



Introduction

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A “PALE BLUE DOT” MOMENT?

Two of the most iconic photographs ever taken show the Planet Earth from space. *The Blue Marble* was taken 29,000 kilometers from the Earth’s surface on December 7, 1972. It was the first-ever photograph of the whole round Earth, introducing us to the astonishing beauty of our blue-green island in the vast black ocean of space. In the image, we can clearly see the continental landforms and oceans of the Earth, ranging from the Mediterranean, down through the green and brown swathes of the entire African continent, to the vast ice lands of the Antarctic shrouded in swirling white clouds.

Today, we are so used to images of Earth from space that it is perhaps difficult to recall the impact that the photo had at the time. For the first time, this planetary perspective allowed us to see the precious Earth that is the shared home of all of humanity. It was hoped the image might change how we related to the Earth and each other, reminding us of our shared

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destiny and how what we share in common far outweighs any differences that might exist between groups differentiated by nationality, language, religion, or ideology.

The second iconic image of Earth, *Pale Blue Dot*, was taken about 18 years later and leaves quite a different impression. While *The Blue Marble* shows the Earth in vivid color with its familiar coastlines and continents, in the *Pale Blue Dot*, taken around 6 billion kilometers away from Earth, our planet is a barely visible blue speck against the dark background of vast space. Of the 640,000 pixels that make up each frame of the *Pale Blue Dot*, Earth takes up less than one pixel. To paraphrase the astronomer Carl Sagan, it is humbling and sobering to look at this “mote of dust suspended in a sunbeam” and think of the wars that generals and emperors have waged through history, all for momentary control of a fraction of that pale blue dot. The vastness of the cosmic dark that surrounds Earth is also a reminder that our planet is the only viable home for our species, at least in the near future.

Images like *The Blue Marble* and the *Pale Blue Dot* force us to take a step back and adopt a more planetary perspective on the world we live in. As John L. Thornton reminded us in this dialogue series, when we see the Earth from space, there are no real differences between people living in China, the US, Africa, Europe, or elsewhere. Any boundaries between us are completely invisible.

The need to set aside our differences and adopt a more global perspective to overcome our shared challenges proved to be a recurring theme in this dialogue series, one that has only become more salient since this dialogue series began, given the continuing challenges of the pandemic, the tragic war in Ukraine, and the gradually unfolding climate crisis. Participants in this series used many vivid metaphors to emphasize the fundamental interdependence of humanity, such as the “global village” or how China and the US are “conjoined twins” destined to live or die together.

In the final dialogue in this book, Kishore Mahbubani uses the analogy of a boat. As Kishore said, in the past, when we thought of the global population living in 193 separate countries, it was as though they lived on 193 separate boats; each boat had a captain and crew to take care of it, and each boat was more or less independent. However, now that the world has shrunk due to globalization and our shared global challenges, while the global population of almost 8 billion people may live in 193 separate countries, we now see that they are no longer on 193 separate

boats. Rather, we all live in 193 separate cabins on the same boat, and we must therefore take care of this shared boat together.

In many ways, the global outbreak of COVID-19 we experienced in early 2020 could have sparked a “pale blue dot moment”—a rare point in history when humanity had the chance to adopt a truly planetary perspective, recognize our shared interests and how we are truly all in the same boat, and put aside our quarrels to work together for the greater good. Like climate change, the pandemic is a prime example of a shared threat that pays no heed to national borders.

Unfortunately, that is not quite how things played out. Rather than spur global cooperation and show the enduring relevance of multilateralism, the pandemic did more to expose the fractures and fragilities of the current international system. In 2022, the international system was again found wanting as it proved unable to prevent war in Ukraine and the great human suffering and economic disruption that followed. A major theme and motivation of this dialogue series was to understand these global gaps and fragilities, the structural trends that have caused them, and to explore ways of rebuilding our societies and systems of global governance so we can emerge from this global crisis to build a world that is more cohesive, inclusive, and sustainable.

