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Session One Resolving Global Challenges in a Fragmenting World Order

2022: A global turning point

Looking at trends and contours that have coalesced this year to make international politics more contested and unpredictable.

The Interpreter

By Ian Hill December 13, 2022

Tectonic shifts in world affairs are underway as 2022 draws to a close.

With the Ukraine war drawing a line under the familiar post-Cold War period, the world has entered a more complicated and turbulent era. The final shape of this new (dis)order is uncertain but some contours can be discerned.

Its main features overlap and are interactive. They can't be viewed, or addressed, in isolation. One observer has described this a "polycrisis". We are experiencing a more complex, contested and unpredictable international environment. The over-arching story here is the gradual, if uneven, diffusion of global political and economic power from the Euro-Atlantic world to (re)emerging powers.

As competition grows between major powers, energy, food, migration, data and disinformation are all being weaponised. There is greater competition for access to global domains, whether on the high seas or in space.

Rivalry between the US and China is intensifying – whether political, security or economic (recent <u>controls</u> on US semi-conductor exports to China exemplify this). Some characterise this contest as a <u>Thucydides trap</u>, pitching the United States as the established power resisting the rise of the emerging power China.

We are seeing the emergence too of what EU High Representative Josep Borrell has dubbed a "messy multipolarity", in which second tier powers, such as India, Turkey, Saudi Arabia and Brazil, are vying to protect their national interests, exert influence and gain advantage in this more fluid and contested global environment.

Russia's aggression against Ukraine is not only an assertion of irredentist nationalism, but also embodies Moscow's bid to restructure the post-Cold War European security architecture to better reflect its interests – especially by reclaiming a sphere of influence on its western borders. Besides directly threatening European security, Vladimir Putin's bombast has raised fears of nuclear confrontation to its highest level since 1962. Russia's war in Ukraine has also badly disrupted global energy and food supplies and prices, affecting developing countries in particular.

Developing countries generally want to avoid being drawn into taking sides in the growing geopolitical competition between great powers. But unsurprisingly, they want to leverage it for their own advantage (including Pacific Island states vis-á-vis US-China competition). They're aggrieved that the existing global set-up has not delivered for them – not least on climate change.

Globally, politics is characterized in many places by illiberal partisanship and authoritarian, often populist, nationalism. In their own different ways, leaders such as Putin, Xi Jinping, Narendra Modi, Victor Orban and Recep Tayyip Erdoğan, and former presidents Donald Trump and Jair Bolsonaro, all exemplify aspects of this tendency. The spread of populist nationalism, notwithstanding some recent pushback, reflects growing economic inequalities, social dislocation and political fragmentation – which in turn often results from the failure of established political institutions and leaders.

At the same time, a greater economic fragility is evident globally. The return of high and widespread inflation, spurred by the Ukraine war (food and energy supply and price spikes) and the pandemic (supply chain disruptions), has ended the era of easy credit and low interest rates. It's especially damaging for developing countries (not least with US dollar strength increasing their debt burdens) but the likely global economic slowdown will also negatively affect the United States, Europe and China in 2023.

Driven by both geopolitical and pandemic-related concerns, there's a move towards global decoupling – seeking to roll back economic interdependence. Near- or friend-shoring is the new buzzword: resilience, not efficiency, is the new mantra. Yet such fracturing risks causing further economic disruptions, and associated political tensions.

Climate change has moved centre-stage. Its growing economic, social and geopolitical impacts interact with food security and economic pressures, magnifying the disruption caused by the pandemic and then the Ukraine war.

Worryingly, global governance institutions and processes have been weakened. The consensus required to enable the multilateral system to function credibly is lacking in an increasingly contested global environment – especially when Russia is inclined to play the spoiler.

Meanwhile, the rapid pace of technological innovation and diffusion is empowering not only individuals but also states. Perversely, this facilitates both liberal and illiberal trends in global affairs. These global trends have significant implications for small and medium-sized states. The challenge they face of protecting their interests in this more unsettled and contested global environment has become even more daunting.

Increased US-China competition means heightened tensions and uncertainty in the Indo-Pacific. Coupled with the likelihood of a global economic slowdown, and continuing disruptions arising from the Ukraine war, this affects the security and prosperity of small states.

Moreover, confrontation between major states will diminish further the prospects for effective multilateral cooperation on pressing global issues such as climate change, negatively affecting Pacific countries.

Finally, in a more confrontational geopolitical environment, it's going to be even harder for small countries to manage their relations with the great powers. Juggling sometimes competing security and economic interests will prove more difficult. There will be pressure to take sides: choices, and some awkward compromises, may be required.

This is not a new dilemma for small countries. Navigating a course through this more complex and polarised international environment will require adept diplomacy. As always, protecting their vital interests will require careful balance: staying true to strongly held principles and values, while adapting pragmatically to changing strategic realities.



August 11. 2021 – Lars Brozus

Cooperation Out of Necessity and Cooperation Out of Choice: Turning Intergovernmental Difference Management into Political Multilateralism

Situational crisis containment and intergovernmental difference management remain essential varieties of multilateralism. Growing global challenges, however, require an equally growing willingness to collaborate with selected partners on a long-term and substantial basis. In doing so, the domestic dimension of multilateral cooperation must be constantly reflected in order to preserve political support. The Federal Government's White Paper "A Multilateralism for the People" carefully embraces such a selective and political multilateralism. Germany's upcoming G7 presidency in 2022 offers the next government in Berlin the opportunity to further develop this approach.

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Identifying areas of disagreement between states, reconciling, and successfully containing them wherever possible are central functions that protagonists of international politics traditionally attribute to multilateralism. Communicating with each other, exploring different as well as common interests and preferences, and negotiating possibilities for compromise are therefore among the central tasks of diplomacy.

The preferred diplomatic arenas are major international organizations, first and foremost the UN system with its large number of highly specialized agencies that address a wide variety of policy areas. Experienced actors succeed time and again in bringing diverging positions together in robust agreements through skillful coupling across issue areas and institutions. The collective management of intergovernmental differences is the essential purpose of this practical and pragmatic variety of multilateralism.



To avoid misunderstandings: multilateralism as difference management should by no means be underestimated. The major intergovernmental agreements of the past decade, which could be concluded in policy areas as diverse as trade (most recently RCEP), climate (Paris Agreement), sustainability (Agenda 2030), and security (JCPOA), are to no small amount the result of this form of multilateral diplomacy.

However, there is a risk that multilateralism in the form of difference management will exhaust itself on the lowest common denominator that governments can agree on. In view of the <u>double challenge</u> posed by ever more pressing global problems on the one hand and growing differences in position between the main actors in international politics on practicable solutions, on the other hand, it is questionable to what extent the traditional understanding of multilateralism can be sustained. Rethinking multilateralism, therefore, requires discussing options for a more political multilateralism that promotes sustained as well as sustainable cooperation and multi-sectoral participation.

What on earth has ruined multilateralism?

That humanity is facing an ominously growing variety of global challenges in the <u>Anthropocene</u> is by no means a secret. And even if the popular slogan "global <u>solutions for global problems</u>" inevitably evokes echoes of political folklore, it remains true: Without cooperation, the most severe challenges will hardly be overcome.

Most governments seem to be well aware of this imperative, judging from their statements in the countless multilateral fora and organizations that shape international politics. It could therefore be expected that multilateral cooperation is not only the undisputed political norm for action but also the reality of action. However, the Federal Government's White Paper "A Multilateralism for the People" reveals doubts that cooperation is growing in line with the challenges. It cannot be due to a lack of global problems that the Federal Government is concerned about the dwindling willingness to act multilaterally and therefore tries to provide counterimpulses, for example through the "Alliance for Multilateralism". Rather, the White Paper states that domestic support for multilateral action has declined, not despite but seemingly because of the increasingly visible global challenges – perhaps not in Germany, but certainly among a large number of important partners.



The reasons for this are manifold; two are particularly important in the context of a proposal for a political multilateralism. The first takes up the question of who has primarily benefited from the practice of multilateralism as intergovernmental difference management over the past decades. The findings are clear: First and foremost, the better educated, often well-paid, and mobile functional elites gain from the advantages of economic liberalization and the utilization of territorially and virtually defined spaces. From a global perspective, in addition, parts of the middle classes in emerging economies such as Brazil, China, and India benefited economically. The middle classes in (Western) Europe and North America, on the other hand, suffered at least a relative and often an absolute loss of prosperity.

This has far-reaching material but also cultural-identitary and political consequences. They include the increasing attractiveness of populist policies and movements, which are fed by a loss of confidence in the liberal international order. Which in turn increases the differences between the core member states of this order and accordingly poses additional challenges for difference management. The crisis of multilateralism can thus be interpreted as a kind of collateral damage to the crisis of liberal democracy.

The second relevant factor is based on <u>disappointed expectations of convergence</u>. The project of China's economic integration into the world market, which is necessary from a developmental perspective, has not brought the expected returns in terms of governance, namely a relaxation of oppressive political, economic, and social structures. On the contrary, the dominance of the Chinese ruling elite in domestic affairs has been consolidated. Internationally, Beijing appears increasingly assertive and confidently formulates geopolitical claims to power.

One example is the recent establishment of the "Group of Friends in Defense of the Charter of the United Nations". In addition to China, this group includes Russia, Iran, North Korea, Venezuela, Cuba, and several other countries. Programmatically, it defends the intergovernmental character of the UN as an international organization and is based on the idea of multilateralism maintained by sovereign actors. This can certainly be seen as a counter-proposal to the Alliance for Multilateralism and once again illustrates the diverging ideas in the international society of states on how global challenges should be tackled.



Outlining a Future Political-Participatory Multilateralism

Of course, multilateralism has always been political, both as a practical form of international cooperation but also as a competition between different ideas of cooperation. The following proposal outlines a politically conscious multilateralism insofar as it conceptually differentiates between the intensity and scope of cooperation that various state and non-state partners engage in. This applies, for example, to the extent of economic integration with liberal-democratic and illiberal-authoritarian partners, but also to different degrees of socio-political openness toward them.

Two terms should help to clarify the idea: cooperation out of necessity and cooperation out of choice. Cooperation out of necessity refers to a comparatively weakly integrated variant of international cooperation. It is necessary to cope with critical global challenges such as climate change, biodiversity and environmental protection (including global public goods such as oceans), health care, and the prevention of nuclear proliferation and military conflicts between the great powers and superpowers. The most important instrument for this would remain intergovernmental cooperation, without factual cooperation with non-state actors being excluded.

Cooperation out of choice, on the other hand, would characterize a much closer interlinkage between state and non-state actors, which would form the basis for high intensive economic and socio-political collaboration. Here, vertical and horizontal integration of production and supply chains as well as financial and capital markets would be possible, but also greater freedom of movement for people. Another feature would be institutionalized multi-sectoral cooperation of (organized) economy and society. Ultimately, trans-border and trans-sectoral integration could be the result.

However, thinking this form of multilateral cooperation through to its logical conclusion implies taking safeguards against unilateral tendencies toward revision. At least for the central "anchor powers" of this type of multilateralism that is based on deep interdependence, it would have to be ensured that the fundamental openness to cooperation is maintainable. Otherwise, the necessary "investment security" would be missing - not only for economic but also political, socio-cultural, and military investments. Dependable domestic support for cooperation out of



choice is therefore essential if it is to succeed.

To a certain extent, the EU could serve as a model for such a <u>community of trust</u>, for example, with regard to core standards that governments must reliably adhere to both in their domestic and international behavior. In the foreseeable future, however, it will hardly be possible to implement monitoring and sanctioning mechanisms in governance clubs such as the G7 that are even rudimentarily similar to what the EU has at its disposal. But these examples for institutional and practical prerequisites mark the principal direction that further deliberations about a political multilateralism would have to take.

Will Germany's multilateralism press ahead?

The title of the White Paper expresses the intention of the Federal Government to realign its multilateralism: "A Multilateralism *for* the People" (highlighted by the author). This is reminiscent of conceptual ideas about a "Foreign Policy for the Middle Classes" that are currently being discussed in the US and that serve as a guideline for the Biden administration. According to these considerations, US foreign policy should prioritize the interests of the American middle class in the future – a response to declining domestic support for Washington's international engagement. The most recent G7 and G20 agreements on the minimum taxation of globally active corporations are interpreted as a concrete expression of this policy reorientation.

The Federal Government, too, appears to be open to a political multilateralism that selectively places participatory accents. The <u>outlook section of the White Paper</u> "Looking ahead – multilateralism for the future" states the decisive criteria for further development of the multilateral order: more effectiveness that is to be reconciled with fundamental values such as peace, human rights, democracy, and sustainability. The EU, the US, and NATO are the designated core group of this "active" and "effective" multilateralism. Unfortunately, domestic political developments in some member states raise doubts as to whether they could be reliable partners in the sense of the political multilateralism suggested above. This is especially true for Turkey, but Poland and Hungary are also causing concerns. Perhaps the conditions for cooperation out of choice are more in place among the G7 members. The German G7 presidency in 2022 would provide an obvious opportunity for the next government in Berlin to take a corresponding initiative.



