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A Summary of the Eighth North Pavilion Dialogue

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On November 3rd and 4th, 2021, Peking University Institute of International and Strategic Studies hosted the Eighth North Pavilion Dialogue. The theme of this year's annual meeting was "Global Trends and Policy Recommendations in the Wake of the COVID-19 Crisis", and the event consisted of four sessions with subtopics. More than 30 distinguished guests from 13 countries, including former government officials and experts of international affairs, participated in the Dialogue and shared their insights.

I. The Impact of the COVID-19 Pandemic

Participants discussed the impact of the COVID-19 pandemic concerning the current and future state of global governance as well as globalization. Most speakers agreed that the international community must work together to handle major global crises such

as the COVID-19 pandemic. In addition, participants noted that the COVID-19 pandemic has created tensions around geopolitical situations and the global distribution of public goods. The pandemic has consequently brought serious challenges to not only domestic politics but also global governance and international institutions. Below are some insights shared by the panelists:

1. The COVID-19 pandemic is a multidimensional and complex systemic challenge, and thus its impacts must be assessed comprehensively. The global crisis caused by the pandemic demonstrates a phenomenon that some scholars refer to as “teleconnection” or “telecoupling”, which refers to how forces operating in one part of the global system can trigger unintended consequences in distant parts of the system. Telecoupling has led to a growing tendency towards the securitization of every aspect of human life, from politics, economics, culture, and ideology to science and technology. In view of the complex system in which we live, the international community should strive to build consensus on confining securitization to rational boundaries.

2. The spread of COVID-19 across the globe has changed our way of life. Countries have implemented restrictions, including lockdown and border closures, to deal with the pandemic. The reduction of global contact is a real and new dynamic that contributes to suspicions associated with “virus nationalism”. Domestically, the basis for normal social engagement and social contact is collapsing as suspicion between people grows. In general, domestic and international mobility have been significantly weakened.

3. COVID-19 has also impacted the world economy, particularly

the global supply chain. International trade has been hindered and productive elements, including talents and resources, cannot be freely exchanged across the globe. Further, the pandemic has brought about significant unemployment in both developed and emerging economies around the world and has triggered a collapse in foreign direct investment (FDI). Overall, the economic impact of the pandemic has been profound and is still unfolding.

4. COVID-19 has accelerated nationalism around the world and brought uncertainty to global governance and institutions. Countries' prioritization of their own domestic issues and the consequent lack of international cooperation have given rise to "COVID nationalism" and "vaccine nationalism". This, in turn, has made the fair distribution of vaccines all around the world an urgent issue that is yet to be solved. Under these circumstances, the position of international organizations such as the World Health Organization (WHO) has been weakened. It is a missed strategic opportunity that members of the international community did not cooperate as they did in the 2008 global financial crisis. As a result, the effectiveness of international mechanisms is declining and the credibility of international institutions has been undermined.

5. COVID-19, as a nontraditional security threat, has created political legitimacy problems and intensified geopolitical tensions. To an extent, the handling of the COVID-19 pandemic has become a test for countries' political legitimacy. As Western democracies have scrambled and failed to handle domestic outbreaks of the virus, challenges to political legitimacy and the divisiveness brought by COVID-19 have only deepened in international politics. In addition, disputes around the mutual recognition of vaccines and the

investigation of the origin of the COVID-19 virus have given rise to geopolitical contention. In particular, the pandemic has worsened the competitive dynamics between China and the United States or even between China and Western democracies as a whole.

To cope with these situations, most participants agreed that the international community should come together to take effective measures. Below are some of the specific suggestions they made:

1. The international community must revive multilateralism and rebuild confidence in international institutions. Given the rise of unilateralism, nationalism, and populism, reforms in the current international system are needed. It will be crucial to value global cooperation and to maintain the centrality of the United Nations (UN) in the international system. For globalization to continue, it must be improved in order to meet global and localized challenges.

