

A New Framework for Global Order Formation

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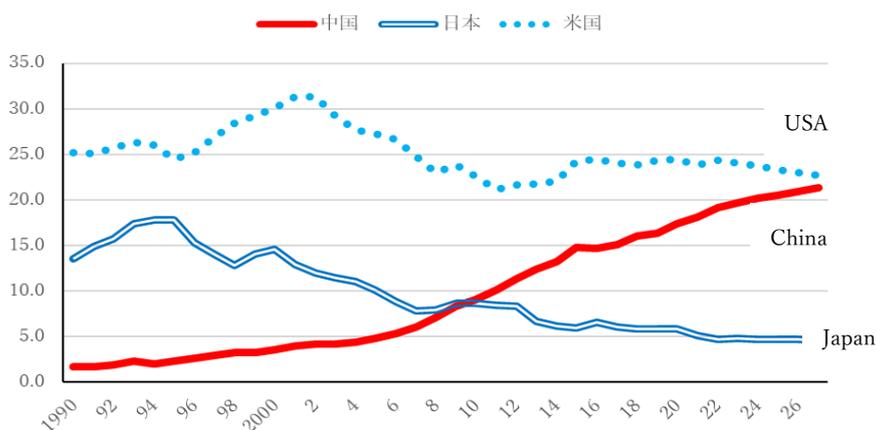
1. Destabilization of the Global Order Caused by the U.S.-China Conflict

(1) Decline of U.S. Dominance and the Rise of China

The foundation of the postwar global order was the strong leadership of the United States and international trust in its contribution to the formation of a stable order. Since the beginning of the 21st century, that leadership and trust have begun to waver. The decline of the U.S. share in the global economy and its retreat from taking an active role in stabilizing the global order have had a negative impact on global order formation.

One of the key elements of leadership in global order formation is the size of the economy: according to the IMF's World Economic Outlook (April 2022) database, the share of U.S. GDP in the global total has plummeted from 31.3% in 2001 to 22.7% in 2010 (See Figure). During the same period, China's share of GDP increased sharply from 3.9% in 2001 to 9.1% in 2010. With the U.S. share at 24.5% and China's at 17.4% in 2020, U.S. GDP already losing its overwhelming advantage. The two countries are expected to be almost equal with each other with a share of just over 20% in 2030. As China's economic power has expanded, its military power has also grown. In the 2010s it has taken a more hawkish stance toward the outside world. Consequently the United States began to view China as a threat.

Figure: Trends in Global GDP Share of Japan, the U.S., and China



(Source: IMF World Economic Outlook, April 2022)

(2) Shift in U.S. Diplomatic Policy toward China

In October 2011, the Obama administration launched the "rebalancing (pivot) policy" putting importance on the Asia-Pacific region in order to deal with the threat from China. Although the Obama administration announced a significant policy shift, there was no clear change in policy practices.

When the Trump administration took office in 2017, it adopted "America First" as its slogan. Along with this, President Trump abandoned the leadership role that the U.S. had traditionally played in ensuring the stability of the world order by maintaining world peace and promoting economic prosperity. The Trump administration harshly criticized the EU, resulting in a loss of trust between the U.S. and the EU, and the EU countries moved in the direction of strengthening their independence from the U.S. Meanwhile, the administration took a hawkish stance toward China and implemented tariff hikes, technology frictions, and other measures based on its policy of promoting decoupling, and U.S.-China relations rapidly deteriorated.

When the Biden administration took office in 2021, it dropped the "America First" policy and emphasized relations with allies, which led to a significant improvement in U.S.-European relations. However, in light of the strong anti-China sentiment in the U.S. and bipartisan support for a hawkish policy toward China in Congress, the basic policy toward China was largely inherited from the Trump administration. As a result, U.S.-China relations, in contrast to U.S.-European relations, have further deteriorated. In particular, criticism of the measures adopted by the Chinese government to prevent new COVID-19 infections (so-called "zero COVID-19 policy"), human rights issues in Xinjiang and Hong Kong, and the conflict over Russia's invasion of Ukraine have further deteriorated relations between the two countries.

