innately. Other agencies do not, and so we need to think carefully about what powers, and on what terms, are delegated to them.

His new book, *Global Discord*, is much more ambitious. He attempts to think through how established and emergent democracies should deal with the rise of the Communist Party (CCP) controlled People's Republic of China.

A large chunk of the book is a pretty serious exploration of how international relations theory might help us think through these challenges, together with an account of the modern evolution of international organisations and agreements, reaching back centuries. Why, in what way, and in what circumstances do states choose to cooperate? And how do we manage inevitable (at times deep) disagreements? Tucker illuminates his discussion with perspectives from a number of specific areas of policy including the IMF, the WTO, standard-setting for the prudential supervision of big banks, and the increasing proliferation of preferential trade and investment agreements.

A key theme is, in his words, "the connecting tissue for a system of international cooperation should be legitimacy, creating a world of concentric circles in which we cooperate more with those with whom we share the most and whom we fear the least".

Legitimacy here has two separable dimensions. The first is internal to our own societies. International organisations rarely have any sort of popular legitimacy of the sort that an established state naturally has. No one will fight and die for, say, the IMF or the WHO. If such institutions are to endure, to add value for countries that sustain them, they need to work to command respect, including by open and robust processes, and (echoing a theme from the earlier book) staying in their lane, focusing their effort on their specific mandate (he doesn't have much time for, say, the IMF wandering off its macro-stabilisation mandate to preach about inequality or other such public causes). These are important challenges at the best of times.

But the second dimension of legitimacy goes deeper: how do we build, and limit, international organisations and agreements in way that respect our own deepest values as societies, confronted with a CCP-controlled China that has values and priorities on most big issues that are very different from our own and is too big to ignore. The increasingly common Magnitsky-type sanctions regimes aren't touched on by Tucker but speak to growing public discontent in much of the free world.

Much of the structure of the international order emerged from the wreckage of World War Two. International organisations and agreements were dominated by the leading democratic states (the US most notably and powerfully of course) and their priorities/choices. It is not that there weren't other countries, large and small, some with really quite odious regimes, but none wielded the clout of the United States, especially when working together with its principal allies.

But the emergence of (very large) CCP-controlled China poses a threat to the system. This has been increasingly recognised as the blinkers have fallen away and most have realised that China's rise to middle-income status would not presage a move towards political liberalisation, democracy, or

respect for established international norms. Tucker counsels against further wishful thinking, and urges us to recognise the threats CCP-ruled China poses. Tucker poses four possible pathways for the next few decades, none of which would be easy to navigate. He puts a better than 50/50 chance on “a retreat to bloc-based economies”.

It is hard to disagree with Tucker at a high level: countries will and should work most closely with those with whom they have most in common (values, interests). It is less clear what it should mean in practice, perhaps especially when we are not starting with a clean slate (perhaps, for example, the IMF need not exist, but it is not going away). Nor does he really address in much depth a crucial difference from the last two big threatening non-democratic regimes (USSR and Nazi Germany), in the extent of the trade and financial interconnections, and the associated pressures from commercial interests.

Much of the discussion in the book centres on the United States, perhaps the country with the most clear-sighted bipartisan recognition of the character of the threat China under its current rulers poses. The message that comes through most strongly is a plea for effective US leadership, but working in conjunction with allies and like-minded countries. His unease, for example, about the use of extra-territorial sanctions is (fairly) palpable. Whether his emphasis on the significance of the US dollar more generally, including in the denomination of oil pricing, is correct is a more open question

In the end, it is a curious mix of a book. I’m glad to have read it, and it stimulated my thinking, but I wonder how many busy advisers and policymakers will persevere through the heavy theoretical sections. And if the issue itself is profoundly important, it is less clear how far his individual practical suggestions (many probably quite sensible in their own right, and especially as regards the first, domestic, strand of legitimacy) go in getting to the heart of the challenge free societies and our governments now face. Perhaps because there are no easy answers.

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