2. The international community should cooperate effectively on responses to COVID-19. Countries should bridge the gap in vaccines and ensure fair and quick distribution, especially to developing countries. In addition, through the UN, G20, or other platforms, there should be international coordination on monetary policy and global supply chains to brace for the economic repercussions and financial risks brought by the pandemic.

3. The United States and China should better manage their relationship to ensure international stability and cooperation on transnational issues. In particular, the two countries should learn from the bitter lessons of the Cold War. Given the current situation, dialogue and negotiation are necessary to reduce rising tensions among great powers. Meanwhile, despite political tensions, on issues

such as public health, working-level connections between authorities of different countries, including China and the United States, must be maintained or restored in order to take real action for the interests of humankind.

II. The Changing Geostrategic Landscape in the Asia-Pacific amid China-US Tensions

In the second session of the Dialogue, participants discussed a wide range of issues concerning not only how China-US tensions have shaped the geostrategic landscape in the Asia-Pacific but also how the changed geostrategic landscape has affected the nature of China-US relations in return. Specific topics raised in this session include regional security, the strategic balance between economic and military power, border and territorial disputes between countries in the Asia-Pacific, the effects of the COVID-19 pandemic, the international repercussions of China's and the US's domestic politics, and prospects for the future of international conflict and world order. Below are some of the insightful assessments and suggestions shared by the panelists:

1. Security structure is crucial for the Asia-Pacific region amid the changing geostrategic landscape. The main obstacle to building a stable security structure is the disjuncture between the distribution of economic power and the distribution of military power in the region. Whereas China is the center of gravity for the former, the United States is the center of gravity for the latter. This asymmetry is at the heart of contention in the Asia-Pacific. Rising China-US tensions, combined with the tensions that already exist among regional powers, have made the region's security outlook even more complicated.

Under these circumstances, the formation of informal coalitions, such as the Quad and AUKUS, risks making provisional arrangements structural.

2. There are several potential flashpoints in the Asia-Pacific that should be paid attention to. Most of the region's flashpoints and security dilemmas exist in maritime Asia, including the South China Sea and the East China Sea. However, its most daunting challenge is the Taiwan question. As the United States has modified its Taiwan policy by actively supporting Taiwan's push for greater international presence and inviting Taiwan to its Summit for Democracy, China has responded with serious warnings. As the situation develops, there is a real risk that Taiwan could become a flashpoint for military conflict between China and the US. In the worst-case scenario, the peaceful environment that the Asia-Pacific region has enjoyed for decades could be jeopardized.

3. Arms control and non-proliferation are also key to the prospects for regional security. As competition between China and the US has intensified, many countries have decided to bolster their own defense capabilities. Six out of the ten countries with the world's highest military budgets are in the Asia-Pacific. Australia's plan to acquire nuclear submarines from the UK and the US through AUKUS reflects the significant risk of non-proliferation in the region. Although AUKUS may not be strictly violating non-proliferation agreements, its activity is certainly against the spirit of nuclear non-proliferation. With the continuation of China-US competition, military expenditures and the risk of non-proliferation will likely continue to increase in the Asia-Pacific. As a result, countries may have a stronger will to settle conflicts and disputes with military means. This danger warrants

caution from all relevant parties.

4. Asia-Pacific countries should avoid relating every regional or bilateral issue to China-US relations. With China's influence growing and China-US tensions escalating, emotional anxiety is relatively high among policymakers in the Asia-Pacific. Consequently, many, including China itself, tend to view all geopolitical issues through the prism of China-US relations. Such a preoccupation limits countries' flexibility in dealing with other bilateral relationships and regional issues. Therefore, Asia-Pacific countries should take the initiative and try to solve problems on their own terms.

