Challenges and Reconstruction of the International Order in the Post COVID-19 Era

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Abstract Living in a *period of historic transition*, countries around the world need to rethink their own position and that of their counterparts in the context of the world as a whole. As this pandemic continues to disrupt the world order, it will play a crucial role in global history, marking a change in the “*rules-based world order*.” There are four major points that should guide the course of *developing a new world order*. First, is to *be vigilant against the pitfalls of the zero-sum geopolitical game*, and to avoid any form of cold or hot war. Second, is to *staunchly defend economic globalization and free trade*, and oppose protectionism while carrying out reforms to institutions like the WTO. Third, is to *take global poverty alleviation and poverty relief seriously*, making concerted efforts to *bridge North–South gaps*. Fourth, is to *restore the spirit of mutual assistance* in the face of common threats and a sense of community with a shared future for humanity facing common existential crises. Under the threat of a raging pandemic, *climate change*, *cybersecurity risks*, collapse of the *nuclear non-proliferation regime*, and the *grain crisis*, there is no more important, pressing challenge than preserving the environment for human existence.

Keywords A period of historic transition • “Rules-based world order” • A new world order • Zero-sum geopolitical games • Defend economic globalization and free trade • Global poverty alleviation and poverty relief • North–South gaps • Mutual assistance • Climate change • Cybersecurity risks • Nuclear non-proliferation • Grain crisis

The impact of COVID-19 on the current international order is unprecedented and to some extent recalls the stress test that major banks weathered after the 2008 global financial crisis. As this pandemic continues to disrupt the world order, it will play a crucial role in world history, marking a change in the “rules of the game” and a test of current systems of governance and administration in all countries.

As of early 2021, China was the only country that had been able to contain the virus and claim victory over the pandemic. The considerable uncertainties and bottomless

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traps that lie ahead create tremendous concern over issues that urgently need solutions, which include not only the pandemic, but also economic recovery and social stability. Emerging complicated global issues necessitate a fundamental rethinking of the challenges to the current international order and questions regarding its structure, which will ultimately lead to new approaches confronting a post-pandemic world.

1 The Challenge of the United States

Other than the COVID-19 pandemic, the toughest challenge facing the world comes from domestic problems in the United States—worsening social division, political polarization, and a resurgence of “America First” populism—which not only reflects public opinion, but also shapes US domestic and foreign policies. Following President Joe Biden and the Democratic Party taking office in January 2021, the previous high level of unpredictability in US politics will hopefully subside to some extent. The withdrawal of the United States from international organizations will also be reversed, which means that these international institutions may regain some of their influence. Nevertheless, the fundamental conflicts that are inherent to US society will no doubt persist over the long term and grave crises, like the damage to capitalism, will become more serious than ever before. The US is clearly not what it used to be.

The biggest variable affecting global political and economic orientation in the US was summed up by the American scholar Francis Fukuyama as early as 2014 when he described what he called “political decay” that had been growing in recent years due to the control of a powerful elite group.¹ Political chaos and disorder in the US are rooted in inequality resulting from a widening wealth gap, which has to do with globalization but is more closely related to US political and economic institutions.

The norms of US politics dictate that after coming to power, the new administration will reassess the policies of the previous administration, including foreign relations (particularly with China and Europe) as well as responses to challenges to global governance challenges like climate change. Political trajectories preferred by the Democrats and Biden mean that related policies will very likely see realignment. Some of them will likely to undergo strategic and short-term changes, while comprehensive adjustments will require sufficient time and public support. However, the polarization of US politics means that strong sentiments of anti-globalization, the appeal of populism, and narrow-minded nationalism will continue to direct much of US foreign policy.

¹“Political Order and Political Decay: From the Industrial Revolution to the Globalisation of Democracy” by Francis Fukuyama, published by Polity Press, 2014.

2 Restructuring the International Order

The current international order and system of global governance is fragmented and is in dire need of reconstruction. The reshuffling of the global power structure and the redistribution of interests are also beset by mounting risks and crises. The US still represents the greatest uncertainty, while China could be an important player in driving the restructuring of the international order.

The most serious challenge facing the international order is that traditional and non-traditional security threats overlap and exacerbate each other. A shared awareness of the need to work together when facing global challenges, which was demonstrated in the close cooperation among countries during the 2008 financial crisis, has unfortunately diminished and a consensus on cooperation is absent in the interactions among great powers. In its place is suspicion and confrontation that overshadow relations and exacerbate geopolitical and ideological conflicts. However, no country can completely isolate itself in this age of information and globalization, which is characterized by mutual interdependence. Whether it's climate change or cybersecurity, no individual state can solve these global challenges alone.

The United States, major European countries, and many others are drowned in a flood tide of populism and anti-globalization characterized by outright unilateralism and narrow-minded nationalism that has gradually galvanized mass support in their societies. Issues of illegal immigrants, free trade, and racial conflicts fill the domestic agenda and have become systematic ills that pervade capitalist societies. Doubts of the credibility of American "liberal democracy" have been raised even among major American allies such as Germany.

