

Response

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Thank you very much for some very helpful feedback. You know as I said before I plan to include this paper that I wrote at least as part of a chapter in the book I'm writing at the moment.

So the feedback is always very useful in these situations. Students may not be aware of this so much. But for academics when you're doing research one reason to have panels like this or to go to conferences is to get feedback and to accept criticisms to try and learn from criticisms.

In fact, criticisms are more helpful than positive feedback although of course I'd probably prefer the positive comments, but you have to face the criticisms and in a sense, those can often be the most helpful kinds of feedback. So, thank you very much for all of the comments and also some additional useful points beyond the specific scope of my presentation and paper which are some very important points brought in as well from the discussions.

I think that that's the idea now is that I should respond to the discussion points and then afterward we're going to have an open discussion. I think that's the framework. So first I guess I should do it in order. So I'll start off by responding to Professor Lenz.

Maybe I have a question for you as well which I think we'll take you know into the discussion afterwards. But you mentioned I'm kind of curious. You mentioned the inclusion of the African Union in the G20 and that could be interpreted differently.

I would like in the following discussion perhaps you could explain what you mean by that I kind of briefly mentioned that point and actually just one little side issue there related to the African Union joining the G20. There is actually already a controversial debate about that. And can anyone guess what it is?

Mean I went I was in a couple of online forums and workshops over the last few weeks following the end of the New Delhi summit talking about the consequences, and the results of the G20 presidency of India. And there was one big controversy so far and can anyone guess what it is? Anyone with a microphone can guess what it is.

The big controversy so far is whether will it be called the G21 or the G20 still believe it or not there's a growing discussion, a growing debate and there's already contestation over the issue of whether it will be called the G20 or the G21. The problem is that G21 is just harder to say than G20. So there is a genuine debate about so we'll have to see when Brazil officially takes over the G20 presidency on December 1st.

So it will be quite interesting to see whether they will change their logo to G21 or G20.

And that will be indicative of whether that change has been made. It's controversial because you may be aware of unaware of this but the G7 for example even though effectively the EU is also a member and it's kind of a G8 and they kept the name G7. So there is a genuine discussion about that. And I know that some people again particularly from the Global South have been talking from Africa in a forum recently on the issue of African Union admission to the G20. Actually, in that discussion, this point was quite controversial. I think there will be some unhappiness,

Some real concerns in the Global South that if it isn't changed to G21 it's kind of like an insult to the African Union that they're there. But you know we don't need to boiler change in the name. So that's kind of an interesting aside on that issue. And getting more to the substantive points on the issue of power structures you know is more or less absent from the analysis. I mean that I don't think in terms of power structures in terms of power relations. And so for me, that's a relational issue about dynamics between actors or within networks.

And so I wouldn't frame it in terms of power structures. But the issue of power probably might be implicit in places in the paper. I'm curious I'm tempted to have a look and do a word search to see if I use the word "power". But you might be right. I maybe didn't explicitly discuss power but there are kinds of issues there implicitly. I mean I did mention the relative shift in authority between the Global South and North. I should mention that in that sense I often use the word authority almost in a way that you might think of the word "power" in that sense. So authority in a sense implies influence in many ways.

Yes. So hopefully that kind of response to that point on the issue of Keohane. I mean there you can also add in kind of historical institutionalist arguments about you know path dependency and such. So yes you know Keohane. I mean you know one reason why the G20 became influential during the global financial crisis was perhaps you know there was actually a big discussion about what kind of multilateral forum could or should manage the global financial crisis.

The UN there was some antipathy as well. The United Nations secretariat was rather unhappy that they were not leading on that issue. Basically, the G20 had three major summits and came up with a major policy response two percent fiscal stimulus trillion, 1 trillion dollars in additional funding for the Bretton Woods institutions. And they did all this before the UN had actually released their Stiglitz commission report. So the UN had only published a report on the global financial crisis.

By the time the G20 had actually acted many of you know have taken significant actions.

So that's another little issue there about the role of precedent. You know fact if the G20 existed it become more influential during the crisis because it would become a leader-level summit. And one reason why there was this agreement that the G20 should have that role was simply because it was already there. There was discussion about having a G14 and various other mechanisms that could create a new for dealing with the global financial crisis. But basically, it was easier just to use the G20 because there wouldn't be a big dispute or a big debate about what

the membership should be because it already has the hard members.