5. Trade issues also play an important role in Asia-Pacific geopolitics. Recently, both China and South Korea applied to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). As the CPTPP has higher standards for trade and investment regulations than other trade arrangements, such as the Regional Comprehensive Economic Partnership (RCEP), it serves as a positive signal for economic integration in the region and could fast-track the free trade agreement negotiations among Japan, South Korea, and China. Moreover, China's decision to apply for CPTPP membership demonstrates its will to continue economic reforms. Its application is thus a serious effort rather than a "tactical move". Under these circumstances, if the US can also overcome its domestic political obstacles and rejoin the CPTPP, it will help mitigate the consequences of trade disputes and "decoupling" between China and the US.

6. China-US relations are arguably the most important factor for the future of the Asia-Pacific. The deterioration of bilateral ties has

made it unlikely for the two countries to cooperate on regional issues such as North Korea, Afghanistan, and Burma. Instead of debating over how to redefine the bilateral relationship, the two countries should take real actions on issues of concern. In the short term, the upcoming virtual summit between the leaders of the two countries will be key to avoiding the further deterioration of the relationship. The meeting between President Xi and President Biden could set the tone for the bilateral relationship or, ideally, even build the foundation for potential cooperation between the two countries. In the long run, fundamental questions to be addressed include how the United States and China will view each other's status and role in international society and whether the United States will accept and respect China's political system. Instead of a "cold war", a more likely scenario for the two countries is "hot peace," in which a delicate balance between cooperation and contention is maintained.

In view of the above points, panelists agreed that in a world between orders, Asia-Pacific countries must carefully navigate geopolitical risks. With regard to China-US relations, the two countries should find their common and convergent interests in order to manage their tensions and bring stability to the Asia-Pacific.

III. Managing Climate Change and Environmental Issues

It is the consensus of all participants that the gravity of climate crisis is unignorable and that the looming prospect of climate catastrophe is beyond controversy. The destructive impact of climate change has been undoubtedly proved by science, and climate change will cause severe consequences in the geographic, ecological, energy, economic, and other domains. In particular, as pointed out by a panelist, climate

change may influence geopolitical dynamics. On the one hand, it can serve as a conflict multiplier, inducing internal conflicts and bringing about non-traditional security challenges; on the other hand, it can reshape the distribution of power by affecting resource utilization and stimulating technological advancement.

This nexus between climate change and geopolitics has another facet: global climate cooperation is directly influenced by realpolitik. The majority of participants are concerned about how collaboration or confrontation among major powers may decide the success or failure of global climate actions. In recent years, according to a panelist, the international community has made remarkable progress in responding to climate change, including the US's return to the Paris Agreement, the openly announced commitments of over 130 countries to carbon neutrality, technological innovation in renewable energy, and the increasing scale of Nationally Determined Contributions (NDCs). However, there is still a wide gap between visions of climate governance and the actions taken by the international community, and humankind is still far from reaching the goal set in the Paris Agreement of limiting global warming to 2°C, let alone the more ambitious goal of limiting global warming to 1.5°C. Most participants agree that climate stability is a global common good, but political and geopolitical divisions will inhibit collective action to attain it. Speakers offered insights from the following three perspectives:

1. The worsening China-US relationship is one of the most significant geopolitical divisions that has a direct impact on global climate cooperation. As observed by a panelist, China and the US had a good record of climate cooperation during the Obama administration, and they have given several positive signals in this

regard since the Biden administration came to office. Nonetheless, the strategic environment for such cooperation is alarmingly deteriorating. On the one hand, both countries, especially China, are making ambitious international pledges; on the other, both are blaming and taking actions against the other, as demonstrated by the US decision to impose sanctions on China's renewable energy products made in Xinjiang. Most participants worry that with the growing intrusion of geopolitics into climate issues, China-US tensions may block effective global action on climate change, as a similar scenario has already happened during the COVID-19 pandemic.

2. Some panelists argued that the relationship between China and the US is not the key to solving all global challenges and that the China-US rivalry and its impact on climate issues are exaggerated. For instance, a speaker noted that European Union is also pioneering climate action and has adopted the most progressive de-carbonization policies. Further, China-US rivalry is not the only division that undermines effective climate action. For West Europeans, climate issues have already become the top priority in politics. In contrast, the US is still mired in domestic controversy over this issue. In this context, panelists suggested that policymakers and researchers pay more attention to the breadth of world politics, including differentiated priorities in different regions and dynamics in some “unrepresented” fields that ignored by public opinion.