The Case for Microlateralism

With U.S. Support, Small States Can Ably Lead Global Efforts

BY JARED COHEN AND RICHARD FONTAINE April 29, 2021

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In sharp contrast with former U.S. President Donald Trump's "America first" agenda, President Joe Biden and his administration have conspicuously embraced multilateralism. The new team spent its first weeks in office reversing some of the more controversial manifestations of its predecessor's approach—rejoining the Paris climate accord, halting the United States' withdrawal from the World Health Organization (WHO), reengaging with the UN Human Rights Council, and conditionally recommitting to the Iran nuclear deal—and Biden and his deputies rarely miss an opportunity to talk up the importance of alliances and international cooperation.

This is all generally to the good. From Washington's perspective, working with other countries to resolve common challenges often means greater legitimacy and lower costs compared with going it alone. But not all multilateralism is created equal. In an era of renewed great-power competition, venues such as the UN Security Council and the G-20 are frequently deadlocked, even when their members share broad interests. Chinese influence has undermined the effectiveness of key international organizations, such as the WHO, and multilateral trade agreements, such as the Trans-Pacific Partnership, lack domestic political support.

The lack of effective mechanisms for coordinating international action has clearly frustrated the new administration and generated a clutch of proposals for new configurations: a T-12 that would unite "technodemocracies," for example; a D-10 that would bring together leading democratic powers; a "Quad-plus" that would include South Korea or Southeast Asian nations in dialogues with the United States, Japan, India, and Australia; a climate summit that would galvanize global action; and a new pandemic-fighting coalition.

Washington should pay special attention, however, to the potential for small countries to take a multilateral lead. Often better equipped to pilot new programs, and better positioned to play honest broker on thorny issues, small countries are sometimes well positioned to lead multilateral efforts with more powerful nations. This combination of small-country leadership and large-state participation—call it "microlateralism"—should emerge as a key instrument in the United States' collective-action toolkit.

GOOD THINGS IN SMALL PACKAGES

Versions of microlateralism have proved effective in the past, especially when entrenched conflicts have pitted great powers against one another. In the 1990s, for instance, Norway brokered backchannel negotiations between Israel and the Palestine Liberation Organization, ultimately producing the U.S.-backed Oslo accords. In 1999, Togo led a peace process that, with Washington's support, helped end Sierra Leone's civil war. In 2008, Qatari Emir Sheikh Hamad bin Khalifa al-Thani convened rival Lebanese factions for talks that, with the support of France, Saudi Arabia, Iran, and the United States, produced the Doha Agreement, ending 18 months of political crisis in Lebanon.

Small states have also successfully mobilized financial and other resources, and secured important commitments, from their larger counterparts. Beginning in 2015, the Jordanian-led Aqaba Process has brought larger states together to share information and coordinate counterterrorism efforts. After the horrific Christchurch mosque shootings in 2019, New Zealand Prime Minister Jacinda Ardern worked with French President Emmanuel Macron to convene governments and Internet companies to issue the Christchurch Call, a commitment to eliminate terrorist and violent extremist content online. In March 2020, Austria led the formation of the First Movers Group, creating a venue for countries including Australia, Greece, Israel, and Singapore to discuss responses to the COVID-19 pandemic. And in November 2020, Finland cohosted the Afghanistan Conference, raising \$3.3 billion in development support for the beleaguered country.

Such ad hoc collective efforts, led by small states but including much larger ones, are often more flexible than long-standing multilateral structures. Drawing on smaller nations' particular strengths—Scandinavian countries' long history of conflict mediation, for instance, or Jordan's experience dealing with extremist groups—allows for a productive division of labor that combines deep expertise with the kinds of resources that larger, more

influential countries bring to the table. Leadership by smaller countries can render a multilateral effort more politically palatable to great powers locked in rivalry with one another. Such efforts will, in the best case, be launched with clearly defined, time-bound goals—raising funds for a particular cause, agreeing on principles around a specific issue, resolving a particular crisis—rather than broad mandates of indefinite duration.

HOW WASHINGTON CAN HELP

Many of the aforementioned microlateral efforts began organically, often thanks to visionary leadership in smaller countries to marshal their unique expertise and convening power. Given their successes, it is time for Washington to take a more proactive role in encouraging their formation. This can include encouraging particular small countries to take on leadership roles, pledging U.S. support for the efforts. It also means resisting the urge always to play convener in chief, urging others to lead multilateral efforts of which the United States will nevertheless be part.

An early agenda might start with the digital economy. Estonia, for example, has a population of just 1.3 million and borders a hostile Russia yet ranks ahead of Japan, Singapore, and the United States in global e-governance surveys. Bigger countries—including Mexico, Finland, and Japan, among others—are using Estonia's open-source backbone X-Road to improve their own digital governance. An Estonian-led microlateral forum could help many countries to improve the efficiency and delivery of government services and health care via digital systems.

Indeed, international frameworks that allow smaller countries to take the lead on digital issues have come to the fore in the last year, including the Digital Economy Partnership Agreement, signed by Singapore, Chile, and New Zealand in June 2020. The agreement addresses end-to-end digital

trade, builds trust in cross-border financial services data flows, establishes ethical standards for artificial intelligence, and more. If successful, this agreement could show how small countries can take proactive steps to give market certainty through digital policy parameters, connect digital economies, and even scale their efforts with the partnership of a larger nation: Singapore is already pitching a bilateral digital economy agreement to Washington.

There may also be opportunities for microlateralism stemming from the global pandemic response. The World Bank is keeping a database of how different countries are using technology to provide remote learning opportunities during COVID-19, an area in which the United States is failing many students. It's too soon to know which remote learning systems are most effective, but a microlateral information-sharing effort could help countries to meet the educational needs of underserved populations, even after the pandemic is over. Singapore, which has experience with remote learning gained during previous health crises, could be well placed to lead such an effort.

Regional developments could provide yet another opportunity. The Abraham Accords, which began as a series of U.S.-brokered normalization agreements between Israel and Arab countries, should attract continued U.S. efforts to deepen and widen them. But Washington could encourage individual small countries—Bahrain or the United Arab Emirates, or even a non-Arab country such as Cyprus—to establish a coordinating mechanism aimed at deepening the agreements on key elements, including in the economic and security spheres, with broad support from outside the region. Costa Rica has emerged as a leader in ecotourism and conservation, both important issues for a new U.S. administration interested in environmental sustainability. And after a decades-long conflict ended in 2016, Colombia

has become a leader in disarmament, demobilization, and reintegration, a model that could be applied in other postwar settings.

Critics of microlateralism warn that "ad hoc solutions to systemic, foreseeable global risks," as UN Secretary-General António Guterres put it to the Security Council in September 2020, could undermine global governance and broader multilateral efforts. Yet developing more vehicles, under innovative leadership, through which countries can deal with international challenges could serve ultimately as a necessary complement to existing multilateral structures rather than a way of undermining them.

THE ART OF ASSOCIATION

In documenting American civil society, Alexis de Tocqueville once praised the United States' "art of association," an impulse that gave the nation's civic life its exceptional vitality. "Wherever, at the head of a new undertaking, you see in France the government, and in England, a great lord," he wrote, "count on seeing in the United States, an association."

The Biden administration seems keen to apply this general truth to international affairs, building associations of states that will tackle challenges more ably than the United States alone. The global art of association has numerous components, ranging from those formed decades ago to new, startup-style groupings aimed at particular problems in specific times. But a focus on niche, time-bound multilateral efforts—including those led by small countries—is likely to have a disproportionately positive effect.

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Open Season on the Rules-based Order Confirms its Centrality

By Ron Huisken

SYNOPSIS

Years of skirmishing over the rules-based order have given way to a declared challenge from China and Russia to the principles underpinning the present order. The task now is to figure out how to evade the more costly and dangerous potential outcomes and identify the best available basis for stable co-existence.

COMMENTARY

What Rules?

When Russia's President Vladimir Putin launched his 'special military operation' to invade and occupy neighbouring Ukraine on 24 February 2022, the world shuddered. In a painstakingly premeditated manner, Putin stepped over perhaps the most foundational norm of the prevailing international order. For something like two decades, the international community had sensed the gradual but relentless erosion of confidence in the principles, conventions and processes that comprised this order.

The international community shuddered because, on 24 February 2022, it seemed that the end game had abruptly come into view. China's tacit endorsement of the invasion – which both powers have linked to the notion of indivisible security – triggered an avalanche of speculation about its possible implications for the Indo-Pacific arena.

The rules-based order has emerged as a key axis of the intensifying animosity between the West and the China-Russia partnership. Twenty years ago, the latter's position on this question tended to be characterised by guarded expressions of support, an acknowledgement that the trade regime in particular was central to their aspirations for economic development but flagging a possible interest in unspecified

amendments to the wider regime at some point in the future. Only in recent times, however, – essentially since 2020 – have these states decided to indicate more precisely where and how the rules-based order clashes with their interests and preferences.

The key points of contention that have emerged thus far concern economic competition, governance and international security. While disputes in and around the international trade agenda have probably attracted the most attention in recent decades, they are relatively straightforward to at least comprehend. In contrast, in respect of the other two sources of dispute – governance and international security – simply comprehending the nature and intent of the positions being advanced is more challenging.

China has recently indicated that, while it had a system of governance that was distinctive in a number of ways, it was unacceptable to in any way question its legitimacy or equivalent status to those in the west. China contends that a perfectly valid re-conceptualisation of democracy – and of related concepts such as universal human rights – supports the view that its approach to governance should be recognized as effective and fully legitimate.

With regard to international security, the China-Russia joint statement of 4 February 2022 spoke of an aspiration to shape "a polycentric world order based on the universally recognized principles of international law, multilateralism and equal, joint, indivisible, comprehensive and sustainable security". The last of these principles – especially the notion of indivisible security – was recognizable as the core contention offered by President Putin in support of Russia's invasion of Ukraine.

It is All About Power

Is there some way for us to reconcile these disparate approaches to organizing our national affairs? We have to be honest and acknowledge that the outlook is rather bleak. In thinking about the most basic or fundamental reason why national communities have different ideas about where to go and what needs to be fixed for that to begin to happen, a strong candidate is the attitude towards authority and power.

Broadly speaking, the West came to view concentrated power as a threat to justice and decency within states and to stability and peace between states. Their response has been constitutionally decreed limits on, and the disaggregation of, the power of the state and rendering routine changes in the group elected to manage the state. The alternative view considers this threat to lie in challenges to and aspirations to share the power of the state because this is considered to put at risk the national cohesion and discipline that can be harnessed to achieve great accomplishments.

Looking beyond the internal political arrangements of the key players to the arena of international security offers little solace. The dissonance that ultimately stems from the disaggregation versus concentration of authority and power is just as clear. Specifically, a critical consequence is the perceived weakness of reliable internal checks and balances on the choices available to the political leadership in Beijing and Moscow.

This adds a whole further dimension to assessing the significance of whatever information is made available, a dimension inevitably filled out by external actors and which fuels a heightened willingness to seek a more reliable balance in additional and/or stronger external countervailing arrangements. This is regrettable because such external checks and balances are inescapably blunter and more assertive than internal ones.

The revival of the QUAD process in the Indo-Pacific, the trilateral AUKUS arrangement to deliver – amongst other things – nuclear-powered submarines to Australia, and the urgent determination the Ukraine conflict generated in Sweden and Finland to secure NATO membership could be seen in this light. The shock of Russia's weakly rationalized but painstakingly premeditated invasion of Ukraine in 2022 was exacerbated because it encountered already weakened international confidence in the conventions and processes designed to ensure stability and peace.

Adapting the Rules

Is there nonetheless space for a constructive conversation on these matters? Finding that space is a challenge that we must approach with all the creativity and humility that we can muster. The prevailing rules-based order has delivered on a vast scale and across a broad front for over 70 years, not least in preventing war between the major powers. We can therefore presume that the rewards for a process of genuine engagement on constructing a workable adaptation of the current order could be immeasurable.

No state should claim a monopoly on wisdom. No state should presume to be on the right side of history. Democracies may be prone to slipping toward chaos as priorities and process are lost in a scramble to indulge too many disparate aspirations. Equally, however, no authoritarian leadership has ever dared to offer a candid account of how the order and discipline they covet were achieved and is being sustained.

We already have a modest track record of edging closer together on a range of the more sensitive issues on the international economic, political and social agenda. Furthermore, US Secretary of State Antony Blinken has noted that the prevailing order needs to be modernized to address the challenges now facing us but which could not even be imagined when the order was framed. Even if a path to reconciliation cannot be readily identified, both sides acquiring a deeper appreciation for the perspective of the other could prove to be a decisively important shock-absorber.

The final, and definitive, reality is that we must change our ways. Business as usual is not an option. All the empires of which we are aware stemmed from a powerful, unfettered leadership that achieved compelling dominance and used that status to frame the 'orders' associated with them – Persian, Greek, Roman, Mongol and so on down to the United Kingdom and America in recent times. We can also surmise that all these leaders encountered the same dilemma: how to make the order suit the values and interests of the dominant power while also being sufficiently attractive to the others to be essentially self-policing and keeping the costs of sustaining order within manageable bounds.