In that sense, I think that kind of meets kind of matches in a sense that comment from Keohene about pre-existing structures to use that phrase influencing what would come next. Divergent ideas increase the strength of institutions. I mean I don't think I actually implied that. I can see why perhaps you took that interpretation. I don't think it necessarily. It can sometimes strengthen. If divergent ideas mean previously marginal ideas are actually suddenly mainstreamed and become influential and that they are superior to the previous policy beliefs or ideas then it's an improvement.

But of course, it could potentially go the other way as well. You might have worse ideas becoming more influential as a consequence of this divergence. So I would say that that depends on the case, but I don't think as a general point I would make that claim that diversity necessarily improves the strength of institutions. I just think in the case of the role of the Global South in general in multilateralism my argument is kind of a pragmatic position. I'm not an idealist. I think IR scholars back in the 19th inter-war years between the 20s and 30s learned the lesson that idealism isn't necessarily a good place to start.

So I would say I'm a pragmatist mainly that the Global South has become more significant, more influential. And so you have to engage from the Global North and you have to find a way to overcome some of the previous bad feelings. A Washington consensus was devastating for many societies back in the 90s and early 2000s. And I think that I spent 10 years working in Mexico.

So I have a lot of experience in the Global South and I'm well aware that even today decades later there's a strong antipathy towards and skepticism about the Global North and its motives and the way they have managed the world economy etcetera. So and also the duopoly, the European-US duopoly of the Bretton Woods institutions in the leadership positions those things cause continues to weigh on public opinion and political opinion in the South.

I think for me, it's a pragmatic issue in the Global North and I wrote this in a book actually a short piece that was published prior to the G7 summit back in May. I made this very argument that basically regardless of the merits of the complaints from the Global South about imbalances in the Global North, the G7 and the Global North need to try and improve their image and reputation. And you can do that through things like the loss and damage fund on climate change and other forms of positive engagement in the South.

And I used the phrase in my presentation I didn't mention it because I was trying to speed up but I used the phrase competitive benevolence. And yes I think possibly one benefit of this contested pluralism might be if you see the Chinese the Americans and others trying to positively do good stuff in the Global South in order to enhance their image and to get more support from the Global South that could be a positive. I should move on to some other points from the other discussant. I just so apologize if I skipped over some stuff that we might talk about later as well.

I mean Professor Wang in your discussion of your book and the issue of role theory I mean that I'm sure we have some I mean that is an interesting approach and I'm sure we have some

kind of shared interests and ideas there as well. There's an interesting point you mentioned about Erdogan in Turkey the issue of whether decision-makers try to play it safe in periods of uncertainty or whether it leads to more radical steps. Again this is you know this comes back to the contingency of international relations the contingency of the moment you know it can go either way and I wouldn't deny that but simply that periodical uncertainty does tend to open the possibility of greater contestation.

It doesn't make it inevitable. So hopefully that kind of responds to that point. Katzenstein's book *Plenty and Power*. I mean you know this was published a few years ago in Katzenstein. I think it was an interesting idea and certainly, I myself was very interested in some of the ideas there I don't use the same framework but indeed I think there is some compatibility.

I mentioned in the article the paper that I wrote the paper that he co-authored with Stephen Nelson. I think Nelson and Katzenstein's style anyway on these issues of uncertainty as well. So yes I think Katzenstein says some very good stuff on you know and I would broadly be compatible with some of his ideas there.

The significance of leadership and decision making. Again it can be obviously it's kind of a crucial element here. If you have an effective leader you have the president of a major country at the beginning of a pandemic who makes good decisions and is willing to cooperate with other States in dealing with global public goods challenges then you might have better outcomes than if you have a president who primarily is concerned with his own image and making himself great.

Again I don't know but I think leadership can be important at times. Lack of leadership, absence of leadership, or weakness of leadership can be a serious problem. And indeed in terms of agenda setting even and again, I'll go back to the G20 and there are scholars that focus on the role of the G20 presidency the rotating presidency each year, and the role of leadership in that sense in guiding multilateralism.

And again this year the government of Narendra Modi in India getting some applause for achieving a leader's declaration at their summit agreement a set of agreements in very difficult circumstances now. So leadership I would agree can be highly important.

One or two other points to take here.