3. In this regard, it is also necessary to notice the decades-long division in climate action between developing countries and developed countries. Many speakers highlighted the discrepancy of interests and stances between these two blocs and the constant debate over the basic question of who should pay for what. Developing countries

currently emit a larger proportion of greenhouse gases (GHG) into the atmosphere; therefore, they need assistance with decarbonization from their developed partners. However, as mentioned by a participant, in some cases, the assistance provided by developed countries to developing countries is overdependent on financial aid but short for technology transfer, which makes this assistance a costly “buyer-seller relationship” between two sides. In some other cases, as noted by a speaker, discussions among developing and developed countries resemble hostage negotiations and degenerate from substantive dialogue to hollow accusations. Among the disagreements between the two sides, the replacement of coal-fired power generation is the most prominent. An increasing number of countries, most of which are developed, have made commitments to reduce coal-fired power generation. However, many countries refuse to make such commitments for economic and energy security reasons. Further, they lack necessary decarbonization technology, such as carbon-capture utilization storage (CCUS). Some experts also pointed out that since carbon emission is embedded in the industrial structure and division of labor in international trade, it is crucial to deliberate climate justice and the justification of policy recommendations raised by certain climate campaigns.

Despite disagreements over details, all participants agreed that the international community should take prompt action to facilitate global climate cooperation in order to save the “burning planet”:

1. It is a consensus that the role of science in policymaking should be fully respected, and academia can make contributions by fully identifying the linkages between climate issues and geopolitics.

2. Most participants believe that realpolitik should help rather than hinder solutions to the current crisis. This means China and the US must properly settle their disputes and provide joint leadership on climate action.

3. Many participants stress the importance of oral commitments, real implementations, and bridging the gap between developing and developed countries through effective negotiations.

4. Some experts and practitioners suggest that the international community would benefit from encouraging a greater role for sub-national and non-state actors in climate governance and reducing the role of some veto players in climate negotiations.

In summary, humankind cannot afford to repeat the mistake of failing to cooperate, as it did during the COVID-19 pandemic.

IV. The Changing Geostrategic Landscape in Eurasia

In the discussion on geopolitical dynamics in Eurasia, participants focused on confrontation and competition among regional powers, the stagnation of regional integration processes, the US withdrawal from Afghanistan and its geopolitical consequences, and China-US tensions. The discussion covered a wide range of geographical areas, including Europe, the Middle East, Central Asia, South Asia, and the Asia-Pacific.

It was a consensus among most participants that the geostrategic landscape in Eurasia is fragmented and contested, continuing the trend of recent years:

1. Some experts offered their observations on the stagnation and backsliding of regional integration projects. After Brexit, the EU has again become stuck in internal problems, and the constitutional dispute between the European Parliament and Poland is escalating. The Shanghai Cooperation Organization (SCO) has lost a certain degree of efficiency after the accession of India and Pakistan, and the solidarity of the Gulf Cooperation Council (GCC) has been severely undermined by the division between Saudi Arabia and Qatar.

2. Second, disputes and conflicts among major powers show no sign of de-escalation. Strategic tensions are emerging and growing all around Eurasia. These include: confrontation and the degradation of bilateral diplomatic relations between NATO and Russia; disputes between China and the EU on Beijing's sovereign issues, including Xinjiang, Hong Kong, and Taiwan; China and India's chronic border disputes; Iran and Saudi Arabia's decades-long rivalry; and Turkey's disharmonious relations with the EU, Russia, China, and its major neighbors.

