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On May 8, 2003, the Cordell Hull Institute presented US Senator **Chuck Hagel** with the first annual Cordell Hull Award, presented to leaders who promote free and open trade.

The ceremony was held at the U.S. Chamber of Commerce in Washington, DC (pictured above).



Reproduced opposite is the text of **Chuck Hagel's** (above), US Senator, Nebraska, remarks upon receiving the first *Cordell Hull Award*.

About the Author

Charles Hagel was elected from Nebraska to the United States Senate in 1996 and he was re-elected in 2002.

2003 CORDELL HULL AWARD...

Relevance of Cordell Hull's Legacy to Today

Chuck Hagel

THE HISTORY of America is the history of great leaders. In that pantheon of visionary, wise and courageous leaders resides Cordell Hull. The Cordell Hull Institute does America and the world an important service by reminding us of the power of Hull's ideas and the strength of his leadership. This included, but certainly was not limited to, his vision of an international economic order that helped establish the basis for post-World War II peace and prosperity.

Hull understood, like few others of his time, the connections between trade, democracy, security and world stability. This required alliances – coalitions of common interests in a world that would be forever inter-connected. As a U.S. Congressman and Senator from Tennessee, and as Secretary of State under President Franklin Roosevelt, Hull helped steer American foreign policy away from the misguided tendencies of American isolationism. Those isolationist policies led to global instability after World War I, undermined the American and global economies during the inter-war period and, in the process, contributed to the origins of World War II. It was at the end of his tenure as Secretary of State in 1944, at Dumbarton Oaks in Washington, that Hull and others developed a plan for a United Nations built on the ashes and carnage of World War II.

International Economic Order

Hull's influence and achievements with regard to trade and a liberal international economic order were unparalleled during his time. He believed that the benefits from free trade would flow to all peoples. His commitment to free trade never wavered. Hull also knew that the mechanisms of free trade were imperfect. But he understood that trade liberalization contributed to prosperity, stability, property rights, human rights, more transparent governments, the rule of law and hope for a better life and a better world for all peoples.

He was previously President of McCarthy & Co., investment bankers, Omaha (192-96).

Earlier, he was President of the Private Sector Council, in Washington, DC (1900-92), when he was deputy director of the staff that managed the 1990 Houston Economic Summit.

In his memoirs, Hull describes the philosophy that helped inform his approach to foreign policy, which was that free trade can be instrumental in reducing the chances of war among nations. He came to believe that “unhampered trade dovetailed with peace; high tariffs, trade barriers and unfair competition, with war. Though realizing that many factors were involved, I reasoned that, if we could get a freer flow of trade – freer in the sense of fewer discriminations and obstructions – so that one country would not be deadly jealous of another and the living standards of all countries might rise, thereby eliminating the economic dissatisfaction that breeds war, we might have a reasonable chance for lasting peace.”¹

Today, despite spectacular successes over the last 55 years, we are at another defining time in global trade. Our greatest challenges lie in the developing world. Many of those who speak for developing countries are not convinced of the relevance of the Doha Round talks in the World Trade Organization to their long-term economic development. We know that trade-based development strategies are critical to setting countries on the path to democracy and economic prosperity. But many developing countries have been disenchanted with the results of previous rounds under the General Agreement on Tariffs and Trade. The challenge today in the Doha Round negotiations, launched in November 2001, is to make trade-based development relevant to interests of all WTO member countries.

Many developing countries are not able to get to the starting line of trade-based development. The first priorities of the citizens of poor countries are the basics – food, water, shelter and medicine, then maybe training and education. America and other developed nations must not overlook these fundamental requirements and challenges of economic development. We must acknowledge and address them with constructive and real policies and programs. The United States and other industrialized countries must continue to help developing countries build the capacity and infrastructure for trade-based growth so they may fully participate in, and benefit from, the world trading system.

Economic reform and change means difficult choices and tough decisions. Even in the United States and other developed countries it is often easier to avoid or defer the tough choices that are involved in enacting enlightened trade and economic policies than it is to make those choices and focus on the long-term future. Free and fair trade is not a guarantee. It is an opportunity.

