

Author Talks: Richard N. Haass on making sense of a complex world

In his latest book, Richard N. Haass explores how our globalized and interconnected world works and why we should be paying attention to it.



In this edition of *Author Talks*, McKinsey's James Manyika chats with Richard N. Haass, president of the Council on Foreign Relations, about his latest book, *The World: A Brief Introduction* (Penguin Press, May 2020). The experienced diplomat and policymaker helps readers to understand the world better—both its promise and its threats—to make more informed choices. An edited version of the conversation follows.

What problem are you hoping to solve with this book?

I'm struck by how many people in this or other countries aren't paying particular attention to the world, for better and for worse, and it's not only bad. It's not only risks, or costs, or threats. But given the objective importance, I'm always taken aback by the lack of understanding about how the world works and why it matters. What really makes this era of history fundamentally different from any other in modern history—and by that, I mean, the last few hundred years—is the importance of global issues.

We've talked about climate, terrorism, infectious disease, a nonregulated cyberspace proliferation, trade, investment. The flows that are so fundamental, and yet—again, for better and for worse—that are qualitatively different from what we've seen historically.

So it's this combination of the return of geopolitics, the emergence of global issues, and, now, the parallel emergence of American reluctance to be active in the world that keeps me up at night.

The world, tomorrow

What should global businesses or leaders worry about in the coming years?

I'd say a couple of things. I think you can't assume that the next ten or 20 years are going to be as relatively stable as the last ten or 20. I would think

that the odds are greater for the potential for turbulence, for conflict—which then has implications.

The idea of being 100 percent dependent on a single foreign source of a critical material is no longer a concern. Now, for some, it may be diversifying foreign supply. Easier said than done. I think you'll see a greater push for domestic stockpiling worldwide and probably a greater push for domestic production requirements because that would also dovetail with the need to put more people back to work. I think we're seeing the greater nationalization of supply chains.

What do you think is lost when countries retreat from the global arena?

Well, if the basic point about the world we're living in is that global issues matter a lot, that globalization is a reality, to me, the corollary to that point is that responses are better when they're collective. I can't think of any country that thinks they're doing anything better by doing it on their own.

Rather, they want to find partners. But increasingly, what we need to think about is how do we forge what I call "coalitions of the willing"—which are able and relevant—to deal with particular challenges? And it may be enough, or as good as you can do initially, to get 40 percent or 50 percent or 60 percent of the world's countries or economies together to work on *this* or *that* particular challenge, whether it's setting rules for the internet or dealing with climate change.

The role of businesses in the world

What role do you think businesses play in global issues?

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It's almost as if businesses are going to need their own equivalent of a foreign policy. They need people who are tasked to either think about the negotiations that are going on and the institutions that exist that affect their welfare or think in a more future-oriented, more proactive way about what needs to happen. Businesses need to be much more creative and innovative and think more in foreign policy terms.

How do you define business management in the 21st century?

It used to be that businesspeople always said, “You in the public sector have got to become more like us.” And maybe in some cases, that's true. But what's so interesting to me is how, increasingly, people in the business world, the corporate world, have to become more like people in the public-policy world. They've got far more independent constituencies to contend with. And that, to me, is what's so interesting about the 21st century. It's global, but it's also domestic—whether it's far more employees, far

more stakeholders, or far more state, local, and federal governments, or international bodies. It's far more transparency, thanks to social media.

So when I look at a CEO's world, one of the reasons it's so hard for me to get the amount of time I used to get from them on their calendars is that their calendars are filled up more because they are being looked at and attacked and regulated and questioned from far more directions. And that's essentially what it used to be like, and still is, in the public sector. You just don't have the freedom of action that businesses and companies used to have a generation or two ago. I think their world has become much more like the public-policy political world. And I believe they're catching up to that reality.

I would say we need to spend more time thinking about these global challenges. Whether it is infectious diseases or climate, we can't successfully contend with them unilaterally. We can't ignore them either.

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