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and Economic
Realignments
Implications
for Brazil

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Power transition and hegemonic disputes between the US and China: Implications for the design of multilateral organizations

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This policy paper reflects discussions of the CEBRI-KAS Project on the future directions of multilateralism.



Introduction

Focusing on political multilateralism and the security and development agendas, this policy paper analyzes two dimensions of the contemporary crisis of multilateralism: (1) the challenge of diversity stemming from China's and emerging powers' demands for a multilateralism that does not reflect only Western-based interests and worldviews; (2) the difficulty to build multilateral institutions in the context of a hegemonic dispute between the United States and China. The main argument is that the solutions to the contemporary crisis of multilateralism necessarily involve a political (and therefore peaceful) settlement of this dispute. The policy paper is organized around three sections: the first reviews the evolution of U.S. foreign policy from the end of the Cold War to the current Biden-Harris administration; the second deals with the Chinese experience in the field of universal multilateralism and in the construction of new Asian institutions; the third makes some final considerations, aiming to understand what possibilities are open to Brazil in this critical juncture of divergent interests and difficult consensus-building.

In 2020, during the project "Brazilian Foreign Policy and the Transitioning Global Order: Reorientations of Multilateralism", coordinated by Anna Jaguaribe and implemented in the framework of the partnership between CEBRI and the Konrad Adenauer Foundation, the main conclusions of the debates and publications pointed to four aspects of the contemporary crisis of multilateralism¹. First of all, the idea that the institutional design of multilateral organizations is relevant in order to make them more effective and representative: the cases of the World Health Organization (WHO) in managing the Covid-19 pandemic crisis and the United Nations Security Council (UNSC) in managing humanitarian crises and civil or ethnic conflicts are emblematic illustrations of this relationship. Secondly, the fact that there is an endogenous dimension of the crisis of multilateralism that cannot be ignored and that concerns the re-emergence of nationalist, authoritarian and anti-democratic politics, including in the liberal West².

Thirdly, an exogenous dimension to this crisis, related to the challenge of the diversity of values, of worldviews and, consequently, of decision-making processes that involve different world powers. The demands of China and emerging powers for a multilateralism that does not reflect only the interests and conceptions of the West are well known. This important constituent element of the crisis of multilateralism results in questions that are frequently treated as alternatives to the real challenge: is regionalism as a way out an option? Would the proposals of some Western powers to make multilateralism more exclusive, less universal and more homogeneous (based on alliances of like-minded countries), even at the risk of making it oligarchic (as in the case of the G7+), be a real answer³? How do the countries of the South (for example, the countries of the BRICS group) react to such proposals, and what role do they seek to play? Fourth, the geopolitical and structural dimensions of the crisis of multilateralism are highlighted, namely: the difficulty of building multilateral institutions

1. The project analyzed how the deterioration of the multilateral landscape and the changing conditions of globalization are altering the regulatory and political environment for Brazil's insertion in the global economy. Cf. <http://www.cebri.org/br/doc/118/politica-internacional-reorientacoes-do-multilateralismo>

2. Cf. Wendy Brown, *Nas Ruínas do Neoliberalismo: a ascensão da política antidemocrática no Ocidente*. São Paulo, Politeia, 2019.

3. Cf. Bertrand Badie, *La diplomatie de connivance. Les dérives oligarchiques du système international*. Paris, La Découverte, 2011.

in the midst of a hegemonic dispute between the United States and China.

This article fundamentally addresses the last two dimensions, focusing on political multilateralism and the security and development agendas, mainly because the Covid-19 pandemic crisis and the diagnosis of the Anthropocene lead us to relate the security and development dimensions in order to think new multilateral institutions and norms⁴. Our argument is that the ways out of the contemporary crisis of multilateralism necessarily go through the political (and therefore peaceful) confrontation of the hegemonic dispute between Washington and Beijing, but equally through the reform of existing multilateral institutions, or the creation of new ones, in light of the different interests and worldviews that exist in an international system in which different power poles coexist, but with difficulty.