PART I: THE EVOLUTION OF GLOBALIZATION

In the early stages of the pandemic, some speculated that COVID-19 might be a death knell for globalization. Recent years had seen an uptick in anti-globalization sentiment and push back against the cross-border flow of goods, capital, and people, primarily in industrialized countries. As borders closed and trade flows contracted in the first half of 2020, there was a deluge of commentary announcing that we had passed “peak globalization.” However, it soon became clear that, far from the end of globalization, the pandemic merely marked a new phase of this multi-dimensional process. In 2022, the war in Ukraine and unprecedented economic sanctions enforced against Russia again prompted some commentators to pronounce the “end of globalization.” But this event too surely marks the beginning of a new chapter in which globalization will continue to adapt and evolve, rather than a fundamental halting of the process of global integration. The three dialogues in Part I of this book take a big picture view to trace the evolution of globalization from ancient history to its myriad forms today.

BACK TO THE YEAR 1000

When times are fraught and change occurs at a dizzying pace, the perspective of a historian is invaluable. Perhaps no one is better placed to give a long-term view of globalization than Valerie Hansen, Stanley Woodward Professor of History at Yale and renowned historian of China, the Silk Road, and early globalization.

The start of globalization is often dated to the first voyages of Christopher Columbus, who first made landfall in the Caribbean in 1492. In the first dialogue in this book, Hansen shares the main findings from her most recent book, *The Year 1000*, which builds a compelling case to date the start of globalization almost five centuries earlier, based on the explosion of trade, exploration, and cultural exchange that connected the world's great societies at the end of the first millennium. Her research shows how, since its earliest beginnings, the process of globalization has been driven by the universal human impulse to learn and acquire new things from around the world, an impulse that continues to drive globalization in its various forms today. In our discussion, Hansen paints a vivid picture of Song Dynasty China as being one of the most globalized places on earth in the year 1000, notable as a manufacturing center for exports, a major market for products imported from across the world, and a relatively open society that absorbed influences from many different cultures, religions, and schools of thought.

Lest we think that the current pushback against globalization is something new to our current era, Hansen recounts stories of riots against foreign merchants in Cairo in 996 and in Constantinople in the early 1180s, showing that while people have long benefitted from globalization, there have also always been groups that were harmed by it and wanted to restrain it. She points out that while early forms of globalization such as overland trade via the Silk Road or perilous maritime routes were always constrained by the forces of nature, these limitations have diminished with the advent of new technologies such as container ships and cargo planes. Hence, Hansen says it is important not to overlook the losers of globalization and that we must find ways to manage and lessen its negative impacts.

MULTISPEED GLOBALIZATION

Bringing us forward to the present day, the second discussion in Part I features Martin Wolf, Chief Economic Commentator of the *Financial Times* and author of the acclaimed book *Why Globalization Works*. As Wolf points out, to understand how globalization is changing, rather than simply view it as a singular process, it is important to disaggregate its different components and look at the diverging trajectories they are taking.

For example, Wolf observes that one aspect of globalization, the unbundling of supply chains and cross-border movement of goods, may have reached a natural plateau. This is because, under current technological conditions, the opportunities to dice up and redistribute segments of supply chains have largely been exploited already. Key technologies that drive globalization have matured and changed little in recent decades; airplanes move basically as fast as they did 40 years ago, and the innovation of standard containerization is now almost 70 years old.

At the same time, Wolf notes that “virtual globalization” or the globalization of ideas still has vast potential to deepen interaction among human beings, powered by technologies such as 5G, the Metaverse, and Artificial Intelligence. This phenomenon of “multispeed globalization” has certainly been evident during the pandemic. While certain flows such as the movement of goods and people have been temporarily slowed, others have been turbocharged, such as cross-border data flows.

THE WORLD IS FAST, FUSED, DEEP, AND OPEN

Thomas Friedman has become something of a poster child for globalization since the publication of *The World Is Flat* in 2005. The book argued that by the early twenty-first century, the world had become “flattened” by various economic, technological, and cultural forces.