The root of this U.S.-China confrontation is the U.S. desire to maintain its top leadership position in terms of military, economic, and political power as a hegemonic power and restrain China's rise for the purpose. In particular, the Biden administration has been struggling to deal with Congress in the management of its domestic policies, and it is seeking to secure a base of support for its administration by taking a hawkish stance toward China as a measure to cope with Congress and the election. Instead of diplomacy for the stability of the world order, it has become an electioneering: "inward-looking diplomacy" that panders to the public and parliament, which have strong anti-Chinese sentiments.

Especially since the beginning of 2022, the Biden administration's approval rating has fallen to the lowest level among postwar presidents, and midterm elections will be held in November, so the inward-looking trend is intensifying.

Meanwhile, in China, nationalism has been on the rise against the backdrop of the rapid increase in national power since the beginning of the 21st century, and especially after the Lehman Shock in the fall of 2008, the country has taken a more hawkish stance toward the

outside world against the backdrop of its remarkable economic recovery. Because of this change in domestic public opinion, the traditional cooperative diplomatic stance toward the U.S. has been criticized as a weak-kneed diplomacy since around 2010. Aware of this domestic public opinion, the Chinese government has developed a "Wolf-Warriors diplomacy" that emphasizes its hawkish stance toward the outside world through aggressive expressions and measures.

In this way, both the U.S. and Chinese administrations have prioritized securing the stability of their domestic political bases, and in their foreign policy as well, they have taken a more hawkish stance toward the other country with an awareness of their domestic constituents. It is a common problem of "inward-looking diplomacy" in both countries. The confrontation between the two countries has continued to worsen as both sides have taken a more hawkish stance toward the other with a strong awareness of domestic public opinion. Unless the structure of this "inward-looking diplomacy" is changed, there is little room for compromise toward cooperation between the two countries, and the U.S.-China confrontation will become increasingly serious. This intensification of the U.S.-China confrontation is a major destabilizing factor in the formation of the global order.

(3) The risk of U.S.-China armed conflict over Taiwan

In the case of Russia's recent invasion of Ukraine, the U.S. and China have not shown any signs of compromise, with the two countries only harshly criticizing each other. China has not criticized Russia, but has harshly criticized the anti-Russian stance of the U.S., which has further strengthened anti-Chinese sentiment in the U.S. Under these circumstances, former Republican Secretary of State Pompeo visited Taiwan in March 2022 and said that Taiwan should be officially recognized as a nation. In addition, the Speaker of the House of Representatives, Pelosi visited Taiwan in August. This is the first time in 25 years since the Speaker of the House of Representatives, Gingrich visited Taiwan in 1997. Pelosi emphasized the U.S. support for Taiwan's democracy. These visits to Taiwan by prominent U.S. politicians have provoked China, and the rift between the two countries is growing ever deeper.

If the U.S.-China confrontation becomes protracted and the U.S. continues to herald Taiwan's independence against this backdrop, and if Taiwan actually moves toward independence, China, which positions Taiwan as its core interest, will be more likely to move toward Taiwan's armed unification. If the U.S. were to intervene in Taiwan's defense by force, an armed clash between the U.S. and China would erupt, raising the risk of a world war. This is the worst possible scenario for the world order.

Unless some mechanism can be found to find a way to put the brakes on the amplification of the worsening US-China confrontation, it appears to be only a matter of time before the

escalation of the US-China conflict throws the global order into chaos. However, there is virtually no chance of improving "inward-looking diplomacy" until after the U.S. midterm elections and China's 20th Party Congress scheduled for this fall. Even after these important political events in both countries are over, it is unlikely that the two countries will be able to correct the problems of their "inward-looking diplomacy" on their own, as they continue to take a hawkish stance toward the outside world in favor of domestic politics. In other words, it is unlikely that the two countries will be able to remedy this problem bilaterally. In order to reduce the risk of instability in the global order in the future, involvement by entities other than the governments of the two countries is necessary.