The ways out of the contemporary crisis of multilateralism necessarily go through the political (and therefore peaceful) confrontation of the hegemonic dispute between Washington and Beijing.



To develop this argument, the article is structured in three sections. The first analyzes the evolution of U.S. foreign policy from the end of the Cold War to the current administration of Joe Biden and Kamala Harris. The second addresses the Chinese leadership and Beijing's experience in universal multilateralism and, more recently, in building new multilateral institutions on the Asian continent. The third and last section presents some final remarks, aiming at understanding the possibilities open to Brazil in this context of the crisis of multilateralism and the dispute between the United States and China.

4. On the concept of the Anthropocene and its implications for multilateralism, cf. <https://www.cebri.org/br/doc/227/conversas-estruturadas-iv-crisis-antropocenic-sustentabilidade-saude-global-e-construcao-de-consenso-para-politicas-multilaterais>

The U.S. and Multilateralism: From Unipolarity to Defining China as a Geopolitical Rival

At the end of the Cold War, the United States was in an extremely comfortable position. In terms of international security, the bipolar conflict of more than 40 years had ended peacefully with the collapse of the Union of Soviet Socialist Republics (USSR). Power asymmetries had become more acute, with the U.S. at the top of the international stratification and the Soviet Union on a downward trajectory, practicing a policy of accommodation, especially in relation to the reunification of Germany and the incorporation of its former allies into the Western alliance.

For part of the organic foreign policy intellectuals in the United States, the international liberal order, under Washington's hegemony, returned with vigor, either by the predominance of the "ideas that conquered the world - peace, democracy, and free-market"⁵, or by the stability and expansion of the liberal-legal framework built in the post-World War II period and that, from then on, was becoming more universal⁶. Another segment of these intellectuals, however, advocated a much more unstable scenario, given that the condition of unipolarity, inherited with the end of the Cold War, would tend to stimulate the emergence of "peer competitors" and the return to traditional power politics⁷.

Even though there are some differences with respect to the duration of the unipolar configuration, there is consensus among analysts that maintaining this unipolar order without competitors has been a common strategic objective of all rulers since the end of the Cold War. Conceptions of how to maintain an order without competitors have varied, however. Such variations have characterized the distinctive foreign policies of Democratic and Republican

governments, as will be indicated below.

With the Clinton Democratic administration's foreign policy of "enlargement and engagement," a variety of security organizations and economic institutions were created; others were enlarged with the adhesion of members of the former Soviet alliance. The goals were to institutionally include the new "market democracies" in the Western world and simultaneously push market reforms in Eastern Europe (the so-called "transition countries") and structural adjustment in Southern countries.

However, it would not be the expected competitors or some regional power that would threaten the liberal and Western order on the global level. It was the attack on the Twin Towers on September 11, 2001, that profoundly shook the hegemony of liberal belief. For the first time, the U.S. experienced an attack on its own territory; before that, the closest to an attack had been the Japanese bombing of Pearl Harbor and the subsequent U.S. entry into the Second World War. For a country that had become a global superpower, believing its territory to be impregnable and the threats far from its national space, located in Europe and Asia, the Middle East and the African continent, the attack on the Twin Towers redefined the perception of threats from the outside in.

This redefinition of the threats to its national integrity intensified the expected effects of unipolarity, namely, unilateralism in superpower behavior, whose performance was exemplified by George W. Bush's response to international terrorism and the invasion of Iraq in 2003. The

5. Michael Mandelbaum, *The Ideas that Conquered the World: Peace, Democracy, and Free Markets in the Twenty-first Century*. New York, Public Affairs, 2002.

6. G. John Ikenberry, *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major Wars*. Princeton, Princeton University Press, 2001.

7. In general, in the realist theoretical field, the authors bet on the balancing of American power and the instability of a unipolar order. Cf. John J. Mearsheimer, Structural Realism. In: Tim Dunne et al. (eds), *International Relations Theories: discipline and diversity*. Oxford, Oxford University Press, 2013.