At the start of my dialogue with Friedman, the third in Part I, he notes how people had asked him during webinars amidst the pandemic, “Is the world still flat?” To which his answer was, “Are you kidding? It’s flatter than ever!” As evidence, he cites the very conversation we were having at the time, between himself in Bethesda, Maryland, and me in Beijing, talking in real-time via Zoom.

Updating his “world is flat” thesis for the 2020s, Friedman pithily sums up how globalization has now made our world “fast, fused, deep, and

open.” The world is “fast” because there has been a dramatic change in the pace of change. It is “fused” because the world is more interdependent than ever, fused by technology and the climate, in particular. The world is now “deep” because sensors and various forms of technology now permeate our world, equipping us with “deep” knowledge and allowing us to peer into other things and places using tools like Google Earth. Finally, Friedman says that the world has become radically “open” because devices like smartphones mean that any citizen is now a filmmaker, journalist, and a publisher, and can capture and transmit images across the world with no filter, as seen when the video of George Floyd went viral worldwide in May 2020.

PART II: BRIDGING GAPS AND DEFICITS

The dialogues in Part I of this book map out some of the long-term structural trends and complex changes that have reshaped our world in recent decades. But while changes in technology, the global economy, and ecological processes have occurred rapidly, our policies, institutions, and mindsets have typically been slower to adapt. This mismatch between practice and reality has led to gaps opening up in several key areas. These gaps and deficits are the shared theme of discussions featured in Part II.

The current gaps in equality, institutions, and understanding are especially significant because they are interlinked and feed into each other. For example, domestic inequality can fuel populism and anti-globalization sentiment, hindering the reform of global institutions. North–south global inequality can impact cooperation on shared challenges like climate change. Gaps in understanding can cause citizens and policymakers to place too much emphasis on rivalry and certain perceived security risks when more attention should be paid to cooperating on larger transnational challenges.

THE EQUALITY DEFICIT

One of the many existing problems that the pandemic has exposed is the yawning inequality gap between countries. As Pascal Lamy points out in this dialogue series, nowhere is this more striking than in the uneven distribution of vaccines across the world, something he refers to as “vaccine apartheid.” As Lamy says, this vaccine divide will significantly slow our exit from the pandemic and its associated economic crisis. It will also

exacerbate the north–south divide, with consequences for our joint efforts to tackle other global problems, such as climate change negotiations.

Inequality is also serious and widening within many countries. A particular case of this divide in the US is highlighted in *Deaths of Despair and the Future of Capitalism*, a groundbreaking book authored by the speakers in the first dialogue of Part II, the economists Anne Case and Angus Deaton. In their conversation with me and CCG Vice President and Senior Economist David Blair, Case and Deaton describe how the US is unusual in having witnessed a reversal in the long-term trend of increasing life expectancy, with life expectancy actually falling from 2015 to 2017, a trend not seen elsewhere. During this period, the fastest rising death rates among Americans were from drug overdoses, suicide, and alcoholic liver disease. Research by Case and Deaton has shed light on the social and economic forces that have made life harder for less privileged groups in America and so contributed to these “deaths of despair.” However, they point out that conventional stories about globalization and technological change cannot fully explain this phenomenon, as other industrialized countries have not experienced the same public health crisis. Instead, Case and Deaton highlight the significance of policy decisions related to income redistribution, worker retraining, and America’s dysfunctional healthcare system that have made blue-collar workers more vulnerable to rapid changes in the economy and society.

THE INSTITUTIONAL DEFICIT

Over the course of this dialogue series, a general consensus emerged that many of the most pressing problems we currently face, from the pandemic and climate change to trade frictions and the impact of the digital economy, can be linked to deficits in our global governance and institutions.