National Interests and Global Security

Hull’s insights and achievements helped form the building blocks of global peace and prosperity. But they did not end with the commitment to more open markets and a liberal international economic order. Hull was a man of many parts and he under-

stood, in a deep and profound way, the connection between American power and purpose in world affairs. For Hull, in helping to guide American statecraft during World War II, knew that U.S. leadership meant more than the application of great military power. The experience of two world wars reinforced his belief that international organizations and structures would be critical to future global prosperity and stability. The national interests of the United States could not be separated from global stability. Looking out on the international landscape in 1948, Hull observed...

“We are today more powerful in arms and powerful in the cause of peace and humanity. But with our great strengths have come great responsibilities. The heaviest of these, which we have accepted in the light of our power and duties, is that of providing our full share of leadership toward cooperation among nations for peace, justice, freedom and progress.”²

Hull’s wise counsel is not limited by time. It applies today just as it did fifty-five years ago. Our successes in defeating communism during the Cold War, and in prosecuting the war on terrorism today, are the result of unprecedented cooperation among our allies in Europe, Asia and throughout the world. America’s long-term interests are almost always best served by working through institutions, coalitions and alliances such as NATO and the United Nations. Building coalitions is never easy. But coalitions are a kind of diplomatic stock option that allow other countries to invest in our shared interests and policies, both the risks and the gains... serving the purposes of all investors.

Repair of Multilateral Cooperation

The September 11, 2001, attack on America reinforced the necessity of coalitions. We cannot win the war on terrorism alone. Our many successes against terrorism so far have been the result of cooperation with allies. That said, we cannot underestimate the effect that 9/11 has had on the American consciousness, and its implications for America’s policies at home and abroad. We must be vigilant, but we must be balanced in our responses and policies. Our responsibilities to secure our borders and protect our citizens should not undercut policies that promote and protect free trade, civil rights, immigration policy and other vital dynamics and rights central to America’s past and future.

The build-up to the war in Iraq fractured some of our most valued alliances and institutions, including the Atlantic Alliance and the United Nations. These two relationships have been integral parts of America’s security and diplomacy since World War II. These fractures cannot be ignored. They must be rebuilt. America has always had differences with friends and allies and we will continue to have differences in the future. But we strengthen our relation-

ships by building on our common interests – not focusing on what divides us.

I regret that there exists today a negative perception of American power and intentions that has fostered concern and resentment among some of the peoples and governments of long-standing allies. While we in the United States have never and will never compromise our national security, we must be careful to avert the perception that we are charting a unilateralist course in our foreign policy. A return to the balance of power politics of the nineteenth century would be a dangerous setback for America and the world. Shifts in alliances occur during times of great change in world history, but we must be careful not to allow these shifts to work against America's global interests.

My late friend and colleague, Daniel Patrick Moynihan, made the point at the 2002 commencement address at Harvard University when he said:

"Certainly we must not let ourselves be seen as rushing about the world looking for arguments. There are now American armed forces in some 40 countries overseas. Some would say too many. Nor should we let ourselves be seen as ignoring allies, disillusioning friends, thinking only of ourselves in the narrowest terms. That is not how we survived the 20th century. Nor will it serve in the 21st."³

Re-building Iraq is an opportunity for re-vitalizing our relationships, alliances and international institutions. What we do next in Iraq, the Middle East and around the world, and how we do it, will help America, in Henry Kissinger's words, "translate its dominance into a systematic fostering of international consensus". Dr Kissinger further stated in a recent *Washington Post* op-ed article, with regard to Iraq, that

"it is in America's interest *not* to insist on an exclusive role in a region in the heart of the Muslim world and to invite other nations to share the governance – at first coalition partners, progressively other nations, and with a significant role for the United Nations, especially its technical and humanitarian organs.

Growth, Confidence and Stability

At the beginning of the twenty-first century we find historic opportunities to help build a better world. President Bush has committed the United States, in consultation with our Quartet allies (Russia, the United Nations and the European Union), to implement the Road Map in order to get the Middle East peace process back on track. This is a critically important step.