Bush doctrine was based on three components. The first was the strategy of “primacy,” implying a substantial increase in military spending, far exceeding a hypothetical spending limit, beyond which potential competitors would be discouraged from competing with Washington in the field of military and strategic investments⁸. Another component of the doctrine was offensive action and pre-emptive war, which violates international law and existing norms regarding the use of force, and recognizes the use of force only in cases of self-defense. The third vertex of the doctrine is unilateralism, placing the U.S. in an exceptional position and above international rules, treaties, alliances, and organizations. A paradigmatic example of the Bush administration’s unilateral action was to place itself above the UN by attacking Iraq without authorization from the Security Council⁹.

With the Democratic administration of Barack Obama, foreign policy began to soften the components of unilateral action, especially at the multilateral level, but with a new feature: the recognition of China as the U.S.’ main geopolitical rival. It was during Obama’s government that Xi Jinping became president of China, in 2013. Although China’s significant growth had already been occurring for at least two decades, with greater impetus after the 2008 crisis, with Xi Jinping, Chinese foreign policy has become much more assertive, abandoning the previous discreet political profile, given the rapid and spectacular change in its position in the world economy¹⁰. After the 2008 crisis, the dispute, which until then was centered on aspects of China’s economic and trade policy, takes on clearly geopolitical connotations, exemplified by the launch of the “Pivot to Asia” strategy, announced in 2010.

The basis of this strategy was the Transpacific Partnership, a kind of offer for multilateral economic cooperation built outside the World Trade Organization (WTO), involving countries contrary to the Chinese influence in the region, with two main objectives. On the one hand, to strengthen the Obama administration’s new

trade strategy, given the paralysis of WTO negotiations, based on the creation of plurilateral arrangements, in a proposal analogous to the one offered to the European continent, in the scope of the Transatlantic Partnership. The aim was, firstly, to establish new disciplines, beyond those agreed upon within the scope of the WTO, in agreements involving a more limited set of countries, which would then be disseminated to the other countries that, in order to obtain future advantages, would have to adhere to the new commercial disciplines. On the other hand, to create a hub of North American attraction in the Asian region, given the strong Chinese presence. In the public debate, the proposal obtained the endorsement of both parties, as well as of senior military security officials. In this endorsement, in addition to the commercial and economic benefits derived from it, there was a clear strategic security component, contained in the Partnership in the Asia Pacific region.

Donald Trump escalated the conflict with China, which gained more offensive bilateral components, even though he withdrew the U.S. from the Transpacific Partnership, which *in fine* was not ratified by Congress either. Trump has used bilateral and regional initiatives to the detriment of multilateral ones, and by favoring unilateral measures in trade, security and defense, he has further decisively weakened multilateralism. Based on the America First doctrine, trade negotiations were used as a tool of economic policy, aiming to recover jobs in the U.S. and reverse the trade deficit, as in the cases of the Nafta review and the trade war against China.

With Trump, unilateral measures have become common currency, as in the cases of the U.S. withdrawal from the Paris Agreement and the WHO, even affecting transatlantic relations. In the Middle East, the administration initiated the withdrawal of U.S. troops in Iraq and Afghanistan, pointing to a first indication of the failure of the occupation of those countries and thus opening space for Iran’s increased influence in the Middle East. He denounced or withdrew the U.S. from three international agreements, in the area of security: the nuclear agreement negotiated with Iran in 2015; the Intermediate-Range Nuclear Forces (INF) Treaty, negotiated between the U.S. and the Soviet Union; and the Open Skies Treaty, signed in 2020. For Trump, international and multilateral norms did not operate to

8. For the intellectual elaboration of the primacy strategy, cf. John J. Mearsheimer, *The Tragedy of Great Power Politics*. New York, W. W. Norton & Company, 2001.

9. Cf. Maria Regina Soares de Lima, “A miopia de George W. Bush e a guerra contra o Iraque”, *Insight Inteligência*, Rio de Janeiro, número 20, janeiro/fevereiro/março, 2003, pp. 18-26.