The system of global governance formed after the Second World War, largely the one that still exists today, was designed for a world in which a few powerful countries called the shots; a world in which national boundaries were all important and the most pressing problems arose within or between states. We now live in an increasingly digital and multipolar world linked by cross-border flows and global challenges, but our system of global governance has failed to keep up and adapt, in part because of a lack of leadership and consensus at the global level. This gulf between global governance and the realities of the twenty-first century has led to

severe gaps in global institutions when it comes to areas like climate, the ability to undertake a coordinated international response to global health crises, and norms and rules to manage the digital economy.

In Part I, Martin Wolf links this global institutional gap to a fundamental tension between the logic of the economy, which is global and not deeply anchored nationally, and the logic of politics, which remains national. International government, such as it exists, essentially rests on the voluntary cooperation of national governments that rely on domestic legitimacy and accountability. As Wolf describes, this makes it difficult to maintain international cooperation among governments to create global order and update global institutions for things like trade, finance, or climate, because all the political forces acting on these institutions are national and so prioritize the narrower concerns of national citizens.

The gap in global institutions that has opened up in the twenty-first century is particularly evident when we look at the World Trade Organization (WTO). This topic is explored in-depth in the second dialogue in Part II with Wendy Cutler, Vice President of Asian Society Policy Institute and former Acting Deputy USTR, and Pascal Lamy, former WTO Director-General and President of the Paris Peace Forum.

As Lamy notes, while the global economy has changed dramatically since the 1990s, WTO rules have remained largely unchanged since then. This gap has resulted in frictions over new issues and an uptick in judicial activism in the dispute settlement mechanism as judges try to reinterpret old rules to match new realities. Both Lamy and Cutler link this failure of the WTO to reform itself to the machinery and processes by which the organization operates and makes decisions. In particular, the WTO remains a strongly member-driven organization compared to other international institutions, which has made it difficult to forge consensus and move forward. To overcome this, Lamy suggests that authority in the WTO should be rebalanced such that the director-general and secretariat can play a larger role in “co-driving” the organization along with the membership. Cutler recommends that more use be made of plurilateral agreements under which subsets of WTO members negotiate and reach agreements, which then remain open for other parties to join if they want to participate.

In my discussion with Wendy Cutler and Pascal Lamy, we go on to discuss how strains on global governance and the breakdown of WTO negotiations have led to a “rise of regionalism.” Asia in particular has become a locus for new regional multilateral initiatives such

as the reformed Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP).

DEFICITS OF UNDERSTANDING

The third and perhaps most important gap afflicting global affairs at present is a gap of understanding. Effective communication and mutual understanding are a necessary foundation for all efforts to address our various shared challenges. Yet, it seems we face a serious deficit of mutual understanding right at the time when it is most needed.

Again, there are structural reasons why this gap of understanding has become more serious. On one hand, globalization in its various forms has entwined the fates of different countries and societies more deeply than ever, so it is more important to understand what others are doing and the way they think. On the other hand, while the world has become more complex and interdependent, the stories we tell about it have not evolved and in some ways have become even more simplistic, in part due to trends in politics and communications technology. For example, it is hard to convey the complex reality of a phenomenon like globalization or China's rise in a single tweet or a 15-second TikTok video. In our information-saturated environment, it often seems that the voices heard are those that shout the loudest, shortest, and simplest messages.

Kerry Brown has dedicated much of his academic career to understanding China. In his most recent book, *China Through European Eyes: 800 Years of Cultural and Intellectual Encounter*, he turns to look at those trying to make sense of China from the outside. In the final dialogue in Part II, Brown identifies several reasons why the gap of understanding might be more serious when it comes to Western perceptions of China. The first is simply unfamiliarity; for most of history, people in places like the UK and US have had relatively little desire or need to understand places like China. The second problem is something Brown calls "ontological complexity." China is a large, diverse, and complex place that defies easy definition or categorization, and the country has always been something of a hybrid. Historically, Chinese culture and values have been influenced by many different ethical, philosophical, and religious views, forming a flexible worldview that is difficult to label. Economically, China is a hybrid system that combines the domestic private sector, state-owned enterprises, and multinational corporations. Finally, difficulties in

understanding China from the outside are compounded by the fact that views of China in the West are often colored by dominant media narratives or psychological factors such as confirmation bias.