The double whammy of COVID-19 and the cyclical recession of the world economy, which in early 2021 has yet to hit bottom, has the potential to slide the world into a global depression on the scale of the Great Depression of the 1930s. It is hard to say how long the economy will remain in such a depressed state before seeing an uptick, but history shows us that the recovery period for the global economy after a financial crisis can be 7 to 8 years. However, it is possible that this can be avoided if the Chinese economy, as the only global economy showing positive growth, continues to evolve steadily, while at the same time implementing new reforms. In contrast, other major economies like the United States will remain at zero or negative growth until 2022 at the earliest. The subsequent financial risks associated with the uncapped liquidity and negative interest rates implemented by many central banks since the onset of COVID-19 are also starting to appear.

Against a background of unique international environment and historical events, the world order will inevitably experience fundamental change, which will also require corresponding adjustments to the system of global governance. Originally, to counter the incalculable damage pandemics could do to humanity, an array of multilateral institutions and treaties was put in place after World War II as part of the global governance framework. So, it's ironic and regrettable, that despite the tremendous efforts made so far this seemingly impeccable system did not live up to expectations—though one might note that the system itself is not to blame so much

as its members, who are the decision-makers. To the extent the global public health system functions, it is the member states, and especially the major powers, that are the real governors. The negative and dismissive attitude of the US toward the World Health Organization (WHO), in particular, is quite revealing of this chilling reality.

In addition to negative externalities like the pandemic, the current technological revolution, while bringing the world tremendous wealth and new opportunities, like other revolutions, is yet another challenge to the current world order, as it will also profoundly change society and its structure. According to estimates by international organizations, 50% of current jobs will be taken over by automation and robots using artificial intelligence by 2030, and global supply chains will undergo adjustments and reorganization. This process will inevitably lead to another round of turbulence in society.

Cascades of non-traditional security threats including the COVID-19 crisis, climate change, environmental security, energy crises, food crises, technological advances, and even space security, interplay with geopolitical competition and consequently complicate global challenges. However, the fragmentation and disorder in global governance has pushed the system itself to the edge of collapse. The unpredictability, uncertainty, and instability that fill the future threaten the survival of mankind as a community with common destiny. Hence, finding a solution to the challenges facing global governance requires that China, the United States, Europe, and other countries quickly resume discussion and cooperation. Governments must turn away from unilateralism and return to multilateralism to address international affairs and rebuild the international order.

3 International Institutions and Global Governance

The United Nations and the system of global governance built around it are the cornerstone for the reconstruction of an international order and should be carefully preserved. Naturally, these institutions also have to undergo necessary adjustments and reforms; in this context, the World Trade Organization (WTO) could be a litmus test. We hope that with the Biden administration in place that the United States will commit to a system of free trade that is based on a reformed WTO. We must also consolidate and improve the global health system that the WHO represents. In turn, the WHO must effectively coordinate the distribution of vaccines and to contain the COVID-19 pandemic, while at the same time strengthening global public health emergency response mechanisms to better contain future epidemics.

Common sense dictates that the two most important issues in global governance are security and economics, both of which are in jeopardy because of the current pandemic. “Lives or livelihoods” is today’s version of “to be or not to be,” as the pandemic has taken so many lives and the livelihoods people rely on for survival. In many developing countries, there are large cities in which poor people live in cramped quarters, with scarce or nonexistent sanitation, providing fertile ground for the spread of infectious diseases. This is unacceptable.

Given the highly connected world we live in, the global village is a reality, and a community of nations with a shared future is no mere slogan. It is a statement of fact. Naive isolationism that means closing borders and severing all connections to outside world is not going to work in the long term. It is no real solution at all. In times of calamity, helping others is helping oneself, simply because it is impossible to live in total isolation in the age of globalization.

Globalization is not the enemy; it is the solution. Just look at how scientists and medical communities have worked together across borders day and night since the coronavirus outbreak to find and produce vaccines for it, even as politicians bicker over things that only serve their short-term interests, such as elections.

In this context, reaching a fundamental consensus and conviction to maintain international peace and promote economic development among great powers, in particular, China and the United States, is the basis for a restructuring of the world order. It is neither realistic nor possible to adopt a “G2” model in which China and the US rule the world. However, the fact that these global powers are the world’s largest economies and have considerable international influence means that their combined roles are crucial to addressing international affairs and confronting traditional or non-traditional security threats.

Europe has also been very active in global governance, especially in combating climate change and promoting the proper functioning of a rules-based system of global governance such as in the operation of the ‘World Wide Web’ or the internet. The different attitudes in Europe and the United States on issues like the WTO, the WHO, and the Iran nuclear deal demonstrate the pivotal role of Europe in the development, maintenance, and consolidation of global governance. If the Biden administration is able to re-engage with the world in multilateral actions including the Paris Agreement on climate change, the Iran nuclear deal framework, the WHO, the WTO, and its reform, there will be more room for cooperation between China, Europe, and the United States. It is from this kind of collaboration that consensus can emerge and solidify a basis for the joint provision of public goods in the global sphere.