10. In 2011, China was already the second largest global economy by estimated GDP value.

Washington's advantage. His foreign policy, as well as George Bush's, "fits the definition of the concept of primacy, which identifies no limits to power (...); its goal is to preserve and increase absolute and relative power while preventing the increase in power of peer competitors¹¹.

Joe Biden inherited this legacy on the multilateral front and in the relationship with China. It is still early for a more detailed analysis of this administration. However, one of his first foreign policy initiatives was to announce the return of the U.S. to the Paris Agreement and the renewal of the liberal belief in the value of the multilateral institutions that the U.S. itself created at the end of the Second World War. It seems unlikely, however, that relations with China will ever again be guided by the previous Clintonian approach, which believed that Beijing could be converted to the liberal West as it deepened its insertion into the globalized economy.

Some hints of the initiatives taken by the Biden administration suggest, on the contrary, that the definition of China as the main geopolitical rival of the United States is here to stay and has the endorsement of the country's political, economic, and military establishment. In this context, the Chinese containment approach becomes a structural element of American foreign policy, being incorporated into its Grand Strategy. Only by way of illustration, here are some initiatives that suggest this trajectory in the current Democratic administration.

On the domestic front, the new administration has presented its largest and most challenging economic stimulus plan, worth more than two trillion dollars, including infrastructure projects, construction of roads, ports and airports, promotion of environmentally sustainable technologies, stimulus to re-insertion in the job market, extension of unemployment insurance, resumption of the ObamaCare public health program, among other measures. Inspired by Roosevelt's New Deal, Biden's proposals involve restoring State coordination in economic, political and environmental projects, as well as taxing the corporate sector. In addition, there is a recognition that previous liberal measures have failed to achieve their goals and have increased

inequality in the country. The proposals still have to pass through Congress, but this social democratic turn in the U.S., similarly to post-war Europe, has a clear goal, namely to restore the previous affluence so that the country can appear as a real alternative to the attractiveness of the Chinese model, in which the State plays a central and decisive role.

On the foreign front, the failure of the occupation of Iraq and Afghanistan and the unequivocal demonstration of an avoidable tragedy - but that consumed countless human lives in the U.S. and invaded countries, while wasting billions of dollars - was consummated with the withdrawal of the last U.S. troops from Kabul, already under the Biden administration. This shameful episode buried once and for all the War on Terror strategy professed by all previous governments since 9/11, leading to the abandonment of the state-building project in territories recently conquered from rebel groups and terrorist factions. The shift in the U.S. international security strategy, with priority given to the geopolitical rivalry with China and, to a lesser extent, Russia, is situated in this historical period. As part of this change, one should mention the initiative to form the AUKUS alliance, with the participation of Australia, the United Kingdom and the United States, an Anglo-Saxon defense pact to contain China in the Indo-Pacific region.

11. Cf. Ângelo Raphael Mattos, "Um balanço da política externa de Donald Trump", OPEU, 30/05/2020, p. 75. Available in: <https://www.opeu.org.br/2020/05/30/um-balanco-da-politica-externa-de-donald-trump/>

China, the rise of a superpower and its multilateral engagement

Contemporary China presents multiple identities that, in foreign policy matters, can produce gains but also credibility challenges for Beijing. A superpower in the bilateral relationship with the U.S., a nuclear power and one of the 5 permanent members (P5) in the UNSC, a global player in trade negotiations, investment and innovation agreements, on the one hand, and developing country within the G-77+China, leader of the Global South, partner of the African continent in the Forum on China-Africa Cooperation (FOCAC), on the other, the identities used diplomatically by Beijing serve distinct strategic objectives, but are potentially contradictory to each other.