I mean you know you mentioned as well these five losses. I mean very briefly in response to that these are serious challenges. And again part of this uncertainty that we're experiencing and there are issues on which governments and policymakers are behind the curve. I mean if you look at financial technology block chain all of this stuff, when you know even regulators central bankers, regulatory organizations in the context of global governance G20 financial stability board Brazil Committee for banking Supervision I mean, and national regulators as well they are kind of you know behind. When there are new developments logically governments and global governments have to respond to those developments.

They can't really preempt the technology until it's actually there. So whether it's AI or Fin

Tech or you know cyber threats, cyber terrorism attacks on infrastructure through you know by those means for example there are these really big challenges. I think I read yesterday that someone from Google I think was saying that you know forget climate change yes big challenge big threat but equally big is the threat from AI artificial intelligence and we need to be thinking more about that.

So we are in a very difficult period in that sense and new challenges but also these technologies hopefully might help us with some of them. Social media of course is a big problem in terms of political discourse, and political debate and again contributes to some of that bad political leadership to the extent that populism has grown in recent years.

An interesting comment and I'll move on to the final discussion in just a moment. So we need to get onto the discussion phase. But yes this issue about the Chinese thinking the world is changing not China is actually a fascinating point very often. I mean there is this hope sometimes that China will undergo some sort of democratic transition. Unfortunately arguably in recent years, the relations between China and other countries in the West in particular the G7 have deteriorated.

Things seem to be better around the time of the global financial crisis. I remember when Barack Obama in 2009 visited China and went to Fudan University and talked to university students there and it was a real success. It was a good piece of bilateral diplomacy reinforcing cooperation, and strong cooperation between the Chinese, the Americans, and others in the G20 on the global financial crisis. And so it is unfortunate that things have deteriorated there.

Now whether China's going to change again or whether the rest of the world is changing well again that's the uncertainty element. We'll have to see what happens. But also Professor Wang mentioned the cooperation with the West on issues like anti-corruption. Again there are issues like anti-corruption tax the new global tax agenda and others on which there is still some kind of cooperation.

Indeed authors such as Alice Derry and Johnston wrote a book around 20 years ago discussing the issue of socialization and how Chinese policymakers have kind of changed some of their ideas as they have been to training sessions for example with IMF staff. And you know so in that process of integration with those kinds of international institutions perhaps that also sets out the possibility for reciprocal socialization that might overcome some of those differences over time.

Coming on to Professor Lee quickly some key points here. I mean thank you for talking and focusing on relations between China, Japan, and South Korea and indeed, Taiwan, Japan, and South Korea. A few years ago in Jeju, I actually gave a presentation on the trilateral cooperation of a secretariat which unfortunately has from time to time not really operated much. But at the very least you know those kinds of frameworks, organizational frameworks, regional frameworks, and potentially hold the possibility of those kinds of relations building over time and improving potentially.

And, does the increased influence of the Global South make things worse potentially? yes. Again as a pragmatist, I would say that there just needs to be engagement with the Global South because there isn't much alternative. And in that process of engagement, there needs to be listening both ways for one thing. So indeed some of the lessons from the Global South have been integrated more into global economic governance in recent years with the SDGs etcetera.

There's this idea also of listening to voices, local voices rather than imposing ideas hierarchically from above. And I think that helps as well potentially. So there are problems and challenges. There is there are bad governments in the Global South.

There are problems in the Global South in terms of corruption and other things policies that are not very nice governments that are not democratic societies that are suffering from authoritarian abuses and such. So yes the Global South isn't you know isn't perfect but engagement is still the only option. I feel and I hope through engagement there might be improvements in relations and indeed improvements in the societies of the Global South.

The issue of whether the G20 is trying to contain China the whole debate about containment of China it does depends to some extent on your perspective probably. And I think from the Chinese perspective the idea that the G7 in particular might be trying to contain China then you've got things like the quad alliance as well for example and these other various kinds of arrangements.

That's a clear concern in China. But, I mean the G7 would claim that they're not necessarily trying to have a confrontation with China but they're worried about potential risks hence de-risking. But yes, it's a kind of a tricky issue. And it can whether de-risking necessarily increases confrontation or makes relations even worse which is a potential risk. Perhaps diplomacy can help reduce some of those tensions but yes you know it's it's a big issue.

History is too late. I mean very often we are too late but then you know it also we can talk about counterfactuals and we don't know things might have been worse if we'd done things differently sometimes so you can only hope that they would have been better.