This traditional way of an actor achieving compelling dominance and using that status

to shape a new order has been overtaken by nuclear weapons. Nuclear weapons are powerful beyond purpose – they have destroyed the relationship between outcomes on the battlefield and any combination of numbers, technology, strategy, tactics, planning, judgement, effort, bravery, skill and honour. Compelling dominance has become much harder to achieve and capitalizing on that dominance in a world sprinkled with nuclear weapon states harder still. The next iteration of the rules-based order, if there is to be one, will have to be the first framed in some collective fashion.

A Role for ASEAN?

The foregoing observations suggest a cluster of straws in the wind, small indications that alongside the need for an innovative approach to refurbishing the prevailing order there may well be something of a political appetite to consider novel approaches even if the likely outcome is a somewhat spartan order. These straws continued to swirl positively during the cluster of high-level gatherings in Southeast Asia in November 2022, notably ASEAN's East Asia Summit (EAS) and the Indonesia-chaired G20. The G20, having found a way through the Ukraine question and energized by a long and earnest bilateral between President Xi Jinping and President Joe Biden, produced a lavish 52-paragraph leaders' statement, perhaps the first consensus statement from a broad group of leaders since the invasion of Ukraine.

ASEAN must ensure that its several familiar and trusted security processes – especially the EAS and the ASEAN Regional Forum – remain alert to opportunities for these processes to assist with creating or sustaining the many protracted conversations between states that surely lie ahead.

Ron Huisken, now retired, divided his career between government and academe including significant stints with the Stockholm International Peace Research Institute, the UN Department of Disarmament Affairs, the ANU's Strategic & Defence Studies Centre and the Departments of Foreign Affairs and Trade and Defence in Canberra. This commentary is an adapted version of the article published in the CSCAP Regional Security Outlook 2023, which is available on the CSCAP website (www.cscap.org).

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Projects/Events | The Tokyo Conference / The Tokyo Conference 2023

What can be done to revive the disintegrating international order?

May 24, 2022

The theme for the final session of the 2022 Tokyo Conference dealt with how to revive the decaying international order.

Unfortunate that world has not responded with one voice against unilateral actions. Multilateralism is being undermined.

Sunjoy Joshi is Chairman of India's Observer Research Foundation, and he began the third session by commenting on the intensifying situation in Ukraine.

"As far as India is concerned, we are alarmed, we are shocked at what has happened to with the state of the international order. We believe that we need to get it back on track."

Joshi had been asked earlier in the conference why India is "not standing with everyone else" and is instead abstaining. He explained, "India has not voted for Russia. India's stand is very clear. It is tempered by interests; that is correct. But that is not the main point. We are part of Asia, and that really underlines why we need to take the stand which we have taken. It has been extremely critical of the violation of borders and international

law, and it does not support Russia in this at all. It does not support any country that tries to do that. Abstention itself is a strong statement against a partner with which it has had a relationship."

He also offered an even more critical perspective of how Russia's actions are affecting Ukraine.

"We find Ukraine in the midst of a very uncertain equilibrium of war, which threatens to spiral out of control. And that is dangerous. Some are saying that Russia has its hand on the nuclear button. There are some who would argue that Russia is holding back from using all its might on Ukraine. Others would emphasize that the Russian army has been challenged by the resistance (it has faced.) I think both are true. I can only hope that all sides realize that they are locked in a situation where they are going to be no winners. Even if Russia were to militarily conquer Ukraine, holding Ukraine and controlling the resulting insurgency is going to be impossible. The sheer distrust and hatred engendered by a unilateral invasion like this is something that lasts a few generations," he explained.

Regarding the state of the international community, he also hinted that previous responses to such unilateral military actions may be part of the reason it has not been effective in the case of the war in Ukraine.

"Unilateralism begets unilateralism. The attack on Ukraine is a consequence of the repeated failure of the global community to rise up in one voice against such actions in the past. A rules-based order cannot survive unless that order it truly universal," he said. "The only response we have seen has been economic sanctions, which I believe are an extremely blunt and ineffective policy tool in the face of actions like this. Sanctions work in a globalized world based on trade. The more the world gets fragmented and deglobalizes, the less effective sanctions are."

Joshi explained that the way forward may pass through a temporary period of chaos.

"At the moment, the path to a new world order does seem to lie through a new world disorder marked by increasing fragmentation. We are seeing the fragmentation of politics, the fragmentation of trade, fragmentation of data...and this is an extremely worrying sign. The fallout of Ukraine is probably going to see a greater emphasis on regional security architectures. It is good that Europe has committed itself to spending more and assuming

greater agency. That is important. That is a message that goes across to countries, whether it is Japan, South Korea, or Taiwan," he said.

In conclusion, Joshi pointed out that the rest of the Indo-Pacific will also be taking this message to heart.

"India has always been strong in underlining its resolve that the QUAD is not, as far as India is concerned, a security architecture. We do not want a security architecture like NATO. Countries will have to take greater agency in this world in safe-guarding their own security and safe-guarding their own interests, and ultimately, we need to find a way to get back to countries having conversations with each other. Diplomacy has to come back."

India's policy, according to Joshi, is that it is willing to "step in and do everything to get that structure back on its legs."

As security threats rise and global cooperation becomes more difficult, more attention needs to be directed towards realistic, self-sustaining security strategies as well as US/Europe and G7 collaborations

Ettore Greco, Executive Vice President of Italy's Institute of International Affairs, began with a comment on the Russia-China partnership.

"I also doubt that China can offer Russia the economic and financial lifeline that it is looking for. China seems anxious to limit collateral damage to Chinese interests, and lacks the technological capacity to substitute for the West. The most effective way for China to help Russia would be to invest heavily in Russia, and this would imply a heavy cost that China would probably be reluctant to sustain."

He continued by pointing out that it was previously thought that economic relations make up a major part of the international environment, but suggested that security issues may take precedence in the coming future. "And the Western countries should be ready to renounce some economic benefits to safeguard their security," Greco said.

Greco pointed out that among the issues facing Europe are the need for each member country to strengthen its own defensive capabilities while engaging in more effective intra-European defense integration. Another issue arises from how those in power in the US are now looking at the relationship with Europe.

"The second question is the solidity of the US domestic consensus surrounding renewed trans-Atlantic commitments, given the past reservations which manifested themselves, especially during the Trump administration, and the persistent political polarization on the domestic scene," he said.

"Looking beyond NATO," he continued. "It has also become fairly clear that the Community of Democracies project promoted by President Biden has structural limitations when it comes to addressing crises with such huge political and economic implications."

Finally, Greco noted that geopolitical tensions are likely to make it increasingly difficult to cooperation with Russia and China to protect global commons and global issues.

"The negative impact on the prospect of advancing the G20 agenda will be considerable," he concluded. "Russia and China have taken a pronouncedly less cooperative attitude within the G20, and they now fear that the G20 can be used to promote specific Western interests. The risk is that the deepening geopolitical and technological rivalries can prevent agreements to establish common rules, regulatory frameworks in crucial areas such as outer space, cybersecurity, and others."

Reform of the international order is just as important as its regeneration

Hans Kundnani is Director of the Europe Programme at Chatham House in the UK, and he began by offering another perspective on the future of the international order. "In a sense," Kundnani began. "If we do want to revive the disintegrating international order, we have to think not only about defending it but also about reforming it. I think that's an equally important part of restoring order? to think about some of the mistakes that we have made, by which I mean the West in the last 30-40 since the Cold War ended. I think what China and Russia are doing is exposing some of the problems with the international order that we actually created."

Kundnani pointed out that there is a tendency to look at the rules-based liberal international order as a monolithic entity that emerged in 1945 and then remained intact until recently.

"The reality is much more complicated," he said. "First, the order evolved over time."

He reminded attendees that NATO's military attacks during the Kosovo War were conducted without a mandate from the UN Security Council, and therefore it, "broke the rules."

Kundnani described how the West defended its actions by calling the events in Kosovo a genocide, which, for NATO, made intervention more important than following international rules.

"One can argue about whether that was the right thing to do or not, but we set a precedent there by violating the sovereignty of Serbia," he said. "After Kosovo, it became difficult to say that NATO is a purely defensive alliance."

"This is connected to the human rights order," he continued. "We did a whole series of things related to human rights that undermined the qualified nature of sovereignty which had been central to the international order up to that point. Particularly things like the International Criminal Court, the concept of (having the) responsibility to protect, humanitarian intervention, this was undermining the principle of sovereignty."

In conclusion, Kundnani returned to his initial point.

"As we think about how we revive the disintegrating order, we have to think about some of those mistakes we've made. We have a choice between what kind of order we want. Is it to go back to the Cold War order where state sovereignty is absolute, or do we want to continue with this more liberal order, which I think actually does create instability, even if there are other reasons for doing it."

West can isolate Russia by bringing China and India into stronger global governance

Rohinton P. Medhora, President of Canada's Centre for International Governance Innovation spoke next.

"Russia's miscalculation, epic as it might be, might be the result of what Russia has done in the past," Medhora began. "The tactics we now decry were test-driven in other parts of the world. Oligarchs: after Russia, Ukraine must be the country that is at least as corrupt. The whole Russian political economy that we now worry about is the result of a flawed liberalization that goes back to the fall of the Berlin Wall and the split of the Soviet Union."

Medhora offered a suggestion that he felt might be better tailored to the current reality of Russia.

"What if I said to that rather than freeze accounts, we had more concrete governance around money laundering. Maybe that's the way forward, so that we wouldn't have this kind of situation in which we welcome dirty money in our real estate markets and in our financial systems in the first place. This is not a Russian oligarch problem. Time and again, leaks like the Panama papers have shown that corruption in many countries is something that breeds on itself."

Medhora said that he would apply the same logic to energy, cybersecurity, and digital platform governance.

"Data governance...is a global governance challenge and we're only going to get information and misinformation through that mechanism rather than doing tit-for-tat." In reconsidering how the global governance system will work, he noted that eyes should be on the example of China, before noting that that the Russian and Chinese economic systems cannot be compared.

"The Chinese development model...is actually for real. China has pulled out more people from poverty in less time than any other country in history," he said. "Many developing countries see that. They did not see that in the model of the former Soviet Union and they certainly don't see it in current Russia. It is a mistake to compare Russia and China, and therefore Ukraine and Taiwan. I see some similarities, but I think the underlying issues are much different, and you are dealing with a completely different set of historic and economic issues. China is more constructively plugged into the global system than Russia, and so if you want to create a new international order, I do think that China is a lynchpin in the sense that if we could tweak some of the processes of globalization...I don't think we'll see the kind of fractionalization we are seeing at present."

Medhora explained that without this sort of effort, countries like China and India may fall into the Russian camp, when few desire such a result.

"Russia would be a lot more isolated if global governance processes moved in the right direction, and I think G20 and other for should get us there. Perhaps not fast enough, but I do not see any other way around," Medhora concluded.

The world will become more instable regardless of whether Putin wins or loses. The current China-Russia alliance is short-term; restraint needed to achieve stability

Carlos Ivan Simonsen Leal, President of the Getulio Vergas Foundation in Brazil, described how the war in Ukraine could affect the global order and asked what can be done post-war.

"Suppose that Putin wins, then the world will be unstable. Suppose that Putin loses, then possibly he will fall and we will have an unstable world then," he said. "Suppose the war lasts for a long time, then we will have instability, too. I think we are very much afraid of a

nuclear outcome...but if there is no nuclear outcome, what can we do to ensure a path to recover stability?"

Leal explained that China may not be interested in restoring stability.

"China has the Taiwan problem (and it is) related to One Belt, One Road. Without Taiwan, China doesn't control the South China Sea; without the South China Sea, the One Belt, One Road (initiative) isn't complete. As long as the US has a foothold there, they don't have a complete One Belt, One Road."

While China can be patient in achieving its objectives, Leal feels that Russia does not have the same leeway, as, "Russian GDP and demographics are dropping." The alliance between Russia and China may also end up being only a short-term alliance, as Russia would have to accept its role as a minor player in such a partnership.

"Containment has to be restored," Leal continued. "But not only does the West have to contain Russia and China, it also has to contain itself. It cannot be pushed into decisions that it cannot make. This is the time for restraint. No one wants a nuclear war in Europe. That would escalate very easily into a global nuclear war."

Leal mentioned China's issues in bringing Hong Kong within the mainland political framework, before implying how those difficulties would be magnified for Russia in Ukraine.

"Imagine what would happen to Russia if they were successful. They would be absorbing 40 million Ukrainians that had been living under democratic rule for 30 years. The Ukrainians are showing that they love their democracy. They are dying for it. Imagine a population of 140 million people absorbing 40 million that think different. It's not only the instability of war. It is not a one-step game. It is several steps."

The current problem lies not in the expansion of NATO, but in territorial integrity and how to ensure the survival of a democratic government

Greco was asked to take the mic again and began by responding to some of the points raised by Hans Kundnani. He began by expressing his agreement that NATO and the Western countries have made many mistakes.