PART III: POWER SHIFTS AND GREAT POWER RELATIONS

Relations between China and the US will be central to the story of the twenty-first century. Not only are these two countries the world's two largest economies, they are also the world's two largest trading nations and carbon emitters, as well as being representatives of the developed and developing world, and leading voices for the West and Asia, respectively.

Part III features leading experts from political science, international relations, trade, and business sharing their views on evolving relations between China and the US. Given their outsized role in the world, relations between these two countries will have major consequences, not only for the citizens of both countries, but for the whole world. In particular, whether these two great powers can coexist harmoniously and cooperate will have a large bearing on the future trajectory of the global economy and whether the international community can work together to overcome transnational challenges like climate change and pandemics.

HORIZONTAL AND VERTICAL POWER SHIFTS

The speaker in the first dialogue in Part III is Joseph S. Nye Jr., someone who has spent a distinguished career in academia and government enhancing our understanding of international relations and notions of power. Nye is well known for developing the concept of “soft power,” the ability to influence others through attraction rather than coercion or payment. More recently, Nye has turned his focus to how power is changing in the world and how that will affect relations between the US and China.

In the last chapter of his most recent book *Do Morals Matter?* Nye describes two great power shifts occurring in the twenty-first century. The first is the story we are the most familiar with, the “horizontal” power shift from west to east or from Europe and the Atlantic to the Pacific and Asia. To take a rough approximation, in the year 1800, Asia was around half of the world's population and half of the world's economy. By 1900, Asia accounted for half of the world's population but only 20 percent of the world's economy, largely due to the industrial revolution

in Europe and North America. Following a rapid resurgence over the last few decades, Asia is now on track to again account for over 50 percent of global GDP by 2040, according to many estimates. While China is central to the rise of Asia, rather than portray the power shift as simply a shift from the US to China, Nye says it is more accurate to say that what we are seeing is the rise of a large group of emerging economies and the formation of a new multipolar world.

As Nye explains, at the same time this horizontal power shift is taking place, there is also a “vertical” power shift underway from governments to non-governmental and transnational actors. It is driven by technology and “ecological globalization”—threats such as climate change and pandemics that don’t respect borders and can only be addressed by working with other governments. Nye says that while the horizontal power shift can reconfigure “power over” other countries, the vertical power shift requires a different form of power, called “power with” rather than “power over,” because no country can solve transnational problems by itself. Nye stresses that we need to learn to live in a world where both forms of power are managed simultaneously, which is not an easy thing to do.

THE FITZGERALD CHALLENGE AND THE THUCYDIDES TRAP

Like Joseph S. Nye Jr., Graham Allison has spent a distinguished career at Harvard and served as a senior official in government. He is the featured speaker in the second dialogue of Part III along with Chen Li, Director of the Center for International Security and Strategy at the School of International Studies, Renmin University of China.

Graham Allison identifies a similar tension to the one Nye describes between horizontal and vertical power shifts when he talks of how leaders of great powers in our age face the “Fitzgerald Challenge.” In his 1936 essay, “The Crack-Up,” F. Scott Fitzgerald famously writes that the test of a first-class mind is the ability to hold two contradictory ideas in your head at the same time and still function. On one hand, Allison sees fierce competition between the US and China as inevitable because both are determined to be strong in various dimensions such as economics, technology, and diplomacy. At the same time, and somewhat in contradiction with the first idea, unless the US and China can find ways to coordinate and cooperate in dealing with shared threats such as climate, pandemics, and nuclear proliferation, the whole of humanity could be at risk.

Allison is well known for developing the concept of Thucydides's Trap, a deadly pattern of structural stress that results when a rising power challenges a ruling one, as a useful lens to understand China–US relations in our current age. This idea has generated a great deal of discussion as tensions between China and the US have intensified and Allison, Professor Li and I had a fruitful discussion on how to absorb the right lessons from various great power rivalries in history and maintain peace in the twenty-first century.