Emerging economies like Russia, India, Brazil, Indonesia, Turkey, and Argentina as well as a large group of developing countries all have their own views on the future development of a new international system, but they all share some common ground. The “internationality” of the international order represents a universality, which means that such a system should be recognized and followed by all members of the international community, rather than being imposed by one or two great powers. History shows us that crucial principles in modern world history originated from the treaty signed in 1648 called the Peace of Westphalia that ended the 30-year war. The treaty proposed sovereignty and non-interference in the domestic affairs of individual nations. The rise of the British Empire, which resulted from competition among the great powers of Europe, created a world dominated by the British, which was later taken over by the consolidated superpower of the United States after World War II and has lasted until the present day. Now, we are witnessing a new round of changes and a reshuffling of power. The world is becoming “a world for all countries” with no single country maintaining hegemony over the rest of the international community.

Global governance is also transitioning from “Western predominance” to “East-West co-governance.”

4 New Challenges Facing a New World Order

In this era of digital revolution, continuously emerging technological breakthroughs are key elements and driving forces that are spurring on changes to the global order. Part and parcel with the information age, interpenetration, and integration of virtual and real spaces through big data, AI, biotechnology, space, and deep-sea exploration as well as cyberspace have created a new world with new challenges. The new international order, therefore, must also catch up with these technological advancements. Otherwise, obsolete ideas and structures that are incompatible with these new technologies will quickly become unsustainable. We need to seriously consider the impact of technologies when restructuring the world order and system of global governance.

The mountain of domestic problems facing the United States and many other countries as well as widening inequalities between rich and poor are the root of the social disintegration, political polarization, and growing populism and pose the greatest challenge for human development. Continued efforts to alleviate absolute poverty in recent decades have seen phenomenal success in China and laid a solid foundation for political stability, economic development, and social harmony. Arguably, the ability to effectively address domestic problems, in particular, the balance between economic development and social equality, will be a deciding factor in a country's relative competitiveness. A future international order will be decided by how countries deal with social inequality and the gap between rich and poor, which ultimately lead to social divisiveness.

When discussing a vision for the global community as a shared future for mankind, it is important to point out that this future should be a future of all people. The key to finding pathways and solutions for the challenges we now face lies in universal acceptance and recognition of new thoughts and concepts by governments as well as individual citizens, which are produced by the creation of a global community, a sense of the individual as a global citizen, global partnerships, and building a community with a shared future.

There are four major points that we should keep in mind in the course of developing a new world order.

First is to be vigilant against the pitfalls of the zero-sum geopolitical game, and to avoid any form of cold or hot war. Competition between the largest countries in the world is normal, but there must be order, bottom lines, and rules. And competition must be kept in check in the search for peaceful coexistence.

Second is to staunchly defend economic globalization and free trade, and oppose protectionism while carrying out reforms to the WTO. As the world enters a period of increased availability of knowledge and a digital economy, new rules have to be made to adapt to the technological revolution and changes in global supply chains. Green, sustainable development must be promoted.

Third is to take global poverty alleviation and poverty relief seriously, making concerted efforts to bridge North–South gaps. Advanced countries should assume appropriate responsibilities, and take global development as a whole instead of the interests of only a small number of countries. The UN 2030 Agenda for Sustainable Development is a fine platform. China’s achievements in poverty alleviation and its Belt and Road Initiative have similar goals.

Fourth is to restore the spirit of mutual assistance in the face of common threats and a sense of community with a shared future for humanity facing common existential crises. Under the threat of a raging pandemic, climate change, cybersecurity risks, collapse of the nuclear non-proliferation regime, and the grain crisis, there is no more important, pressing challenge than preserving the environment for human existence. Fragmentation of the global governance regime and a state of anarchy are unsustainable. Humanity won’t be able to overcome the extreme difficulties posed by the confluence and simultaneous outbreak of traditional and non-traditional security threats.

Living in a period of historic transition, countries around the world need to rethink their own position and that of their counterparts in the context of the world as a whole. The time of “one country dominating all” is over, but the paradigm of competition and coexistence of different political systems has not ended as claimed by Professor Fukuyama.² Rather, the changing balance of power requires governments to reconsider their domestic and foreign policies based on a new status quo. Furthermore, international and regional organizations should participate in or even direct the remaking of international rules and the restructuring of the global order. Safeguarding world peace, accelerating economic development, and promoting cultural integration are still the main themes for this new era and new international order. It is only by these means that we can facilitate the building of a better world that is founded upon stability, peace, prosperity, affluence, equality, and justice.

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²Professor Francis Fukuyama is an American political scientist best known for his book published in 1992 called “The End Of History And The Last Man”(Free Press).

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