"After the fall of the Berlin Wall and the collapse of the Soviet Union, we appeared to be aware that Russia should not be humiliated. There was a need to give Russia a say in security affairs in Europe, leading to the establishment of the (NATO-Russia Council) and also Russia's inclusion in the G7/G8. At the same time, the way other countries were integrated was ill-conceived, especially after one decision taken at the Bucharest Summit under the Bush administration, and the way in which the open-door policy was pursued. Second, the eastern expansion...was also pursued without considering some implications. A more balanced approach would have been more effective."

However, he insisted that the issue now at hand is not the enlargement of NATO.

"The problem at the moment is the territorial integrity of Ukraine and the survival of its democratic government."

Greco stated that the post-Cold War order had a number of issues, the largest of which was the fall of the Soviet Union.

"We had to manage this fall and its implications, and we were not doing that skillfully," he said. "Now we have a revisionist power (in Russia), and we have the problem of containing (it). Then we have the rise of China. We should have taken into account the need to adjust for that situation."

Greco agreed with the need for some containment, but pointed out that concessions are also necessary if the desire is to find balance in the global order.

New rules are not needed; current rules simply need to be enforced equally

Lawrence Anderson is Senior Fellow at the S. Rajaratnam School of International Studies in Singapore, and he noted that there are several clear differences in position that aggravate the issues currently being faced.

"The rules and regulation were made at the end of the Second World War, and therefore it was very much a Western-oriented thing. But after decolonization and especially in the post-Cold War period, we had a proliferation of states. There are now about 193 countries in the UN, and there wasn't even half that amount in 1945. I think one critical issue is that the West is mistaken in how they think that the entire world shares the same values that we do. They think that there are universal values, and they are defined by the Western liberal countries. Clearly now, when you have so many countries coming to the fore with different experiences, different cultures, different ways of seeing things, there are other voices that wish to be heard."

Anderson believes that assumptions inherent to the very concept of "universal values" result in confrontation with any country that does not subscribe to them, but a different approach may make it easier to find a new path.

"Discussion, dialogue, is the way to move forward. This is very important because you have many voices to take into account. In this sense, we should realize that it is not a question of totally re-writing the rule book. We have a rule-book that is tried and trusted and very good to follow. The problem is that (the West doesn't) follow it," Anderson stressed.

"Rules and regulations are there," he emphasized. "If you need to change certain things, it should be inclusive. They should be changed if necessary through peaceful means. The assumption is that we are all different creatures. We subscribe to certain values, yes, but do not assume that everybody thinks the same way."

As moderator, Genron NPO President Yasushi Kudo turned to James M. Lindsay, Senior Vice President of the Council on Foreign Relations of the US, for his opinion on what lies in store for the future of the global order.

Turning point on the road to the birth of a new order; the West's response to Russia's decisions, and the decisions of the US, China, and other major powers, will determine what form that order takes

"The Russian invasion of Ukraine is a potential hinge point in history," Lindsay stated.

"We're on the cusp of potentially a new order. What that order is going to look like has yet to be determined. It is going to be determined by the choices that major powers make."

Lindsay agreed with the point made by Medhora about China's stake in the existing order and said, "While it is not entirely happy with the existing economic order, it seems to have always had a preference for stability. But the Chinese have made the decision to side with the Russians, and that has created an instability. Will China continue down that road, in which it continues its strategic partnership without limits with Russia? If that happens, it is going to be very difficult to find a way to patch the existing order back up."

He mentioned that the choices made by the US will have a similarly powerful influence on the future of the order, and stated that the (March 12) meeting between US National Security Advisor Jake Sullivan with the high-ranking Chinese diplomat Yang Jiechi in Rome shows that the Biden administration is trying to persuade China to avoid following Russia's example. He then returning to his initial comments from earlier in the day.

"There's a lot of talk about how remarkable it is that (the Western) countries have come together, and are working shoulder-to-shoulder in a consensus-based fashion. But the fact that you are unified at the start of a crisis does not mean that you will be unified...years down the road. Again, I think this is a pivot point in world history, and where we go is going to be decided by the choices that the leaders of key countries make."

Kudo asked Lindsay to expand on whether or not the US and China are moving towards strategic stability.

US choices are not limited to either "realistic" or "idealistic" approaches, but to what Biden administration wants to achieve

"The Biden administration understands that China is a great power, that it has considerable influence over the evolution of the world order," Lindsay answered. "However, the United States also believes that it needs to contest certain choices that the Chinese government wishes to make. It has many like-minded countries in Asia, but not only in Asia, who share that point of view. And the Biden administration is hoping to present a united front, while also looking for ways to offer China some of what it wants."

Lindsay pointed out that the choices made by China will play a role in how the US responds, however.

"If the Chinese government sticks on the path it is currently on, in which it is going to back Vladimir Putin's war in Ukraine, then I think it is going to be very hard to find common ground between Washington and Beijing. I think it is going to be very hard to find ways to reform the existing order because lines will be drawn in the sand. There are certain principles that, for the United States, are non-negotiable. At some point, you have to stop, choose, and make a stand. I think we are in one such moment. My hope is that we will have smart diplomacy, and we will be able to keep this all contained, but again, this is also a very risky moment. It's a very dangerous time."

Kundnani addressed Lindsay's comments when he stated that he sees the US as being pulled in two different directions.

"There is a choice, but I wonder if it's becoming starker than it was before. (It is) between a realist US policy approach in support of a realist order, which would prioritize stability, and an idealist or liberal approach that would deprioritize stability in a way and prioritize values or ideology. My question is whether the US will try to balance these two tendencies? Will the US be forced to choose here, or am I mis-reading that?" Kundnani asked.

"I don't like the terms realism and idealism. I don't think they're very helpful for any of this. The reality is that in life you often have tradeoffs. You're going to have make choices," Lindsay responded. "There are obviously a number of problems in the economic realm where a Biden administration might have been able to work with like-minded allies to do some very smart things. Instead they have tangled themselves up in a slogan called, 'Foreign policy for the middle class.' I have no idea what it means, but in essence, there

has just been more drift rather than bold action that would diminish differences and irritations with other countries and would also serve America's interests."

He concluded by noting that the democratic nature of the US has an enormous influence on how policy changes there.

"You have elections, leaders change. Different leaders will make very different choices. If you were to see Donald Trump return to the Oval Office in January of 2025, you're going to go down a very different path of history."

Zhou Bo is a Senior Fellow at Tsinghua University's Center for International Security and Strategy in China, and offered a Chinese perspective on the discussion of strategic stability between China and the US.

"Strategic stability, narrowly speaking, means the balance of nuclear weapons. Broadly speaking, it means how to avoid an arms race. So if we talk about the balance of nuclear weapons, China nuclear weapons cannot balance that of the United States. So the only way out is to drastically increase its (nuclear arsenal) or for the United States to reduce its nuclear weapon (numbers) to the level of China."

Zhou described both of these options as unfeasible, but offered a third.

"I think a very realistic way out is to talk about 'no first use of nuclear weapons.'
Especially since Mr. Putin threatened to use nuclear weapons. Now we can talk about no first use of nuclear weapons."

Zhou noted that this potential policy resembles the Biden administration's standpoint that nuclear weapons should be primarily used as deterrence.

"The only worry is (about what the US' allies will think.) Its allies are afraid that the United States will give up its nuclear weapons, but why should (its) allies worry? An attack on one ally is an attack on all countries," he stated, before noting that even in the case of North Korea, the policy still can be applied.

"The North Korean nuclear arsenal is not very big. So if the DPRK used nuclear weapons, that's committing suicide."

Diversity needed for the future order, but the issue now is the crumbling foundation of the current one. Solutions will serve as a bridge to the discussions at next year's Tokyo Conference

Kudo brought the session to a close by expressing his concerns for what he described as the "collapsing foundations of the international order."

"The discussion about achieving coexistence within the international order will likely be based upon inclusive diversity rather than the imposition of Western values, but the issue at hand is the fact that the very foundation needed to achieve co-existence is collapsing," Kudo said. "My hope is that the international community can reaffirm the fundamental basis upon which coexistence is built? that unilateral assault on sovereignty and territoriality will not be permitted, and that conflicts will be resolved through peaceful means. An understanding of this can be used as a bridge to our discussions for next year's Tokyo Conference, and I hope that we can depend on all of your support as we work to achieve this."

With that, Kudo brought Tokyo Conference 2022 to a close.

Amid Global Flux, Complacency Is Not an Option

Canada can help design digital and data governance models to build a new level of cooperation through global institutions.

CIGI

By Paul Samson October 12, 2022

In terms of geography and natural resources, Canada's place in the world is arguably second to none. We are a significant economy (eighth largest in 2022) and consistently rank among the top countries in aggregated measures for health, knowledge and living standards. Infrastructure and technology are good. Canadian institutions are strong despite stresses made clear by the COVID-19 pandemic. Yet the future is full of challenges.

Globalization looks set to continue to shrink and disrupt the world whether we like it or not. The planet's ecological, economic and social systems are transforming rapidly through the large, blunt footprint of human activity, interconnected markets and the relatively seamless flow of people and ideas. Critically, the digital revolution has spawned a new economy driven increasingly by <u>intangibles and data</u>. Institutions and governance have not kept pace with change.

As in the fable of the small lily pads that double in number every day until they suddenly cover the entire pond, the digital age has seen exponential change made common. Consistently cheaper computing power (Moore's law) allows companies to scale information and data in unprecedented ways and grow. Companies with data-fuelled products, such as Google and TikTok, have grown exponentially in size. Suddenly, they cover much of the "pond" and are much larger than many utilities or banks that have been around for generations. Humans are not accustomed to exponential change. But we must now seek to understand it.

Prior to the COVID-19 pandemic, the global economic paradigm had weakened through regular financial crises, cracks in free trade, gaping wealth and social inequalities, and the rise of populist reactions worldwide. The pandemic and its ripple effects have now pushed the neo-liberal economic model over the precipice, at a time of high debt, alarming inflation and a spike in interest rates. The tragic war in Ukraine has spurred global rivalries and buried issues of shared interest, creating risks of ongoing or even broadened conflict.

There is no consensus or apparent model to drive international cooperation, creating an increasingly fragmented system. As a result, international cooperation risks falling short of what is needed, even on issues of clear common interest such as global financial stability and climate change.

True <u>technological revolutions</u> — such as the invention of the steam engine or electrification — are very rare. They have unparalleled power to spur entirely new sectors of the economy. <u>Debate continues</u> about the impacts of digitization on productivity. But there is no denying that new technologies combining digital, physical and biological realms — data science, robotics, biotechnology — are creating a whole new economy.

The revolutionary nature of the change is most obvious in the applications of artificial intelligence (AI) to help solve basic data problems such as predicting protein folding, assisting medical imaging, fighting cyberattacks, and creating autonomous robotics and virtual reality simulations and games. In concrete terms, these new technologies create virtually limitless streams of new data. Estimates of the amount of data generated, captured, copied and consumed around the globe are mind-blowing. In 2010, the volume of global data was about two zettabytes (two trillion gigabytes). It is expected to reach 120 zettabytes in 2023.

Swelling data flows create significant opportunities for governments to improve and adjust services, analysis and communications. Similarly, new data enables companies to innovate and offer new products for consumers. But with those opportunities come new risks, such as higher stakes for consumer data protection and privacy. Many governments around the world are passing or urgently developing legislation to try to manage data within their borders. But a path forward for international norms or standards is not clear.

It's obvious that data governance will be essential to international cooperation in the near term, given the burgeoning role of data in the global economy. At the same time, further fragmentation of the existing order risks entrenching digital realms around the world into isolated or shielded blocs. In such a scenario, one can easily envision even less international cohesion and more rivalry. There is a growing risk of an international digital and data-driven arms race becoming the new normal. AI currently looks like a race with few rules.

Common human problems — led by climate change and inequality — require shared solutions. And global institutions urgently need fresh tools and approaches with which to tackle change and reenergize international cooperation. Digital and data governance, given its exponential ascent in relevance for all countries, is a potential theme and vehicle for driving broader reform and change. Canada can lead in proposing ways forward.

What are the options for the path ahead? Global institutions are notoriously difficult to reform, let alone create. But historically, times of crisis are their incubator. It may be that the current state of international affairs is disruptive enough to create the conditions necessary for a significant adjustment in the international system.

There are many historical precedents, but rarely smooth ones. For example, the global financial system we now have arose out of the ashes of global conflict. The Group of Twenty <u>Leaders' Summit</u>

<u>in 2008</u> was a response to a global recession. The International Energy Agency was <u>created in 1974</u>, following major conflict in the Middle East and the oil crisis of 1973.

The Centre for International Governance Innovation has proposed the development of an <u>international digital body</u>, a <u>Digital Stability Board</u>, with a view to building an effective international system of data governance. It follows the example of the Financial Stability Board created in the aftermath of the 2008 global financial crisis.