THINK TANK DIALOGUE ON CHINA–US RELATIONS

Amidst ongoing geopolitical tensions, think tanks are well placed to help promote understanding between great powers and explore areas for cooperation through Track II diplomacy. Therefore, CCG was pleased to engage in dialogue with leading US think tanks for the third discussion in Part III. This dialogue features Adam S. Posen from the Peterson Institute for International Economics, J. Stapleton Roy from the Kissinger Institute on China and the United States, John L. Thornton from the Brookings Institution and the Asia Society, as well as Zhu Guangyao and myself representing CCG. These speakers brought a wealth of experience from the fields of economics, finance, diplomacy, and business for a wide-ranging discussion on how to balance competition and cooperation between China and the United States amidst our current global challenges.

The discussion covers structural factors behind current frictions between China and the US, with speakers from both sides noting that while much of the dispute has played out in the field of economics, the driving forces are really political rather than economic. The panel also discussed steps that can be taken to improve China–US relations and potential areas for cooperation such as climate change, the reform of multilateral institutions, and infrastructure. There was a consensus that policymakers need to adopt new mindsets to address twenty-first-century realities and forge new narratives that emphasize shared interests rather than dominance and strategic rivalry.

Another point of agreement was that China and the US need to restore channels for engagement, both at the government and people-to-people

level. As John Thornton pointed out, China and the US still enjoy broad and deep ties between universities, NGOs, and individuals. It is crucial to support these exchanges to build societal trust and guard against the drift toward unhelpful policies at the elite level. Hopefully, this is an area where dialogues such as this one between CCG and our counterparts in the US can make some contribution.

MULTIPOLARITY IN THE POST-PANDEMIC ERA

The speaker in the final dialogue in this book is my good friend Kishore Mahbubani, who served as a diplomat for Singapore for over three decades, including stints as Ambassador to the UN and President of the UN Security Council. He is now a Distinguished Fellow at the Asia Research Institute, National University of Singapore. Well versed in the politics and culture of both Asia and the West, Mahbubani is in the rare position of being both extremely well informed and also a neutral third-party observer of China–US relations. The sober analysis and unique perspectives on geopolitics that he shares in our dialogue provide a nice way to cap off this volume.

Summing up the paradox in China–US relations that many speakers highlighted in this series, Mahbubani says that the great geopolitical contest that will be played out between America and China in the coming decades is both “inevitable” and “avoidable.” It is “inevitable” because many of the policymakers who will make the tactical decisions that will drive this contest are possessed by a mindset that sees all competition among great powers as a zero-sum game. But the contest is also “avoidable” because fundamentally, there is no contradiction between the core interests of both countries; both would be better off channeling their resources to improve the well-being of their own people and working together to mitigate common threats like climate change, rather than engage in an escalating geopolitical competition that harms not only both countries but also the rest of the world.

In the conclusion to his book *Has China Won?* Mahbubani poses the question: as our only inhabitable planet faces great perils like climate change, should we focus on our differences or our similarities? I would suggest that when we adopt the planetary perspective offered by images like *The Blue Marble* and the *Pale Blue Dot*, the answer is clear.

NOTE ON THE CONTENTS OF THIS BOOK

This book is made up of edited transcripts of discussions that took place between March and October 2021 as part of the CCG Dialogue Series. For this book, they have been arranged thematically as described above rather than presented chronologically. Each transcript has been formalized and edited for readability, brevity, and clarity. Prior to publication, speakers were given the chance to review and edit their transcripts for clarification and accuracy. At the time of recording, each dialogue also featured a short question and answer section at the end. This section has been removed from the edited dialogues due to space considerations and also because the questions raised by reporters often focused on current affairs at the time of recording and tended to have less enduring relevance. It is worth noting that these dialogues were unscripted and free-flowing conversations; the views and opinions expressed by speakers are their own and do not reflect those of their affiliated organizations.

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