But yes and I agree on the lack of action. I mean the idea with public policy making I mean you know as I'm sure you're very well aware is that sometimes it is incremental sometimes it is slow often too slow but again you know there isn't much alternative. I mean unless you can get politicians into a room who are immediately going to you know say we got we're going to do this we're going to do it now but then very often you have legislatures and legal systems that will slow down things.

Anyway so yes it's unfortunate that we can't fix everything quickly but I'm not sure there's any alternative any other way.

And, well anyway thank you again for all your comments and I look forward to further discussion.

If there's no one else I would just give my tooth sent a width. Well, it's very inspiring to talk

about all those issues fragmentation deglobalization decoupling the rising, and so on and so forth. I think we are standing at the threshold and I think everyone would agree that a new global order is in the making. Now all those things that you have been talking about are the elements that may be serving as the main components for a less stabilized ahead well but I'm sure everyone would also agree that a lot of those issues can be analyzed and approached in the context of this new bipolar system if I May be right. In other words, a lot of the uncertainties and newly created famine might be a result of the rivalry between the two superpowers namely the United States and China for the sake of making conversation since there's no one else is responding possibly because you know this is too daunting an issue. So how is it different from say a bipolar system context? You know if someone says this is another book of you. China rivalry with what would you respond to that very superficial observation?

Thank you. Professor Chao, it's I mean it reminds me of that you know 1945 when I mean soon after that by the late 40s people were talking about two superpowers the Cold War.

But in 1945 I think at least the British I would kind of like to think that there were three involved but perhaps it was kind of two and a half and I do wonder where that puts it.

You know whether Russia today is like the British in 1945. Are we with two and a half superpowers? I'm not sure what the Russians would say about that.

And a scholar called David Shambell some years ago wrote a book talking about China as a partial global power. You May have heard of it or May be aware of it. So he basically argued that China was in this at the time. I think that was published in 2013 I believe he wrote another book a few years later kind of modifying his ideas a little bit. However, in the original book, he argued that China was a partial global power. So yes there were elements of a superpower entity or the potential to be a superpower with the global reach. But he argued at that time at least that China remained predominantly an Asian power and an Asian influence.

And also if you look at the comparisons between the United States and China there was originally some years ago there was a prediction I think that China would overtake the US economy this year to become the world's biggest economy. Actually. Now that prediction has been put back maybe another decade or so because China's economy has slowed down in recent years.

Even then, it may not be inevitable even though China is a huge country it may not inevitably overtake us in terms of economic size. Back in the 1980s, there were predictions about Japan overtaking in the end, now there are predictions that Germany is going to overtake Japan to become the third biggest economy in nominal terms. So in terms of the strength of China I mean in terms of its military capabilities can it compete? Does it compete with the United States?

And we're regionally within Asia particularly unfortunately across the Taiwan straits, probably but on a global scale, there is the Belt and Road initiative but now even the American Biden has this new initiative involving some countries. Was it India going across to the Middle

East trying to have a kind of competitive framework for the Belt and Road initiative? And even the Belt and Road initiative isn't quite as popular perhaps as it was a few years ago.

Again, I mentioned earlier the issue of depolarization you know whether but what replaces the US dollar and yen now the Chinese currency is unlikely to play the role of the US dollar because to play that role china's economy would have to be more like the US economy and more open to allowing the yen to be openly traded.

So that is all of that talk about dollarization. Whatever currency replaced the dollar would need to be probably designed in a similar framework institutionally legally to the US dollar in you know whichever country whether it's China or another country. So even in that sense, you know whether the Chinese currency and economy could supplant the influence of the US is questionable.

I think politics is a big issue here as well. What is going on inside China? If you're a Chinese government minister you might want to look for other careers at the moment. I mean you might be looking for job vacancies because your job isn't very secure. And you know several Chinese senior ministers have lost their positions with you know with some uncertainty about why.

So, I don't think everything is perfect in China. You've got the whole ever-grand issue you know so these big real estate companies that are facing potential bankruptcy and you know China's economy potentially there have been comparisons made with Japan in the early 90s. So I mean China remains a large country with a large population and a strong military still.

Is it going to be influenced by the conflict in Ukraine? Is it going to be again we mentioned over dinner last night that you know that there is at least some talk about the influence of the Ukraine war and how that might have lessons for the Chinese and Taiwan and some negative lessons in terms of the experience until now that might actually act as a disincentive for the Chinese to act aggressively towards Taiwan.