No concrete model for a digital body has yet emerged. But initiatives are under way that could serve as a starting point. This includes the <u>Digital Economy Partnership Agreement</u>, a plurilateral trade framework seeking to build cooperation on a range of emerging digital economy issues, including AI, digital identities and digital inclusion.

Over the past century and a half, Canada has positioned itself to become a strong natural resources and trading power within a rules-based global market. More recently, this country has taken steps to be in the vanguard of innovation in AI and quantum computing. It's essential that this position now be leveraged to good advantage. Canada can help design digital and data governance models to build a new level of cooperation through global institutions. The time to do this is now.

A version of this piece is cross-published with iPolitics.ca.

The UN's Summit of the Future: Advancing Multilateralism in an Age of Hypercompetitive Geopolitics

by <u>Richard Ponzio</u> and <u>Joris Larik</u> September 16, 2022

World leaders are gathering once again next week in New York for the seventy-seventh annual session of the United Nations General Assembly (UNGA). This unique gathering is an opportunity to mark important milestones in international cooperation—such as the endorsement by heads of state, in September 2015, of the 2030 Agenda for Sustainable Development or, though largely online due to COVID-19, the commemoration of the UN's seventy-fifth anniversary in 2020 (UN75).

On this year's agenda is nothing less than deciding on convening a Summit of the Future to overhaul and strengthen multilateral cooperation in an age of deepening rifts and increasing competition between the great powers. Secretary-General António Guterres had called for such a Summit in his seminal *Our Common Agenda* report of 2021, which Member States in the wake of UN75 had mandated him to produce. As further proposed by the Secretary-General, the Summit would culminate in a Pact for the Future, enshrining the most pressing reforms for the coming years. Many of these goals *Our Common Agenda* already outlines.

Even long before President Zelenskyy lambasted the UN's dysfunctionality in an address last April to the Security Council, it was plain to see that the UN in its present set-up is incapable of delivering on its far-reaching mandate. However, in the current political climate, the level of ambition—in terms of the Summit of the Future's preparatory process and outcomes—hangs in the balance. To grasp the importance of the Summit and its success, we need to first put it in the current context of hypercompetitive geopolitics and analyze the present debates about its organization through that lens. As we argue, a failure to convene a meaningful and ambitious Summit would be a lost opportunity, dealing a severe blow to the future of multilateralism.

Reform in an Age of Hypercompetitive Geopolitics

While there is a lot of talk of the "rise" of geopolitics in contemporary international affairs, it would be more appropriate to argue that besides a brief "unipolar moment" following the end of the Cold War, geopolitics and multipolarity were never truly gone. During the Cold War, many countries, the majority of which are today considered to be in the "Global South," resisted bipolarity in the Non-Aligned Movement. The past three decades witnessed the emergence of China and the EU as increasingly prominent international actors, alongside the rise of the BRICS countries (Brazil, Russia, India, China, South Africa).

Moreover, during the post-Cold War period, the development of international rules and institutions never ceased. At times, effective global governance was hampered by power politics, of which the most prominent example continues to be Security Council gridlock, followed by nuclear non-proliferation. At other times, international agencies, civil servants, peacekeepers, and coalitions of small and medium-sized countries just stubbornly beat on, against the currents of great power competition, to manage global problems ranging from food shortages and refugee surges to diseases and conflicts.

But what is new today is a contemporary style of hypercompetitive geopolitics and overtly hostile relations between different poles of power. Chiefly responsible for present tensions is Russia's war of aggression against Ukraine, a brazen violation of the world body's Charter. Russia's actions represent an escalation from a pattern of cyber-attacks, disinformation campaigns, and military aggression against neighboring countries. Not since the Cold War has such threatening language been used, as witnessed starting in February of this year, raising the specter of a nuclear confrontation between Russia and the West.

Additionally, China's stepped-up pressure on Taiwan, resurgent competition between countries in space, the race to dominate artificial intelligence and other frontier technologies, and continued differences over the transition from fossil-fuels to renewables to halt runaway climate change, have intensified distrust and hampered cooperation between great powers, as well as between major groupings of powerful states such as the BRICS and the G-7 (Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States).

Equally alarming is how, in the UN General Assembly (where no country has a veto), successive votes since early March have revealed the emergence of two divided blocs which view all UN issues, large or small, through the prism of the Russia-Ukraine war. More than simply suggesting that a country is pro-Russia or pro-Ukraine, the votes could portend the further fragmentation of the world along pro-authoritarian and pro-liberal democratic lines.

This all results in what the EU's foreign policy chief Josep Borrell calls "a world shaped by raw power politics, where everything is weaponised and where we face a fierce battle of narratives." In this battle, the West has repeatedly failed in upholding its narrative based on democracy, human rights, and the rule of law. The Trump administration's four years onslaught against multilateralism, democratic backsliding in Poland and Hungary, the oftentimes farcical and self-absorbed negotiations over Brexit, and rich countries' episodes of hoarding COVID vaccines have left deep dents in the West's self-professed role as champions of rules-based global governance that others can rally behind.

A Summit to Climb out of the Shadows

Whether global governance can continue to function—let alone be reformed—in the shadow of this unforgiving milieu is the key question for the coming years. The Summit of the Future and the debates surrounding its organization are an important litmus test for this.

There is <u>evidence</u> that the heightened tensions between great powers have already spilled over during the past two months into General Assembly negotiations on a "modalities resolution" on the specifics of the proposed Summit of the Future. Difficult to bridge divisions have emerged between Russia, Brazil, and Pakistan on one hand and the United States, European Union, and Japan on the other. These differences have included whether to hold the Summit in September 2023 or push it back to 2024; whether to endorse its outcome declaration by consensus or a majority vote; whether to provide for meaningful civil society engagement in its preceding negotiations; and whether to welcome the recommendations of the Secretary-General's <u>High-Level Advisory Board on Effective Multilateralism</u>, which are scheduled to be released in early 2023. On Sept. 8, 2022, the modalities resolution was <u>adopted</u>, in which it was decided to push the Summit back to 2024.

Fueling this politically fraught backdrop were earlier vocal misgivings and even distrust expressed toward the Secretary-General by some Member States—including Russia, Brazil, Pakistan, Cuba, and Iran—regarding his *Our Common Agenda* recommendations to renew the UN system. This disapproval resulted in the watering-down of an otherwise straightforward follow-through procedural resolution approved, in November 2021, by the General Assembly, ultimately calling into question the value of such "consensus-based resolutions." Indeed, sentiment is growing among Member States to allow dissenting votes on such resolutions without derailing them, including for modalities resolutions and major intergovernmental declarations that have historically operated through consensus.

To build greater trust and confidence, the President of the General Assembly, Abdulla Shahid of the Maldives, convened, in early 2022, a five-part *Our Common Agenda* dialogue series. While well-intentioned, <u>fundamental disagreements persisted during and following these consultations</u>. Besides expressing sometimes opposing views toward the Secretary-General's ideas for reworking the international financial system, fighting climate change, and reorganizing the UN budget, several developing countries, such as Brazil, Egypt, and Iran, expressed skepticism and cast doubt on the need for a Summit of the Future, while most advanced industrialized countries expressed broad support for a high-level, multi-stakeholder summit.

Meanwhile, the need to improve global collective action could not be more pressing. In 2022, the growing impacts of climate change have been felt across the globe, from prolonged drought in the Middle East and North Africa, to erratic monsoons in South Asia and record-breaking heat waves in Europe and China. At the same time, the COVID-19 pandemic—which reached the tragic milestone of one million deaths within the first eight months of this year—and the ongoing war against Ukraine and other violent conflicts have impeded global progress toward implementation of the Sustainable Development Goals by 2030.

These seventeen goals have been further undermined by the growing debt emergency facing many developing countries, which has exacerbated conditions for the now estimated 828 million people globally affected by hunger (a jump of 150 million since before the pandemic). Last month's failure of the <u>Nuclear Non-Proliferation Treaty</u>

<u>review conference</u> to reach consensus among the great powers on a substantive outcome also reinforces the narrative of a global governance system in crisis.

As Secretary-General Guterres rightly noted in *Our Common Agenda*, "the balance between a global breakthrough and a breakdown scenario hinges on the choices we make now." Therefore, the Summit for the Future could set the stage for a much-needed breakthrough in global governance; without ambition and results, it could equally represent a harbinger for its collapse.

The UN75 Global Conversation conducted in the lead-up to UN75 confirmed that billions worldwide support a system of global governance that values cooperation over discord and promotes an expansive notion of peace, where all peoples and nations have opportunities to live in free, safe, and habitable societies in harmony with nature and their neighbors. But without critically needed institutional and normative changes in the lead-up to the Summit of the Future, an international system that can effectively tackle global challenges—perhaps overcoming some of the most excessive trappings of great power competition—will soon be out of reach.

Image: Broken globe (via Getty Images).

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After Ukraine, a Shattered Multilateralism?

After 2020 and the outbreak of the pandemic, 2021 seemed a promising year, thanks not only to economic recovery but also to a (partial) "revival" of multilateralism. This year Russia's invasion of Ukraine sounded like a "wake-up call" triggering geopolitical and economic turmoil on the global scale and casting doubts on the prospects for multilateral

ISPI Commentary

By Davide Tentori and Antonio Villafranca November 14, 2022

After 2020 and the outbreak of the pandemic, 2021 seemed a promising year, thanks not only to economic recovery but also to a (partial) "revival" of multilateralism. This year Russia's invasion of Ukraine sounded like a "wake-up call" triggering geopolitical and economic turmoil on the global scale and casting doubts on the prospects for multilateral cooperation. However, even at a time when States focus on short-term priorities (such as economic slowdown and skyrocketing energy and commodity prices), long-term challenges (from climate change to global health and international trade) remain. How to address them in such an uncertain scenario? Is the G20 still fit for purpose given the increasing political and economic fragmentation among its members? As G20 leaders are about to gather in Bali, we argue that low-hanging fruits of key multilateral issues can still be reaped, provided that G20 members adopt a down-to-earth approach.

Fragmentation: the new global buzzword

February 24 turned out to be a wake-up call. Russia's invasion of Ukraine started a conflict which has had a limited geographic scale, but far-reaching consequences from the geopolitical and economic point of view. As a result, the war produced a considerable "setback" to the global recovery, with growth forecasts for 2022 revised downwards from 4.4% in January to 3.2% in October, and even more gloomy for 2023 (+2.7% at global level, but with advanced economies growing only by 1.1%). The impact of the war is proving to be different from the one suffered in 2020: if the pandemic brought about a cross-cutting shock to the global economy with almost no country able to escape, the effects of the war are producing many "losers" (in particular net commodity importers), but also a few "winners" (major producers and exporters of raw materials). Moreover, the very fact that the impressive rounds of economic sanctions imposed to Russia by Western countries have not been matched by similar measures by other countries is likely to increase economic fragmentation as well as political divisions.

The war in Ukraine is likely to accelerate a longstanding process out of which <u>an increasing division of the world into blocs is emerging</u>, casting doubts on the future of globalization. The increasing economic frictions between the US and China, following Washington's introduction of a <u>set of export</u>

restrictions of semiconductors to Beijing, is just an anticipation of that will mark the coming years. However, a "Cold War-style" distribution of power does not seem around the corner as political and economic ties are still binding regional blocs strongly together. The growing number of Regional and Preferential Trade Agreements (now amounting to around 350 – Facchini, da Silva, Willmann, 2021) provide a clear-cut example.

Against this background, progress on the multilateral agenda seems anything but easy in the short term. Nevertheless, urgent global issues remain on the table and no concrete result will be available without joint efforts. **Is it still possible to find a common denominator** and make at least a few concrete steps ahead despite today's international turmoil?

Carrying the multilateral agenda forward

Despite today's fragmented global landscape and geopolitical tensions, the case for multilateral cooperation remains stronger than ever. The world is, in fact, facing a wide set of challenges that threaten our future. They can only be addressed by involving all major economic and political players. Global issues call for global solutions, and unilateral or uncoordinated actions, even when taken in good faith, risk being ineffective if not followed-up by most actors. The Covid-19 pandemic, which has ravaged across the world for more than two years, has shown beyond any doubt that no nation can shield itself completely from external threats and proceed on its own path.

Cooperation is key also to tackle another challenge, the one that is key the very future of our planet: climate change. Just like infectious diseases, pollution and global warming ignore borders and create spill-over effects that affect countries on the other side of the world. Nations have to come together to face threats caused by higher temperatures, advancing desertification, and rising sea levels. Uncontrolled changes spurred by global warming would radically impact global economy and alter long-standing dynamics, a scenario that no country can face – let alone counter – on its own.