Since 1949, China has profiled itself as a great power (in the Cold War and, since the 1970s, with a permanent seat in the UNSC) and has assumed secondary roles as a power contesting Soviet hegemony and denouncing U.S. imperialism, while maintaining its historical leadership in the Third World (and, today, in the Global South). Throughout its changes in identity, from the denial of its imperial past during the Cultural Revolution and the Mao era to the more recent diplomatic use of the long civilizational history, China has consistently held its foreign policy objectives around national security, unification (including in relation to the “rebel province” of Taiwan), increasing its relative power, prestige and influence, the need to strengthen its Asian leadership capacity (in the medium term) and to achieve global power status (in the long term)¹².

Since 1949, it can be said that China presents five striking phases in its foreign policy trajectory: (i) 1949-1959: alliance with the USSR (lean to one side policy); (ii) 1959-1969: conflicts in the relationship with the USSR and the war with India, leadership in the Third World and support for anti-colonial struggles in Africa, domestic priorities and Cultural Revolution; (iii) 1969-1979: diplomatic normalization with the U.S., with Kissinger’s visit in 1971, followed by Nixon’s visit in 1972, and foreign policy based on anti-hegemonism (of the

USSR and the U.S.); (iv) 1979-2013: reforms aimed at economic development and projection of China as a global economic power; (v) since 2013: Xi Jinping abandons Deng Xiao Ping’s low profile foreign policy and moves towards a superpower “grand strategy”¹³. In this policy paper, seeking to generate a parallel with the historical period studied in the previous section, we will analyze schematically only the administrations of Jiang Zemin (1993-2003), Hu Jintao (2003-2013) and the new Xi Jinping era (since 2013).

When the crisis in Tiananmen Square broke out in 1989, Gorbachev was on an official visit to China as part of the process of normalization of relations with the USSR. This was followed by China’s resumption of relations with Vietnam in 1991. Thus, when the Zemin years began, favorable winds were blowing in Beijing: learning from the risks of isolation caused by the Tiananmen crisis and the consequent resumption of cooperation programs with developing countries (especially African); a process of sustained economic development, with average annual growth rates around 10%; the return of Hong Kong (1997) and Macau (1999) to Chinese sovereignty; the first visit of a Chinese head of state to Japan (1998); and the launch of FOCAC (2000), in a clear demonstration of Jiang Zemin’s *going global* strategy. In terms of security, during Zemin’s presidency, Beijing increased its

12. Cf. King C Chen (ed.), *China and the Three Worlds. A foreign policy reader*. New York, M. E. Sharpe, 1979; Sebastian Harnisch, Sebastian Bersick&Jörn-Carsten Gootwald. *China International Roles*. New York, Routledge, 2016.

13. Cf. David Shambaugh, *China goes global. The partial power*. New York, Oxford University Press, 2013; Robert Ross & Jo Bekkevold (eds.). *China in the era of Xi Jinping. Domestic and foreign policy challenges*. Washington (D.C.), Georgetown University Press, 2016

participation in UN peacekeeping operations. In addition, in 1996, China fired three unarmed missiles near two of Taiwan's largest ports, in a clear game of reciprocal intimidation, since, weeks before the firing, Taiwan confirmed the holding of its first democratic presidential election. Despite the tensions around the "rebel province," in 1997, Jiang Zemin and Bill Clinton signed the agreement that became known as "constructive strategic partnership," confirming, as some authors point out, that since 1989 Chinese diplomacy has been pragmatic and utilitarian, maintaining relations with the United States as the cross-cutting pillar of its foreign policy¹⁴.

During the Jintao years, Beijing made significant progress in the process of diplomatically valuing the past and recovering Confucian "harmony" as the principle of Chinese ascension. In 2004, Hu Jintao launched the Confucius Institute's international cultural cooperation program, whose results and contradictions have been analyzed by many scholars around the world¹⁵. In 2008, Beijing hosted the Olympic Games, whose opening and closing ceremonies emblematically illustrated the quest for prestige and the attempt to project a positive international image of China. Along the same line, Shanghai hosted the 2010 World Exposition, with the participation of 189 countries and 50 international organizations. Personalities such as José Manuel Durão Barroso, then president of the European Commission, the French president, Nicolas Sarkozy, among others, attended its opening ceremony.

