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“We Are Entering the Era of Re-Globalization”



*Globalization has neither stopped nor have we entered an era of de-globalization. In fact, we are in a new stage of globalization where China, together with other emerging economies, is actively putting marks on global affairs and global governance, argues Prof. Dr. **WANG Dong**, Deputy Director of the Office of Humanities and Social Sciences at Peking University, in an exclusive interview for stars. In his view, this re-globalization phase is a process of expansion and upgrading vis-à-vis the globalization as we know it today, which in turn will unleash a new round of economic globalization.*

Markus HERRMANN: How is the Sino-US trade war a manifestation of a new round of globalization?

WANG Dong: The Sino-US trade war illustrates the expected tensions and conflicts as the world enters its next stage of globalization. To me, the use of a 19th century trade protection toolbox is a sign of the US' frustration about its relative decline in power. Having said this, the US can neither legitimately monopolize the interpretation nor the rulemaking about globalization – globalization is a global common good. Looking at the fundamental forces and the long-term, globalization will push forward into a new stage with incremental dynamics and benefits for every nation. As such, I am confident that this trade war between US and China will be resolved sooner or later, as a new equilibrium will be gradually created, leading into the era of re-globalization, although it may take some time. These interdependent and globalized superpowers cannot have any reasonable interest in reversing globalization.

Isn't President Xi's intention to "lead the reform of global governance" inevitably a guarantee for more conflicts?

Let me clarify that: re-globalization is a neutral concept, it simply argues that globalization won't stop, and new dynamism will be injected instead. Now, certainly different outcomes are possible. Multipolarity being one of them with a world more broken down into regional

“spheres of influence” which cooperate economically but compete technologically. The vision of re-globalization is not one in which China seeks to replace US hegemony and pursue global dominance. Rather, re-globalization is an inclusive process – indeed, more inclusive than the “old” globalization. It foresees more cooperation, less confrontation and constructive competition within the boundaries of jointly set rules.

What is the role of trust in this process?

Strategic trust is one of the most important aspects in international politics, both between two states as well as in the context of multilateral structures and initiatives. Today we are witnessing deep trust deficits between the US and China that have been accumulating over the past years. I read the trust deficits as a misinterpretation of China’s intentions as well as the US’ insecurity about how to deal with an economic and, increasingly military, competitor. The US policy community saw an inflection point regarding the past US engagement strategy with China – beginning to take shape with President Nixon’s outreach to China in the 1970s – and it has been largely abandoned under the Trump administration. This fundamental policy shift is driven by the US’ frustration that China did not liberalize economically and politically according to the expectations and needs of the US – China today is clearly not a country modeled after the Western type of democracy.

The non-convergence of the political systems is at the core?

No, not only. Meanwhile, the US administration boasts ultra-conservative China hawks that openly link the overhyped threat posed by China to the fact that it is not a “Caucasian civilization” and as such constitutes an entirely new category of challenger for the US. Even though I am aware that these are very singular opinions voiced within the US elite, to me it is just another sign of utterly unproductive perceptions in Western countries about China. Judgments are not based on a solid and measured assessment of what China is and what it is trying to achieve. Having said this, I believe it is the objective of the re-globalization process to overcome this kind of trust and misperception issues.

What is the role of the EU from a Chinese standpoint?

The EU is one of the most important strategic partners for China. China does not like US hegemony but prefers a strong and united EU, which is a key factor to ensure a better international power balance. Furthermore, unlike with the US, China does not have strong conflicts of interest with the EU, as it does not entertain close military alliances or a broad military presence in the Asia-Pacific and there is no geopolitical rivalry between China and the EU in the region. Certainly, the EU is a normative superpower and there is an established diplomatic practice to address normative topics of mutual concern as for example human rights. China is willing to engage the EU on conversations over human rights as long as those conversations are carried out in the spirit of mutual respect and understanding. Overall, I would estimate that the Chinese side would look for opportunities to further deepen cooperation with the EU. It is already the most important trading partner of China, but – beyond this – it will become an increasingly important cooperation partner for global challenges such as climate change or the reform of global governance, especially the WTO.

Also, the China-Japan relationship seems to benefit from positive dynamics.

It was always clear that a stable bilateral Sino-Japan relationship is of mutual interest. It is a bit ironic that the policies of the current US administration have led to the realization of the extent of common interests between the two countries and it has definitely created incentives for Japan to actively explore deeper cooperation with China. However, I would argue that Japan’s overall efforts to engage with China are not yet commensurate with

China's growing relevancy in this region. A particularly interesting cooperation framework could be the trilateral cooperation between Japan, South Korea and China. Having said all this, we should nonetheless not forget that a difficult historic past is still a factor in the overall political relationship of both China and South Korea with Japan. Personally, I think that much more people-to-people initiatives are needed to further create bonds and trust between the countries' respective elites and broader population.

Turning to a concrete manifestation of re-globalization is international institution building. Indeed, and China has been doing a very good job with building international institutions with some significant contributions, such as the Shanghai Cooperation Organization (SCO), the Asian Infrastructure Investment Bank (AIIB) or the Belt and Road Initiative (BRI). Certainly, China is still on a steep learning curve, but if we look at the AIIB for instance: China took the lead and has set up an organization which is widely acknowledged to operate in line with the highest international standards and governance rules. This is a major accomplishment, in little time. On the other hand, I would assess the BRI to still have quite a strong "Chinese footprint", but also here the leadership has consistently argued for a more inclusive and transparent framework that also incorporates relevant international norms and values.

Switzerland recently signed on to the BRI, too – the public debate was quite controversial. This is a good example to make my point. Switzerland has signed a third-party market cooperation Memorandum of Understanding (MoU) with China in order to cooperate in BRI countries. I don't think this is simply a calculus of interest for Switzerland. Switzerland definitively also considered the values and norms committed by the Chinese government in how to evolve governance of the BRI. Therefore, the BRI over time undoubtedly must become reflective of the international standards and norms common to the large number of countries that China is seeking to engage in the BRI – and this includes developed countries.

A re-globalization process with a more active China will demand more policy debate, creativity and proposals from China. Is this available?

The general western perception of China as a socialist country led by the Communist Party of China sometimes leads to the erroneous conclusion that the Chinese are intellectually monolithic, and lack innovation and creativity. I do not share this observation. China's past 40 years of reform were all about innovation and creativity. Very similar to the booming Chinese corporate sector with innovative internet and technology companies, China has equally developed a vibrant marketplace for policy ideas. For language and network hurdles it may not be very accessible to foreigners, but this does not mean it is not there. For instance, many of my colleagues and friends are not only conducting academic research, but also contributing to policy-relevant work. The rise of a strong community of think tanks in the past few years attests to that and I have no doubt that the re-globalization process will open opportunities for more theoretical and policy ideas from China to come into the global marketplace of ideas, thus helping re-shape the dynamics of this new phase of globalization.



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Young Scientist of Beijing”, where he was ranked No. 1 in the category of humanities and social sciences.

The interview was conducted by stars alumnus Markus HERRMANN, Co-Head Asia program, [Swiss Forum on Foreign Policy](#), on the sidelines of the [stars China symposium](#) in Chengdu. The views expressed here are solely those of the interviewee and they do not necessarily represent or reflect the views of the stars Foundation.

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