Climate is undoubtedly the domain where there is the greatest urgency for effective multilateral cooperation. Despite its short history, climate diplomacy has already achieved a lot, starting from the Montreal Protocol – so far the only climate treaty ratified by all countries – signed in 1987. Although some of the recent rounds of COP have been largely deemed unsatisfactory, COP26 brought back a glimmer of hope and reinforced the case for multilateral action in the climate domain. However, if in Glasgow it was possible to show that the international rivalry between the US and China may be (temporarily) put in the "backstage", the energy crisis experienced in particular by Europe over the past year, combined with ongoing geopolitical tensions, will likely undermine the attempt of COP27 in Egypt to provide a new opportunity for climate-focused multilateralism. More concretely, COP27 was expected to bring about greater financial commitments to developing countries in the areas of mitigation and adaptation, bridging a gap that often leaves the most vulnerable without adequate resources to face the consequences of global warming. But major steps forward are quite unlikely this time around, also in light of the difficulties faced by the Glasgow Financial Alliance for Net Zero (GFANZ): the mechanism –

launched at COP26 – was supposed to gather around \$130tn of assets devoted to "green finance" projects, but it has been losing key members and has been accused of largely adopting "greenwashing" practices.

Climate-focused multilateralism is only one of several dimensions where the world as a whole would benefit from renewed cooperation among States. International trade is by its own nature an area where countries are supposed to coordinate, shape policies and agree on a common set of rules. However, recent years had been marked by a sharp turn towards unilateral measures and protectionist policies: even before the Covid-19 pandemic, for a slowdown in global economic growth. The pandemic outbreak had an immediate impact on trade measures, given the high number of export restrictions for medical goods that many States implemented in 2020, but also on trade governance itself: the WTO 12th Ministerial Conference, initially planned for 2020, had been postponed for several times until June 2022. The international gathering, although falling short of achieving a major (and long needed) reform of the Geneva-based organization, managed to reach some important results and, most importantly, showed that the WTO is "still alive" and it is hence pretty clear that globalization is not doomed to end; it is rather going to take a different shape through the definition of new economic partnerships along supply chains (either global or regional). Such redefinition process cannot be carried forward through unilateral initiatives – that would eventually lead to higher fragmentation – but only through multilateral engagements in further rounds of negotiations aimed at completing the reform of the WTO and making it fit to address the new challenges to international trade.

Nothing has shown the damages of unilateral trade actions as much as the Covid-19 pandemic when countries have hoarded medical supplies for themselves, blocked the export of crucial pharmaceutical products or shut down their borders without coordinating even with their neighbours. This behaviour has resulted in significant harm both to people's health and economies and has been most evident in what GAVI Chair José Manuel Barroso described as "vaccine nationalism". Advanced economies developed and administered Covid-19 vaccines at an unprecedented pace in medical history and, while this would remain a huge scientific achievement, the rest of the world had to wait, favouring the birth and spread of new variants. This pandemic demonstrated the dire need for greater cooperation on health issues and made it clear how pandemics are systemic risks for the whole global community and that it is imperative to boost global preparedness for future infectious diseases.

Vaccine nationalism and the unequal distribution of Covid-19 treatments **highlighted and exacerbated another area where multilateral cooperation is needed: the gap between the world's rich and poor**. In fact, the inability to obtain vaccines <u>severely affected the ability of low-income and emerging economies to recover</u> effectively from the pandemic downturn, paving the way to increased global divergence. Such a divergence creates significant economic risks and hampers, especially **in the current context of rising interest rates,** financial stability in countries lacking adequate fiscal resources, <u>triggering fears of new debt crises</u>. In the midst of the pandemic, the G20 Finance Track already tried to tackle the financial difficulties of emerging countries with the **Debt**

Service Suspension Initiative, alleviating, albeit partially, the budgetary distress of vulnerable countries and <u>paving the way for debt restructuring</u>. Yet, the monetary tightening that followed the war in Ukraine and the inflationary pressures coming from record-high energy and food prices require renewed commitment by major economic players and multilateral institutions to prevent new shocks.

Time for realistic ambitions

If 2021 was promising and somehow successful for multilateralism, 2022 has been a very troubled year. **Geopolitical tensions, economic slowdown, skyrocketing energy and commodity prices reduce the room for common action**. This will inevitably affect the outcome of the G20 Summit in Bali, with growing obstacles to ambitious and far-reaching deliverables. **It would be better to prioritize low-hanging fruits in a number of areas – climate change, trade policy, global health** – capitalizing and building on results obtained in other fora and institutions, such as the COP26 last year (although progress at COP27 will be very limited) and at the WTO MC12 this year.





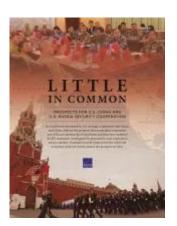
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Little in Common

Prospects for U.S.-China and U.S.-Russia Security Cooperation

by Raphael S. Cohen, Elina Treyger, Nathan Beauchamp-Mustafaga, Asha Clark, Kit Conn, Scott W. Harold, Michelle Grisé, Marta Kepe, Soo Kim, Ashley L. Rhoades, et al.

Related Topics: China, Military Strategy, Russia, Security Cooperation, United States



RESEARCH B R I F F



Photo by Pridannikov/Getty Images

In a world now dominated by U.S. strategic competition with Russia and China, what are the prospects that meaningful cooperation may still occur between the United States and these two countries? RAND researchers investigated the potential for such cooperation across a

number of national security issues across the world and found that while not entirely absent, the prospects are slim.

A New National Security Focus

As the 2018 National Defense Strategy (NDS) makes clear, the primary national security concern facing the United States now is "strategic competition" with Russia and China, rather than terrorism. Of course, that does not mean that cooperation with Russia and China is not desirable, as long as it comes "from a position of strength and based on our national interests." But is there is any room for meaningful strategic cooperation in this era of competition among great powers?

RAND researchers studied this question and found that

- 1. There is not much room to work in—that the "trade space" for cooperation is already narrow.
- 2. The obstacles to cooperation—particularly the absence of trust—are growing.
- 3. There are relatively few wedge issues that could be used to divide Russia and China.
- 4. The side benefits of cooperation over competition do not clearly outweigh the costs.

The Bottom Line

Cooperation will be rare and narrowly focused, often limited to making strategic competition "safer." The Department of the Air Force, the Joint Force, and the United States as a whole should expect that the era of strategic competition is not going anywhere for the foreseeable future.

How the RAND Team Assessed the Prospects for Cooperation

Choosing the Prospects for Cooperation

In choosing issues, the researchers started by deriving a list of U.S. objectives from key American strategic documents, namely the NDS, *National Security Strategy*, findings of the bipartisan National Defense Strategy Commission, and more-tailored strategic documents, with input from the U.S. Air Force office that sponsored the research. Because China and Russia cannot be expected to share U.S. objectives or aid the United States

Under what conditions can great power cooperation occur in an era of increasing great power competition?

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in accomplishing them, the researchers reframed some of the U.S. objectives into more generalizable issues for which bilateral or trilateral cooperation might be more plausible. For example, although the United States may not be able to cooperate with Russia on preventing Russian aggression in the Baltics, both sides may be able to cooperate to improve security in the Baltic states in other ways. In general, the team's analytic effort was weighted toward 22 national security issues in geographic areas prioritized in the NDS: the Indo-Pacific (7), Europe and the Middle East (7), and the global commons (8), which consists of overarching issues not specific to any one region.

Measuring the Prospects for Cooperation

Cooperation depends first on an *alignment of interests*. National security issues are often complex and multifaceted; only rarely do states' equities perfectly align. Still, given that cooperation is rooted in self-interest, we can expect that the closer the alignment between states' interests, the more likely they will be to cooperate on a given topic. Cooperation also hinges on the *stakes at play* for each country—that is, how much a national security issue matters.

Alignment

The RAND team's approach to measuring rhetorical alignment looks at states' public statements:

Yes

Competitors' official documents and public statements support interests that largely overlap with U.S. interests.

No

Competitors' official documents and public statements **do not** support interests that largely overlap with U.S. interests.

Mixed

Competitors' interests are not entirely harmonious or adverse to U.S. objectives—which could occur when there is partial overlap in interests, when official statements on a subject are contradictory, or when official statements appear to resemble the U.S. position but it can be easily ascertained that the Chinese or Russian interpretation of their

Stakes

To measure the *stakes* involved, the team used a **high-medium-low** coding scheme:

High

The issue is vital to the state's survival or mentioned in its defense or foreign policy documents or official statements as a core national security concern.

Medium

The issue touches on the state's selfconceived sphere of influence or key allies, partners, or economic relationships but does not directly affect the state's or regime's survival.

Low

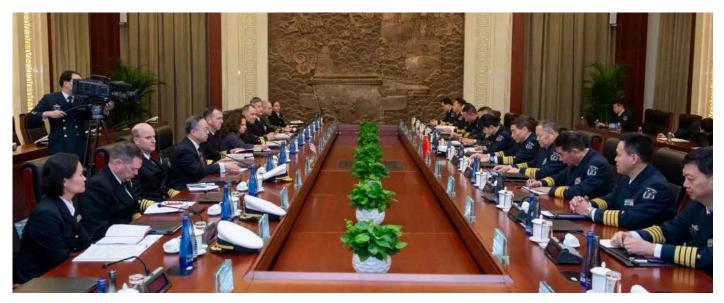
The issue is peripheral to the state's interests, capturing minimal attention in leaders' public statements or official policy documents.

own position diverges from the U.S. understanding.

Cooperation

After identifying the list of issues across the geographic areas, researchers analyzed the American, Chinese, and Russian equities on each issue to gauge the possibility for cooperation. To do this, they drew on a range of official strategy documents, public statements, and English-, Chinese-, and Russian-language scholarly and policy analytic work on each issue. The team originally intended to conduct interviews with key government, academic, and policy experts in eight countries across the Indo-Pacific, Europe, and the Middle East—including China and Russia—about the prospects for cooperation, but because of COVID-19, only the Middle East field research in Israel and Jordan was completed before the global travel shutdown.

The potential for cooperation is measured on a **high-medium-low** scale, with **not applicable (N/A)** used where one of the countries does not really have a seat at the table but may have stakes in the issue.



Chief of Naval Operations Adm. John Richardson meets with senior Chinese defense officials at the People's Liberation Army (Navy) headquarters in Beijing on January 14, 2019. Richardson was on a three-day visit to Beijing and Nanjing to encourage professional interactions at sea, specifically addressing risk reduction and operational safety measures to prevent unwanted and unnecessary escalation.

Photo by Chief Mass Communication Specialist Elliott Fabrizio/U.S. Navy

Cooperation in the Indo-Pacific

The Indo-Pacific is arguably ground zero for great power competition. Geographically, Russia and China are the two largest countries in Asia, and the United States borders the Pacific Ocean and maintains a sizable military presence in the region. All three powers thus have

strategic and economic interests at stake in the region's future. But the opportunities for great power cooperation on national security issues, particularly between the United States and China, are few and far between, as shown in the table.

Indo-Pacific Issue	China			Russia			
Sets	Alignment	Stakes	Cooperation	Alignment	Stakes	Cooperation	
Maintaining a peaceful and open regional order	Mixed	High	Low	Mixed	Medium	Low	
Promoting and preserving regional alliances	No	High	Low	Mixed	Medium	Low	
Expanding strategic cooperation with Indonesia, Malaysia, and Vietnam	No	Medium	Low	Mixed	Low	Low	
Managing cross- Strait differences between China and Taiwan	No	High	Low	Mixed	Low	Low	
Achieving the denuclearization of North Korea	Yes	Medium	Medium	Yes	Medium	Low	
Countering terrorism and violent Islamist extremism in Afghanistan and Southeast Asia	Mixed	Low	Low	Mixed	Low	Medium	
India's role and strategic orientation	Mixed	Medium	Low	No	Medium	Low	

Maintaining a Peaceful and Open Regional Order. The United States, China, and Russia may share a common interest in a stable, peaceful Indo-Pacific governed by the rule of law, but there is little common ground beyond these vague generalities. Russia and China view the U.S.'s goal of a "free and open Indo-Pacific" as advancing American hegemonic interests, much as the United States views the actions of China and Russia as designed to place their own

interests and power in privileged positions. And with China and Russia largely in lockstep on their worldview, there is little apparent room to cooperate with one over the other.

Promoting and Preserving Regional Alliances. In the zero-sum world of alliances, there is little room for U.S.-China-Russia cooperation here. For China and Russia, American alliances are at best an obstacle to be overcome, if not a mortal threat. Thus, any American policy to strengthen those alliances is likely to directly conflict with Chinese and Russian interests, leaving little room for any real cooperation, except on the tactical level.

Expanding Strategic Cooperation with Indonesia, Malaysia, and Vietnam. When it comes to Southeast Asia, American and Russian interests are not completely misaligned. The United States would prefer these countries to buy weapons from the United States or its allies, but Russian arm sales to Indonesia, Malaysia, and Vietnam still indirectly benefit American interests because those arms are most likely to be directed against Chinese forces. And Russian-owned corporations are cooperating with Vietnamese companies on resource extraction within China's self-proclaimed Nine-Dash Line in the South China Sea, suggesting that Russia may be willing to pursue its own economic interests even when they contradict China's preferences. But Russia's willingness to challenge China goes only so far. Russia has not expressed clear support for China's Nine-Dash Line claim, but it has consciously avoided taking Vietnam's side and declined to mediate the dispute when Vietnam asked.