In the short term, the EU countries, such as Germany and France, and Japan could cooperate to urge the U.S. and China to implement concrete measures to improve relations. However, European countries are skeptical about the possibility that the U.S. will listen to the persuasion of a third country, and the Japanese government has difficulty in clearly communicating to the U.S. its demands that are not in line with the wishes of the U.S. government, as European countries do.

In the medium- to long-term, one option is not to use the conventional state-level approach, but rather to encourage the formation of a global order by non-state actors that transcend national boundaries. This point is discussed in the next section.

2. Structural Factors that Impede the Resolution of Important Issues Facing the World

(1) Difficulties in Forming an International Consensus

In addition to the worsening confrontation between the U.S. and China, another factor destabilizing the formation of the global order is the increasing difficulty in reaching international consensus.

Against the backdrop of accelerated globalization since the 1990s, many of the critical issues facing the world's nations cannot be resolved by a single country or a limited number of countries within a region, and broad multilateral cooperation within the global community has become an indispensable prerequisite for problem solving. Specifically, global coordination and cooperation have become indispensable in resolving a variety of important issues, including the spread of new COVID-19 infection, climate change, ocean dumping of plastics, protection of marine resources, food safety, development and investment in developing countries, trade systems, international finance, and international tax systems.

In the postwar international community, international organizations and international frameworks such as the United Nations, G7, G20, OECD, WTO, NATO, Paris Agreement, and WHO have supported such coordination and cooperation mechanisms. Those mechanisms

and measures to deal with important issues are based on the formation of rules among nations, such as agreements among nations and the conclusion of treaties.

In recent years, however, it has become increasingly difficult to coordinate opinions among the countries concerned against the backdrop of sharpening conflicts of interest among countries due to the progress of economic globalization and the growing presence of China, India, and other developing countries in the international community. Assuming the approval of all countries concerned, measures based on international consensus building must be the product of compromise in the adjustment of interests among countries. As a result, the rules that are decided upon are ambiguous and have a wide range of permissibility. Even if rules are established as the product of such compromises, they are unlikely to function effectively to address common issues in the global community. For example, as evidenced by the difficulty of international collaboration on measures to prevent new COVID-19 infections using the WHO as a platform and climate change countermeasures based on the Paris Agreement, conflicts of interest among major countries are hindering the international cooperation necessary to resolve global issues.

(2) Fundamental Causes Preventing International Consensus Building

The fundamental cause of the above-mentioned difficulty in building international consensus is that it is based on the premise that common global rules should be established based on consensus among sovereign nations. In the governments of Western countries and other democratic countries, leaders in charge of national governance, such as the head of state, prime minister, and members of the Diet, are elected through an electoral system, and government agencies are operated under their leadership. The officials of these agencies are responsible for the actual policy management of their respective countries.

Based on this basic framework of the state, the government bodies that have legitimacy in each country exist for the benefit of the people who have the right to vote in that country, and it is their responsibility to give top priority to the interests of the people as a whole. Even in a country like China, which has not adopted a universal suffrage system, the government is subject to similar constraints if it values the opinions of the people.

However, the resolution of common issues facing the international community in the recent era of globalization requires international cooperation that transcends short-term national interests. For example, conflicts between democratic and authoritarian countries in various fields such as politics, economics, and security are intensifying, but whether it is the issue of climate change or the spread of COVID-19 infection, it is difficult to ensure the effectiveness of response measures unless the major countries cooperate with each other in an international cooperation framework. Nevertheless, each country is fixated on its own short-

term interests and support from domestic public opinion, and the cooperation necessary to resolve global issues has not been realized. The confrontation between the U.S. and China against the backdrop of their "inward-looking diplomacy" is a typical example.

As described above, against the backdrop of the progress of globalization, the contradiction between the interests of individual nations and the solutions to common international issues is intensifying, making it difficult to forge an international consensus for the formation of a global order. This indicates that the mechanism for building international consensus among nations faces a structural flaw. It is clear that this flaw cannot be resolved unless the mechanism, which is premised on the establishment of common global rules based on consensus among nations, is reformed.