As we work these single international tracks in Iraq, Afghanistan, the Middle East and North Korea, we must also work parallel tracks



The **mockingbird** is the state bird of Tennessee. Cordell Hull represented a district of Tennessee in the Congress of the United States, and was elected a senator from there, before becoming U.S. Secretary of State (1933-44).

"The mockingbird is known for fighting for the protection of his home – falling, if need be, in its defense. Mockingbirds are not intimidated by animals larger than themselves and have been known to attack eagles"

– Diana Wells, *100 Birds and How They Got Their Names* (Chapel Hill, NC: Algonquin, 2002)

Trade Policy Analyses

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that develop regional security institutions, especially in the Persian Gulf and the Middle East, in order to help build long-term trust and confidence among the states in those regions.

Supporting policies that promote and enhance trade and private-sector development in these countries is essential to their future. Such policies and institutions will be crucial to regions moving away from authoritarianism and stagnation toward a hopeful and dynamic future.

Cordell Hull understood that economic prosperity at home could not be de-coupled from peace and stability abroad. America's competitive position in the world is vital to our power, purpose and future. Economic growth and prosperity are not zero-sum games, neither at home nor abroad. We therefore cannot disconnect our foreign and trade policies from our domestic policies. Both foreign and domestic policies are woven into the fabric of America's national security and our economic prosperity.

Our long-term economic potential depends on confidence and stability. Confidence is gone when there is instability in the world and uncertainty in America.

A Time for Reflection

American power and purpose must be focused on meeting the challenges of today... but not unmindful of the burdens of tomorrow. In 1948, at the height of American power following World War II, Cordell Hull advised in a chapter of his memoirs on the future that "[w]e have, in fact, reached the time when we should stop, look and listen. We should analyze ourselves and our position in the world with sharp introspection".⁴

Some time for reflection on America's role in our world at this present critical juncture in history would bring us back to a basic truth that, in addition to great power, world leadership requires trust. And trust is the indispensable coin of the realm. We cannot lead without the confidence of others.

Former President George Bush, writing with Brent Scowcroft in *A World Transformed* in 1998, reflected on the importance of a benign perception of American power in promoting stability in world affairs. He wrote that the United States, because of our resources and power, "has a disproportionate responsibility to use that power in the pursuit of a common good. We also have an obligation to lead. Yet our leadership does not rest solely on the economic strength and military muscle of a superpower: much of the world trusts and asks for our involvement. The United States is mostly perceived as benign, without territorial ambitions, uncomfortable with exercising our considerable power.

"Among our most valuable contributions will be to engender predictability and stability in international relations, and we

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are the only power with the resources and reputation to act and be broadly accepted in this role."⁵

Sharing a Common Destiny

The power of America's steadfast commitment to free trade, democracy, human rights, religious freedom and economic prosperity has been an inspiration to much of the world because these values are not ours alone. Cordell Hull knew that America does not have sole ownership of these values. There must be a sharing of a common destiny for all peoples.

In so many ways, America's purpose at the beginning of this new century remains what it has always been: investing in the next generation and in the citizens of the world for a better future. Ours is indeed a shared destiny. The American experience offers hope for all mankind – for those who have never known the promise of democracy, open economies, universal tolerance and respect for the dignity of all peoples.

Our optimism and ideals are tempered by the cold reality of a dangerous world. The threats from tyranny, terrorism, weapons of mass destruction, disease and poverty allow us no reprieve. But we must meet these challenges just as Cordell Hull and his generation met the challenges of their time. We are better prepared than any generation in American history to meet these twenty-first century challenges. This is so because of what past generations of Americans built for us and bequeathed to us – immense power and nobility of purpose. We are now the guardians of this trust... and we must protect it, build on it and prove worthy of inheriting it.

¹ Cordell Hull, *Memoirs of Cordell Hull*, two volumes (New York: Macmillan, 1948).

² *Ibid.*

³ Daniel Patrick Moynihan, Commencement Address at Harvard University, Cambridge, Massachusetts, June 6, 2002.

⁴ Hull, *op. cit.*

⁵ George Bush and Brent Scowcroft, *A World Transformed* (New York: Knopf, 1998).