Managing Cross-Strait Differences Between China and Taiwan. Given China's claims about the fundamental importance of achieving "reunification" with Taiwan, there is not much hope for great power cooperation on the core issue of "resolving" Taiwan's final status. Russo-Taiwanese relations have improved but still pale in comparison to the value Russia places on its relationship with China, and Russia has shown no signs of moving closer to the U.S. position on Taiwan. The only real trade space for cooperation on Taiwan may be in preventing accidental conflict over the issue.

Achieving the Denuclearization of North Korea. Many analysts believe that all three powers would prefer a denuclearized North Korea, and both China and Russia have taken some limited steps in pursuit of that objective, such as signing UN Security Council resolutions to impose sanctions on Pyongyang. Still, they have often delayed such measures, negotiated verbiage to water them down substantially, and enforced sanctions unevenly if at all, and often only under substantial American pressure. Both Beijing and Moscow appear to prefer stability over denuclearization and have urged the United States to make concessions to North Korea, as well as to back off from its demand for complete, verifiable, and irreversible denuclearization. These structural goal divergences are unlikely to be transformed in the near term; therefore, the United States might best focus on more tactical goals, such as cooperating with China to help secure and render safe North Korean nuclear weapons in the event of a North Korean regime collapse.

Countering Terrorism and Violent Islamist Extremism in Afghanistan and Southeast Asia. It is hard to see how the United States can directly cooperate with China or Russia on counterterrorism in Asia in general and on Afghanistan in particular, especially given China's ongoing crimes against humanity in Xinjiang and politicized use of "counterterrorism" for domestic repression. But China and Russia have committed forces to Afghanistan in the past. If the United States were to withdraw from Afghanistan, China and/or Russia might be forced by their own self-interest to take on a greater role in providing stability in the region. China and Russia almost certainly would not continue U.S. democracy and human rights promotion efforts in the country and may even work with Afghan insurgents (as both have been charged with doing).

India's Role and Strategic Orientation. From the American standpoint, although Russia does not want India to become an American ally or bulwark for democracy, Russia's willingness to sell advanced weaponry to New Delhi offers an opportunity for tacit cooperation to strengthen India against China. Traditionally, the United States has opposed India's purchase of Russian weapons and threatened to impose sanctions, but the United States could drop its opposition to such sales, thereby making India a more formidable military competitor to China, albeit at the cost of undermining Washington's own sanctions regime against Moscow.



U.S. soldiers with the California Army National Guard and the Oklahoma Army National Guard render salutes during the official opening ceremony for Rapid Trident 17 on September 11, 2017, at the International Peacekeeping Security Center in Yavoriv, Ukraine.

Photo by Sgt. Justin Geiger/U.S. Army

Cooperation in the Middle East and Europe

Opportunities for cooperation are more promising in the Middle East (the first two rows of the table) because the United States', China's, and Russia's interests are in tension, but not always diametrically opposed. In Europe, the United States and Russia—the two powers with the highest stakes—are diametrically opposed in many of their core objectives. However, the shared interest in avoiding an unintended escalation to conflict between the United States/NATO and Russia produces at least some opportunity to cooperate. China's relatively low stakes in the area, its general opposition to U.S. interests, and its deference to Russia on many issues of European security that divide Russia and the United States/Europe make it highly implausible that China would be inclined to cooperation across virtually any of the issue sets in Europe (thus, prospects are assessed as "N/A" rather than "Low" for most of those issues in the table).

Middle East and	China			Russia			
Europe Issue Sets	Alignment	Stakes	Cooperation	Alignment	Stakes	Cooperation	
Middle East stability and peace processes	Mixed	Medium	Medium	Mixed	Medium	Medium	
Countering Iran and its proxies	Mixed	Medium	Medium	Mixed	Medium	Medium	
Broader Euro- Atlantic security	Mixed	Low	N/A	Mixed	High	Medium	
Baltic security	Mixed	Low	N/A	Mixed	High	Medium	
Balkan security and strategic orientation	Mixed	Low	N/A	Mixed	Medium	Low	
Turkey's regional role and strategic orientation	No	Low	Low	Mixed	Medium	Low	
The future of Ukraine	Mixed	Low	N/A	Mixed	High	Medium	

Middle East Stability and Peace Processes. This remains an area where cooperation on core security issues with Russia, and to a lesser extent China, is possible. Although China and Russia seek to undermine U.S. influence in the region, all three powers favor stabilization of the region's conflicts. Notably, all three share some interest in advancing the Israeli-Palestinian peace process, stabilizing and rebuilding Syria, and ensuring U.S.-Russia military deconfliction in Syria. All three powers—though to varying degrees—have supported these interests in word and deed. Yet cooperation on these issues is beset by obstacles and is contingent on changed conditions (such as the departure of Assad from power in Syria) and on future U.S. policy choices (such as its approach to the Israeli-Palestinian peace).

Countering Iran and Its Proxies. Although China and Russia have cooperative relationships with Iran, there is some potential to cooperate with Russia, and to a lesser extent China, on countering malign Iranian activities. First, neither Russia nor China favors a nuclear-armed Iran. Both have cooperated on international efforts to curtail Iran's nuclear program, even though China opposed the U.S. sanctions regime. Chinese and Russian efforts to keep the Joint Comprehensive Plan of Action alive suggest that both remain averse to a nuclear Iran and may be open to renewed cooperation, conditional on the U.S. approach after its withdrawal from the agreement. Second, there is some potential to cooperate on limiting at least some advanced arms and military technology exports to Iran. Both China and Russia have, at times, limited arms sales to Iran and complied with UN sanctions, though China has done so grudgingly. Third, there may be room for tactical cooperation with Russia in countering Iran's proxy network, some of which threatens to undermine Russia's influence in a post-conflict Syria. In the past, Russia has promised to keep Iranian forces from a buffer zone in Syria near the Israeli and Jordanian borders (albeit without much success) and passively acquiesced to Israel's strikes against Iranian affiliates in Syria.

Broader Euro-Atlantic Security. There is no tenable space for cooperation with either Russia or China that would advance U.S. interests with respect to the key pillar of Euro-Atlantic security architecture, the future of NATO. But there is some potential for cooperation to reduce the risk of inadvertent escalation between NATO and Russia, based on existing or alternative instruments of conventional arms control and confidence- and security-building measures.

Baltic Security. There is no room for cooperation when it comes to the core U.S. objective of preventing Russian aggression and limiting Russia's malign influence in Estonia, Latvia, and Lithuania. Building on the same mutual interest in reducing the chances of unintended conflict between Russia and NATO states, cooperation with Russia may be possible on deconfliction or escalation management measures.

Balkan Security and Strategic Orientation. There is scant space for cooperation with either China or Russia to address most sources of instability in the Balkan region or to integrate the Balkan countries more firmly into Western institutions, as neither competitor sufficiently shares the same goals. A somewhat speculative, but noteworthy, area for potential cooperation with Russia might be stabilizing the Kosovo-Serbia conflict. This is contingent on Serbia's willingness to seek U.S. help to normalize relations with Kosovo, in which case Russia might cooperate so as not to lose influence over its close partner, Serbia.

Turkey's Regional Role and Strategic Orientation. Because both China and Russia wish to push Turkey further away from NATO and the West, there is no prospect of cooperation to advance the key U.S. interests in Turkey. A relatively narrow trade space might exist for the United States and Russia to cooperate on reducing the risk of unintended escalation in the Black and Mediterranean seas, the European regions where Russia and Turkey are most likely

to become involved in dangerous incidents that risk drawing in NATO. Still, Russia's willingness to cooperate in this regard is relatively low.

The Future of Ukraine. Although there is no trade space for cooperation with Russia when it comes to the ultimate vision for Ukraine's future (i.e., pertaining to its prospects for EU or NATO membership), there is some space to cooperatively advance conflict resolution based on the Minsk II agreements. There is also space for cooperation on the more modest goals of limiting hostilities and the worst humanitarian consequences of the conflict in Ukraine's East and constraining the potential for the conflict to escalate or spill over. Although Russia's aggression set off the conflict, which then plunged relations between Russia and the West to a post–Cold War low, the conflict cannot realistically be settled without Russia's participation.



Soldiers provide overwatch during a deployment of Stryker armored vehicles as part of the U.S. Army Alaska-led Arctic Edge 2018 exercise held at Eielson Air Force Base, Alaska, March 13, 2018. Arctic Edge 2018 is a biennial, large-scale, joint-training exercise that prepares and tests the U.S. military's ability to operate tactically in extreme cold-weather conditions found in Arctic environments.

Photo by Airman 1st Class Isaac Johnson/U.S. Air Force

Cooperation in the Global Commons

The global commons issues—those related to the "common domains" of outer space, cyberspace, and the air and maritime domains that are not the sovereign territory of any specific state—could offer more cooperation opportunities than the geography-specific topics. The research team also considered "common goods" abstractly—policy objectives shared across the international community that are not bound to a specific region or location, such as countering violent extremist organizations and transnational criminal networks, promoting global stability, and preventing nuclear proliferation and arms races. Yet even across these issues (see the table), cooperation is challenging and the room for negotiations is relatively narrow, because as much as these issues may be "common," they are still inextricably linked with core sovereignty and national security concerns.

China			Russia		
Stakes	Cooperation	Alignment	Stakes	Cooperation	
High	Low	Mixed	High	Medium	
Low	Medium	Mixed	Low	Low	
Low	Low	Mixed	High	Medium	
Low	High	Mixed	Medium	Medium	
Medium	Medium	Mixed	Medium	Medium	
Medium	Low	Yes	High	Medium	
Low	Low	No	High	Low	
High	Medium	Mixed	High	Low	
	High	High Medium	High Medium Mixed	High Medium Mixed High	

Maintaining Freedom of Access to Space. The United States, China, and Russia all have strong interests in space on issues that might pose a threat to space exploration, such as space debris. The United States has cooperated with both powers on civilian uses of space and enjoyed long-term cooperation with Russia on such projects as the International Space Station. At the same time, all three countries seek to maintain a robust space capability and unfettered access to the domain for both commercial and military purposes, while denying it to their adversaries. Thus, future cooperation in space may be limited.

Dismantling Transnational Criminal Organizations/Networks. Transnational crime inflicts human and economic costs on all nation-states. But China's cooperation is often transactional, and experts are skeptical about the sincerity of its promises to crack down on Chinese sales of fentanyl abroad. Russia's willingness to cooperate with the United States has also proven mixed, partly because of Russia's own ambivalence toward organized crime, the criminalization of its politics, and its preference for methods of cooperation that give it control over the effort.

Countering Violent Extremist Organizations. As with the issue of transnational crime, turning interest into cooperation has proven difficult for this issue. U.S. cooperation with Russia on counterterrorism may be somewhat more plausible than with China, but only barely. The United States and Russia differ on who they consider to be terrorists and on methods for counterterrorism. Thus, while the United States and Russia may be able to coordinate and deconflict their counterterrorism efforts on an operational level, more fulsome cooperation is unlikely.

Promoting Global Stability. The United States, China, and Russia all support promoting global stability, but disagree about the best means to do this. The United States views China and Russia's support for oppressive regimes as counterproductive, while China and Russia view the United States' democracy and human rights promotion and military intervention as destabilizing and interfering with states' sovereignty. Despite this, China's growing role in peacekeeping could be an area for potential future cooperation. With Russia, the United States could cooperate on promoting global stability, but at a cost. Such cooperation would itself be inhibited by diminished trust between the countries and countervailing strategic priorities.

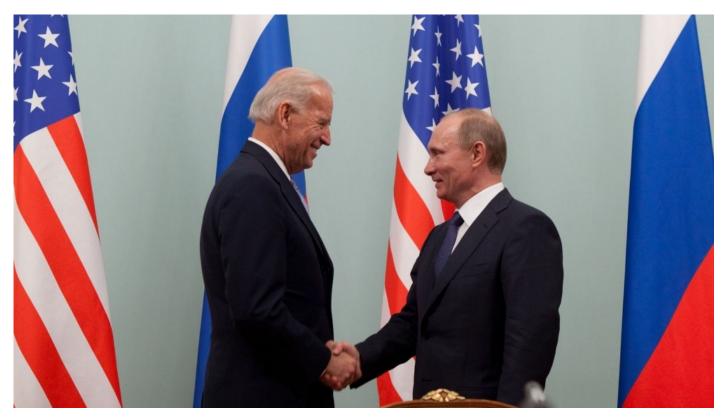
Preserving Access to the Air and Maritime Commons. In the abstract, the United States, China, and Russia all want their citizens and goods to travel freely through these shared spaces and the ability to exploit the resources located in the maritime domain. There may be room for cooperation with Russia and China on air and maritime commons issues, particularly on common threats (e.g., Somali counterpiracy) and regions of common interest (e.g., the Horn of Africa). But moving beyond a handful of issues and select locations, each power's strategic and economic interests limit the potential for cooperation.