3. Moral leadership by non-state actors to ensure stability of the global order

(1) Limitations of Global Governance Relying on Interstate Consensus and Compliance with Rules

The impasse in global order formation described above shows the limits of global governance, which has attempted to formulate order based on rule compliance through interstate agreements. If only a country complies with the common rules, it is recognized to cooperate to solve problems in the present global governance framework. So achieving the formal standard has become an objective in the diplomacy of each country and in corporate governance. The achievement of the original goal that global society should aim for has been neglected, and the main goal of each country is to abide by vague and permissive rules determined by international consensus, and to formally meet certain standards set by the rules.

In order to avoid criticism of their own countries in such a system, the goal is to enact the content of the rules in a way that makes it easier for their countries to achieve the universal rules. Negotiations to prioritize the interests of one's own country are conducted as a matter of course. There is little sense of altruism among the negotiating parties as to what contribution they should make to solving global problems. These problems appear when countries set CO2 reduction targets to solve the common problem of climate change, or when they consider the global distribution of vaccines to prevent new coronary infections. This is a common problem in both democracies and authoritarian states. Without a shared attitude of respect for the overall interests of the global community, each nation will give priority to its own interests, and the world order will become unstable.

(2) Autonomous order formation based on non-state actors and morality

As long as rule formation continues to be based on the assumption that countries give priority to their own interests as described above, it will be difficult to reach an international

consensus to implement effective measures to address the important common challenges of global society.

The only way to overcome this difficulty is for each country to accept the common challenges of global society as its own important issues, seriously consider how to contribute to solving them, and implement them in good faith. In other words, we must share a sense of ownership of global issues and a sense of responsibility to implement solutions. This is expressed in Eastern thought as "**knowledge without action is no meaning**". Simply being aware of an issue is not enough to have learned about it. The significance of learning lies in repeatedly engaging in the practice of problem solving.

It is very important that not only governments, but also non-state actors such as corporations, universities, NGOs, and individuals, share the morality of seeing the challenges of global society as their own issues and voluntarily making efforts to solve them.

Simply establishing an external standard such as the universal rules is not enough to share morality. It is important to have the attitude that even after one's own country achieves the goals set by the universal rules, one should continue efforts for further improvement and aim for further contribution to the global society.

This is based on self-discipline that cannot be determined by formal rules. It is an attitude by which non-state actors, rather than the state, ask themselves questions about their contribution to global society, and continue to strive as hard as possible to achieve higher goals even after meeting the standards set by the rules. This attitude is born from the fusion of Western ideas, which emphasize science to analyze visible things, and Eastern philosophical culture, which continually questions one's own inner self, which is invisible to the eye.

In order to break through the impasse in the current global order formation, it is necessary to continue to base the formation of an external standardized order based on rules agreed upon among nations. This is the foundation based on Western social thought, which calls for the achievement of minimum standards. However, this alone will make it difficult to reach international consensus. As a complement to this, private organizations and individual non-state actors play a role in making voluntary contributions based on moral principles. This is self-disciplined order formation based on Eastern thought, which aims at unlimited effort with no upper limit.

By mutually complementing Western and Eastern ideals, which are different in character, it will be possible to break through the limitations of global order formation based on international consensus.

4. Shared goals as a starting point for solving global issues

(1) Tolerance of different ideas and religions

The necessary conditions for resolution of global issues are as follows. First, to share recognition of current issues. Second, to share understanding of the measures needed to resolve the issues. Third, the establishment of a cooperative framework to implement the necessary measures.

It is not easy to achieve such recognition of issues, understanding of necessary measures, and establishment of a cooperative framework, given the different circumstances in each country. To achieve this, it is essential for people in different positions to have a tolerant attitude of mutual understanding, acceptance, and respect for each other's way of thinking. If people share the recognition that acceptance and mutual respect for different ways of thinking are essential for realizing the goal of solving important global issues, we can expect that people voluntarily incorporate the advantages of different ways of thinking.