3. Under these circumstances, many panelists expressed their alarm regarding the increasing possibility of bloc confrontation between major powers. In the Asia-Pacific, AUKUS, the Quad, and the Five Eyes alliance may trigger the risk of enlarging the scale of China-US strategic rivalry. According to one panelist's analysis, bloc confrontation has already become an undeniable reality in the Middle East, where three geopolitical camps are fiercely competing with each other. These camps include: Iran and its allies, namely Shia forces in countries in the region; the pro-Muslim Brotherhood camp, led by Turkey and Qatar; and Israel and the United Arab Emirates (UAE), with Saudi Arabia's possible participation in the future. Such power

competition is likely to spread to South Asia.

Notably, some speakers argued that there are also some new dynamics in Eurasian geopolitics:

1. As explained by a panelist, one of the most important game-changers in Eurasia is the US withdrawal from Afghanistan. Some experts mentioned that this move will cause US allies and rivals to hold new perceptions of the US. The former may question Washington's credibility as a security provider, while the latter is likely to underestimate Washington's resolve to protect its allies. Moreover, nearly all participants agreed that the Afghanistan problem is a Eurasian problem, as it has strong spillover effects, including the spread of refugees and the resurgence of terrorism, in neighboring countries and even beyond.

2. A panelist observed growing trans-regional interactions between the Middle East and South Asia. Presently, Iran, Qatar, and Turkey are playing important roles in Afghanistan. Moreover, India, the UAE, and Israel are strengthening cooperation with one another, and Pakistan, Turkey, and Qatar are doing the same. These new phenomena will have a significant influence on the Eurasian geostrategic configuration.

One consensus reached by all participants is that Chinese and US responses to the Eurasian geopolitical configuration and its dynamics are vital to all regional stakeholders:

1. A panelist argued that China is the most promising candidate for leading the Eurasian integration process, if such a process were to take place in the future. Another panelist believes that China is providing joint leadership with Russia to maintain peace in Central

Asia. However, some speakers doubt whether this is true or feasible, as China has long been cautious about becoming involved in Central Asia, particularly with regard to filling the so-called vacuum of power in Afghanistan. Similarly, China holds a cautious stance in the Middle East, where Beijing is trying to keep balanced relations with regional powers.

2. At the same time, the US is adjusting and modifying its foreign policy on Eurasia. Though the US withdrawal from Afghanistan has aroused questions from all around the world, a panelist emphasized that the US constituency still supports the maintenance of the US's role as a global leader. What American public opinion opposes are "forever wars" like the Afghanistan War and unlimited overseas obligations. In view of this, some experts believe that the US will stick to its grand strategy in Eurasia: in Europe, Washington—together with its European NATO allies—will continue to maintain deterrence against Russia, and in the Asia-Pacific, the US will further pursue the containment of China with the help of its regional allies and partners.

In this regard, many participants stressed that the management of China-US relations is the most crucial issue for Eurasian peace and stability:

1. A panelist elucidated why the mutual misperception of the power distribution between China and US is of great danger to this bilateral relationship. Both sides have assets and liabilities in terms of national power, and it is imperative to correctly calculate the balance of power in policy assessment. However, on one side, policymakers in Washington tend to overestimate China's strength, causing excessive fear and exaggeration of China's threat. On the other side, some in

China, especially since the outbreak of the COVID-19 pandemic and the January 6 attack on the US Capitol, are inclined to underestimate US capabilities and resilience. According to some speakers, such miscalculation may encourage dangerous opportunism and adventurism.

2. Moreover, misperception exists not only in the calculation of the balance of power, but also in the estimation of intentions. A risky but possible scenario for China and the US is a vicious cycle in which both sides demonize each other and misjudge one another's intentions, leading to overreaction. Therefore, all participants agreed that Beijing and Washington should reactivate direct bilateral dialogue across multiple levels, including summits, governmental negotiations and communications among non-governmental sectors.

At the conclusion of the meeting, participants agreed that the North Pavilion Dialogue plays a constructive role in facilitating the exchange of views and the elimination of mutual misperceptions and that the Dialogue should continue in the future.

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