To discuss international institutions: the rules that govern elements of world politics and the organizations that help implement those rules. Should NATO expand? How can the United Nations Security Council assure UN inspectors access to sites where Iraq might be conducting banned weapons activity? Under what conditions should China be admitted to the World Trade Organization (WTO)? How many billions of dollars does the International Monetary Fund (IMF) need at its disposal to remain an effective “lender of last resort” for countries such as Indonesia, Korea, and Thailand that were threatened in 1997 with financial collapse? Will the tentative Kyoto Protocol on Climate Change be renegotiated, ratified, and implemented effectively? Can future United Nations peacekeeping practices – in contrast to the UN fiascoes in Bosnia and Somalia – be made more effective? These questions help illustrate the growing importance of international institutions for maintaining world order. In 1985 (Foreign Policy 60: 148–67) Joseph Nye and I gave “two cheers for multilateralism,” pointing out that even the administration of President Ronald Reagan, which took office illdisposed toward international institutions, had grudgingly come to accept their value in achieving American purposes. Superpowers need general rules because they seek to influence events around the world. Even an unchallenged superpower such as the United States would be unable to achieve its goals through the bilateral exercise of influence: the costs of such massive “arm-twisting” would be too great.