Eastern philosophy attaches importance to "introspection" and emphasizes the importance of internal efforts to control emotions by reason and follow the path one should take as a human being. Similar ideas exist in Christianity, Islam, and other religions. However, there are differences between Eastern philosophy and Christianity and Islam. Eastern philosophy, such as Confucianism, Buddhism, Taoism, Zen, and Shintoism, have developed by respecting the ideas of other religions and incorporating the strong points of each other. If people who respect different ideologies and religions can share a tolerant attitude of mutual acceptance of the other's strong points on a global scale, serious conflicts over ideologies and religions can be alleviated, and this will serve as the spiritual foundation for the formation of a stable global order.

(2) Cherish life and the earth that nurtures life

Based on the above ideas, we propose that we share the goal of "cherishing life and cherishing the earth that nurtures life" as a common philosophy that will serve as a foundation for solving global issues. This philosophy can be shared among all ideologies and religions. Methodologies for realizing this goal will differ depending on ideology/religion. However, if the ultimate major goal is shared, the different methodologies of each ideology/religion should be mutually acceptable.

The common starting point for solving global issues should be the sincere efforts of people around the world toward the realization of this philosophy. The important point here is to mutually tolerate the ideas and religions that each person considers or believes to be correct, and to have the tolerance to expand the range of acceptable ways of thinking for the realization of the ultimate major goal. Rather than adhering to strict doctrines and rules stipulated by ideologies and religions, we must return to our fundamental human moral

values and reconsider the acceptable range of tolerance. If this tolerance is shared by the people of the world, we can expect to see the formation of a self-disciplined order based on each person's own morality beyond the standards set by the rules.

(3) "Introspection" beyond the limits of rule-based governance

General rules are external standards, and the ultimate goal is to comply with visibly defined standards. For this reason, even if you or your organization can contribute more than the given standards to solve a problem, you will not make further efforts because the rules do not require it. This is the limitation of rule-based governance.

Only you know whether you are making a sincere and full effort. It is only natural that it is desirable to "introspect" one's practical behavior and continue to strive until one can truly say that one is executing one's utmost efforts. In that case, there is no upper limit to the effort. On the other hand, there are times when the standard set by the rules is not reached even if one makes a sincere effort. It is the attitude of continuing to make sincere efforts toward the realization of the basic principles, whether the results of the efforts exceed the standards or not, that is important, and from a long-term perspective, the attitude of making efforts should be evaluated more highly than the results. This is an idea that is incompatible with the rule-based approach, which emphasizes whether or not a certain standard has been reached and imposes penalties based on rules if the standard is not achieved. This philosophy-oriented view of human nature forms the common basis of Eastern thought, including Confucianism, Buddhism, Taoism, Zen, and Shinto.

If rule-based order formation is supplemented by the introduction of such Eastern philosophical ideas that emphasize voluntary efforts based on "introspection," a certain degree of tolerance will be created in the execution of rules. This would eliminate the need for each country, each organization, and each person to adhere to the expression of detailed stipulations to their own advantage when reaching consensus on the content of rules. As a result, it will be easier to establish rules that are effective in resolving issues. By loosening the rigidity of rule formation and leaving it to the spontaneity of each individual, more effective order can be formed.

(4) Influence of social media to accelerate the sharing of ideals

The conventional wisdom is that it will take a long time to achieve the sharing of ideals in a global society because there is no coercive entity such as a nation-state to implement such ideals. However, recent events suggest that we may be able to find a way to break through this conventional wisdom.

When the Russian military invaded Ukraine on February 24, 2022, more than 200 major global companies decided to stop doing business in Russia within a week or so, and did so immediately. This was due to the fact that people around the world shared information through social media and harshly criticized Russia's invasion of Ukraine. Global companies, fearing that they would be criticized by the rest of the world if they did not take a critical stance against Russia's inhumane actions, immediately took action. This can be seen as an example of the influence of social media moving the entire global society in a short period of time through the sharing of moral awareness. This example shows that the sharing of the above philosophy can be expected to spread throughout the world in a short period of time, if triggered in a certain way.