Preventing Nuclear Arms Races. The United States and Russia, the two largest nuclear powers, have a history of cooperation on nuclear arms control and nuclear safety and an equally long history of mutual distrust. The United States has a growing list of complaints about Russia's violations of existing agreements. Extending the New Strategic Arms Reduction Treaty (START) likely will ensure a certain level of global nuclear stability and preserve verifiable constraints on nuclear arsenals. Nuclear safety could be another promising area of cooperation, as both countries share a concern that nuclear material could fall into the hands of malign nonstate actors or third countries with inadequate security protocols. But China has been reluctant to participate in arms control discussions.

Preventing Militarization of the Arctic. There is a mismatch between the willingness and the ability of the three countries to cooperate in the Arctic. China has a growing interest in leveraging the Arctic's resources and its trade routes, but China's ability to affect Arctic policy is limited. Russia has a core interest in ensuring that it maintains the economic rights to the Northern Sea Route and that its territory and nuclear capability remain secure and its sovereign territories remain well protected. While there may be some room for cooperation

with Russia on environmental protection, scientific exploration, and search and rescue operations in the Arctic, larger issues will likely remain challenging.

Maintaining the Openness of Cyberspace. This is arguably the site of some of the fiercest competition between the great powers, and the prospects for cooperation are dim and would come at a significant cost. Fundamentally, the three countries disagree over how to govern cyberspace. Russia and China view control over the cyber domain as vital to their survival and a powerful and cost-effective weapon to wield against the United States.



Then–Vice President Joe Biden greets Russian Prime Minister Vladimir Putin at the Russian White House, in Moscow, March 10, 2011.

Photo by David Lienemann/Official White House

Growing Obstacles to Cooperation

Even if interests overlap on an issue, this does not necessarily mean the countries are likely to choose to cooperate in practice. International cooperation often confronts a series of obstacles, some more immutable than others. The left panel lists eight obstacles that hinder cooperation

Eight obstacles that hinder cooperation

Distrust

A lack of mutual trust between parties with regard to a particular issue

Audience costs

Domestic political costs leaders are likely to incur if they cooperate on a particular issue

Definitional

Countries' use of the same terms to discuss issues may mask fundamental differences in what they mean by those terms

Third-party obstacles

and that manifest themselves in the 22 policy areas described above.

Across all the Indo-Pacific, Europe/Middle East, and global commons issues, multiple, significant obstacles must be overcome. How insuperable are these obstacles? Are they merely speed bumps, or are they roadblocks to cooperation? At one level, we do not and cannot know how formidable an obstacle is until states try to overcome it. Still, logically, certain obstacles should be more easily overcome than others.

The **lack of immediacy** problem is, perhaps, the easiest for a country to

The presence of third parties whose participation or consent is important to the fate of cooperative ventures but whose interests diverge from the competitors' and/or each other

Issue linkage

Issues on which cooperation may be possible become tied to issues on which cooperation is not possible

Lack of immediacy

A lack of perceived immediacy or urgency to address an issue that may be approached cooperatively

Legal constraints

Legal constraints limit the shape that cooperation may take

Capability, capacity, or structural constraints

Cooperation may be limited because a country does not have resources or organizational structures needed to engage in it

fix, if leadership chooses to make a given issue a priority. **Capability, capacity, or structural constraints** and **legal constraints** can be resolved by shifting a country's investment priorities, tweaking organizational structures, and/or changing laws, which can be harder to do in democracies than autocracies but which still lie within the realm of the feasible. **Issue linkage** and **definitional** obstacles can be resolved through negotiation and through narrowing the scope of the issues at hand. **Audience costs** and **third-party obstacles** may be on the more difficult end of the spectrum to resolve, because they require a country's leaders to get buy-in from external constituencies. Still, politicians and diplomats spend careers building support for policies.

Arguably, the most difficult obstacle to overcome is **distrust**. Trust revolves around perceptions of an adversary. What is more, this obstacle is growing—a *trust deficit*. International institutions should be one way to mitigate this lack of trust, but thus far they have not succeeded in doing so. As the United States' trust in Russia and China declines (and vice versa), the distrust obstacle will become increasingly significant, making other obstacles that much harder to overcome and cooperation in the future that much more difficult and less likely.

Few Wedge Issues; Positive and Negative Second-Order Effects

International cooperation is sometimes presented as a good unto itself. This view stems from both a normative judgment that harmonious interactions between states are better than

conflictual ones and from a strategic premise that international cooperation is a prerequisite for solving the world's most difficult problems. But the RAND team's analysis suggests that pursuing cooperation for its own sake is unlikely to substantially advance important U.S. interests.

Pursuing cooperation for its own sake is unlikely to substantially advance important U.S. interests.

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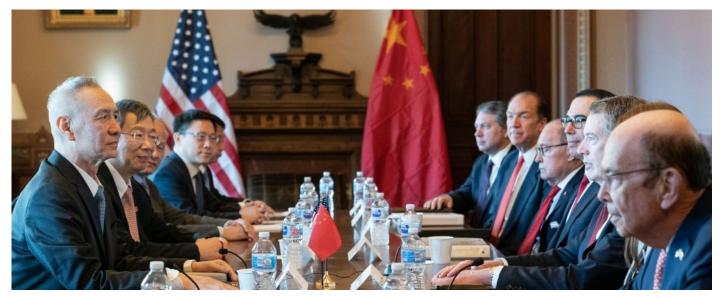
For the United States, one of the foremost geopolitical challenges is dealing with two great power adversaries

simultaneously. One promising way to approach this would be to use cooperation to drive a wedge into the relationship between them. Cooperation with China or Russia on "wedge" issues might serve to inject tensions into the two competitors' strategic partnership. **But analysis suggests there are relatively few "wedge" issues of this sort.**

Another argument for cooperation rests on the idea that cooperation may spark a virtuous cycle, with cooperation begetting more cooperation. The underlying logic is that trust built from successful cooperation in one area can lead to more harmonious relationships. A gradual build-up of trust from instances of successful cooperation that spill over into other areas may well be one positive second-order effect. But cooperation on the issues within the trade space is likely to have both positive second-order effects on other issues and U.S. allies and partners, as well as negative ones; this would inevitably entail trade-offs.

Also, evidence suggests that these positive second-order effects can be elusive, at least in the near term. The few clear-cut successful cases of cooperation on national security matters and the mixed cases of cooperation on issues such as the Middle East peace, counterpiracy, or counterterrorism may have reduced great power friction in select areas, but they have not yet produced the spillover effect that some may have hoped to see.

In the final instance, cooperation, even where theoretically possible, has both benefits and costs—direct and second-order ones. Great power cooperation could affect the U.S.'s relations with other countries for better or for worse, as the United States' actions might be viewed as either reducing regional tensions or as abandoning them to a hostile power. U.S. decisionmakers should carefully consider where and whether to attempt cooperation with one or the other competitor.



U.S. Trade Representative Ambassador Robert Lighthizer, senior staff, and Cabinet members meet with Chinese Vice Premier Liu He and members of his delegation for the U.S.-China trade talks Wednesday, January 30, 2019. Photo by Andrea Hanks/Official White House

Concluding Thoughts and Key Recommendations

The overarching finding from the RAND team's analysis is that the prospects for cooperation on national security issues between the United States, China, and Russia are narrow and may be narrowing. To respond to this gloomy forecast, the United States should cooperate in the few places where it can with China and Russia—and prepare for long-term strategic competition. While a "grand bargain" that can reset the proverbial great power playing board has a certain allure, no such bargains are in sight. Another commonly debated idea for cooperation is to try to leverage Russia to counter China, but few potential wedge issues exist to do so. Finally, cooperation is sometimes treated as an unqualified good, but cooperation always involves transactional costs; while some fights are worth fighting, others are not.

Given these concerns, the RAND team identified recommendations, summarized below, on how the United States can best pursue cooperation, organized by whether they pertain to the U.S. government, the Department of Defense and the Joint Force, or the U.S. Air Force and U.S. Space Force. A full discussion of the list is provided in the report.

U.S. Government

- View cooperation as a strategic choice, rather than as an objective unto itself.
- Embrace self-interested cooperation.
- Concentrate efforts on the global commons and the Middle East.
- Use international organizations to ease cooperation, but accept their limitations.
- Divide the 22 issue areas into more narrowly focused topics

• Prepare for long-term competition.

Department of Defense and the Joint Force

- Focus on deconfliction and de-escalation.
- Coordinate with allies on "safe competition."
- Concentrate on North Korea contingency planning, counterpiracy, and counterterrorism.
- Weigh the utility of Russian arms sales to Indo-Pacific partners.

U.S. Air Force and U.S. Space Force

- Expand air deconfliction mechanisms.
- Increase communications on space debris management.

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RAND PROJECT AIR FORCE

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Defending multilateralism as Indonesia passes the G20 baton

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As the tectonic plates of the global balance of power are shifting, leaving a widening fault line in the international order, some countries face both the onerous challenge and unparalleled opportunity to build bridges. The countries that find themselves in this position are <u>middle-powers</u>.



These are countries whose unilateral actions cannot project economic or military power on a global scale, but who are large enough to exert influence. It is fortuitous that the three G20 presidencies <u>after Indonesia</u> fall again on middle-power countries, namely India, Brazil and South Africa.

The success of the 2022 G20 Bali Summit shows that the G20 is a process that enables middle-power countries to be fully integrated into the global system. Through the G20 process, they play a critical role in reshaping global geopolitics by <u>brokering deals</u> among superpowers and warring countries. They have become regional powers who are determined 'to be at the table and not in the menu'.

Indonesia has set a high bar for the next G20 presidencies. The troika structure of the G20 Summit — where past, current and future G20 hosts consult with one another regarding the Summit agenda to ensure continuity — provides opportunities to carry forward a <u>sustained agenda</u>. This ensures that the mutual concerns and interests among emerging markets and developing economies are discussed at upcoming G20 summits. There are five agenda topics that middle-power countries should use the next few G20 summits to address.

The first is to build mutually beneficial bridges across the US–China economic rivalry by using the G20 as a platform for discussions, working relations, cooperation and personal networking among leaders. This will help mitigate the US–China trade war, supply chain fragmentation and technological bifurcation — all of which will create higher inflation globally.

Global value chains of production and service networks between the United States, China and emerging markets and developing economies are key to securing stable geoeconomics amid geopolitical tension. Multilateralism is rooted in the deep belief that all countries must work together to supply each other's demand.

Many middle-power countries also understand very well that their largest trading partners are not necessarily, and do not have to be, their closest political allies, and they will continue to use their agency to actively make sure that they are not being pushed to take sides.

The second is to call for more extraordinary actions to improve global health infrastructure, including investment in the Pandemic Fund — a joint initiative between the G20 Ministers of Health and Finance to prepare better for future pandemics. The Indonesia G20 Presidency collected US\$1.4 billion but the G20 High Level Independent Panel estimated an annual financing gap in pandemic preparedness, prevention and response of approximately US\$10 billion.

India, Brazil and Indonesia were among the <u>hardest hit</u> by COVID-19. India and South Africa were also countries that fought for COVID-19 vaccine intellectual property rights to be waived for low- and middle-income countries during the height of the COVID-19 pandemic. Discussions and negotiations on this issue should continue at the G20.

The third is to reaffirm commitments on the climate crisis, climate justice, global climate funds and easy access to green technologies — ensuring the transition to greener energy with minimal social and economic impacts, especially for emerging markets and developing economies that are still industrialising. Stalled climate change talks between China and the United States since US House of Representatives Speaker Nancy Pelosi's visit to Taiwan should ideally resume through the G20 platform. The first in-person meeting between Chinese President Xi Jinping and US President Joe Biden on the sidelines of the G20 Bali Summit sent a positive signal that channels of communication to manage not only economic competition and potential geopolitical conflicts but also transnational challenges including climate change are opening again.

The fourth is to push for modernising global economic governance, including repurposing international financial institutions (IFI) to finance more global public goods and accelerate governance and quota reforms of IFI. China still needs to be better represented in some IFI.

Without meaningful reforms of IFI, global economic governance will become unsustainable and may push the world further into a bipolar or multipolar structure — diminishing the role of these global economic institutions that the G20 heavily relies on to implement its initiatives. The upcoming G20 presidencies, plus China and Russia, have established the New Development Bank and explored a new reserve currency to better serve their interests.

The fifth is to continue strengthening the global financial safety net initiative to help emerging markets and developing economies deal with the spill over effects of macroeconomic policies from advanced economies. With the dollar's dominance, any economic policy decision by the United States will continue to affect other economies globally. This has made many emerging markets and developing economies subject to capital flows and exchange rate volatility.

Perhaps the most influential priority agenda for the three upcoming G20 presidencies is to defend multilateralism and uphold the consensus-based principles of the G20 to preserve its unity and existence. Indonesia has demonstrated this by applying the inclusive principle to all members and adopting an approach

of consultation and consensus-based decision making. Inclusivity means open dialogue and cooperation with all countries, a principle adopted in the <u>ASEAN Outlook on the Indo-Pacific</u>. It is time for the Global South to play a greater role in reviving globalisation and strengthening multilateralism, from which they have benefited since the end of the Cold War.

The next three G20 presidencies have the agency, responsibility and interest to be a neutral chair and keep international economic order multilateral, open and rules based. Let us hope that they can rise to the occasion.

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