5. A Proposal for a New Global Order Mechanism

(1) A Proposal for a New Global Order Mechanism

The two key elements that form the premise for the current global order are, first, sovereign states that are the subject of consensus building and, second, common rules determined by interstate consensus. The mechanism for international consensus building based on these premises faces a structural deficiency.

To solve this problem, we propose the following new mechanism for forming a new global order, incorporating new elements that complement the roles of states and rules.

First, non-state actors (companies, universities, research institutes, think tanks, NGOs, individuals, etc.) will supplement part of the consensus-building role played by sovereign states. Regarding important issues in global society, a group of internationally trusted experts in each field (or one) will recognize the issues based on objective data and scientific evidence, and propose solutions.

Second, to solve global issues, simple goals should be set that can be easily agreed upon by countries around the world. In order to achieve these goals, national governments, local governments, and various companies and organizations are allowed to choose from a menu of policies suitable for each of them from among the solutions presented by a trusted group of non-state-actor experts, and to pursue voluntary problem-solving based on moral principles. No penalties will be imposed for failure to achieve the goals.

Based on the premise of such a mechanism, each country will hold consultations to establish simple, easy-to-understand common goals as shared goals for the global community. Each country will then voluntarily set its own policy goals and announce measures to achieve them. After a certain period of time, the results of these measures will be evaluated and announced.

A group of global experts with expertise in each issue will propose the content of the globally shared goals and basic national policies. The basic policy and specific measures for each country will be decided by each government. The selection of expert members will be left to the voluntary selection of experts in each field, based on the premise that diversity, transparency, and integrity are to be respected. However, administrative officials who are likely to be bound by the decisions of their respective governments will be excluded from the membership, and experts who are independent and free from the constraints of policy management in their respective countries will be appointed. Experts who repeatedly make statements that are clearly intended to benefit their own countries will be excluded from the membership. If necessary, a Global Order Formation Council (tentative name, multiple councils not precluded), to be voluntarily established by the experts, will evaluate the performance of individual expert groups and provide reference opinions.

Although it is a globally trusted group of experts, it is a private organization and has no enforcement power based on law. It is the governments and organizations themselves that are responsible for policy enforcement. However, to evaluate the results of policy implementation, governments, organizations, etc. submit data on the results of policy implementation to the expert group, which analyzes and evaluates the data, and publishes it worldwide, including through social networking services. The data will then be analyzed and evaluated by a group of experts, and the results will be publicized to the entire world, including through SNS. If this information is shared with people around the world as information on social networking services, its influence will be further strengthened.

(2) Complementing the impasse in global order formation with non-state actors and morality
We propose the establishment of a new mechanism based on policy proposals by non-state actors to supplement some of the functions of the state, and on voluntary efforts based on the morality of non-state actors, rather than on coercion by rules.

Such a framework will make it possible to partially compensate for the impasse in the formation of a global order based on states and rules through the efforts of non-state actors and morality.

Since the premise of this framework is the proposal of morally based solutions to problems by private organizations, there is no enforcement power regarding policy management. In particular, it is extremely difficult in the short term for global society as a whole to recognize common issues, share a common philosophy for problem solving, and share an attitude that emphasizes "introspection. Continuous efforts over a long period of time will be essential before this mechanism takes root in global society. Therefore, it is difficult for this new

mechanism to be fully effective in solving global issues in the short term. Nevertheless, in the long run, after repeated crisis situations involving specific fields, the importance of voluntary efforts that go beyond the rules will become a common understanding in the international community, and policy proposals from a group of experts representing non-state actors can be expected to take root around the world as a standard that should be adopted by each country. Already, international standards based on proposals from private organizations, such as food safety, financing for emerging countries, BIS regulations in the field of international finance, and international accounting standards, have been recognized as global standards, and in many cases, governments have enacted domestic rules based on these standards. In addition, the influence of new social media is expected to accelerate the sharing of the philosophy.

If those who agree with this concept continue their persistent efforts to involve the entire world over the long term, I am convinced that by the 22nd century a new global order will be established in which non-state actors and morality complement the role of states and rules.

END