Peter Katzenstein referred to the concept of "sinicization" of the world to interpret the process of emergence or, as he prefers to say, the rebirth of China. The sinicization of the world, in Katzenstein's terms, is strongly related to the role of the Chinese State. Already under the presidency of Hu Jintao, one realizes that China's physical and demographic size, its economic growth rates, and the determination of the government (and the Chinese Communist Party) are important variables in promoting national unity and ambition to define the contours of world politics. Chinese civilization, inseparable from the State (yesterday, the Emperor; today, the

Party), corresponds to a complex context marked by historical and multiple traditions of Sinicization or, as Katzenstein also states, of a *Pax Sinica*, whose understanding presupposes recombining new and old patterns and components, but also analyzing power in all its dimensions:

"(...) the behavioral effects of power which are directly targeted and exercised in specific and observable ways are important but do not exhaust the full panoply of power. Equally important are the non-behavioral effects of power that are indirectly targeted and are exercised in diffuse and not readily observable ways. China's rise includes both the invisible and the non-behavioral dimensions of power. Recombination rather than rupture or return is China's likely future" (p. 2).¹⁶

In the strategic field, in 2008, the Defense White Paper presented China's strategic plan for national defense development for the first time, and laid out the basic mission of strategic missile troops and the specific tasks of its nuclear missile forces. In addition, basic data on national defense spending in the 30 years since the reform and opening, the size of the public security forces, and border defense were also released for the first time. Figure 1 (below) presents interesting comparative data on the war capabilities of China, the U.S. and other countries. On the geopolitical level, in 2009, the first BRICS Summit took place in Yekaterinburg, Russia. Within the BRICS, China found one of its initial platforms for power projection in multilateralism.

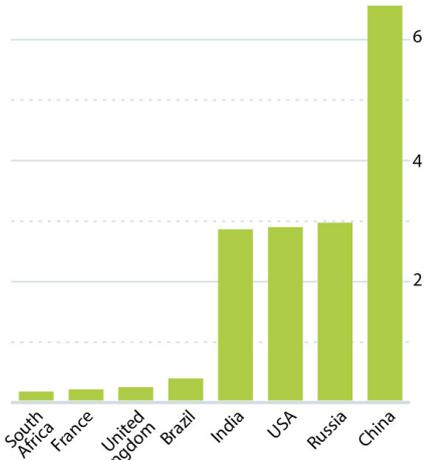
14. Cf. Henry Kissinger, *Sobre a China. Rio de Janeiro, Objetiva, 2013*; Kenneth Lieberthal & Wang Jisi, *Addressing U.S.-China Strategic Distrust. Washington (D.C.), The John L. Thornton China Center at Brookings, 2012*.

15. Cf. Falk Hortic, *Chinese public diplomacy. The rise of the Confucius Institute. New York, Routledge, 2016*; Marshall Sahlins, *Confucius institutes. Academic malware. Chicago, Prickly Paradigm Press, 2015*.

16. Cf. Peter J. Katzenstein (ed.), *Sinicization and the rise of China. Civilizational processes beyond East and West. New York, Routledge, 2012*.

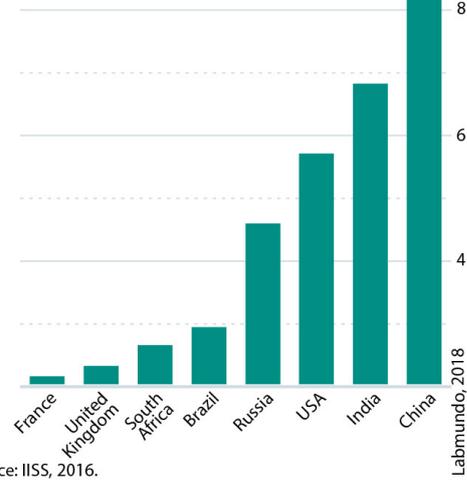
Figure 1: Warlike capacity

Total quantity of tanks, in thousands, in 2016



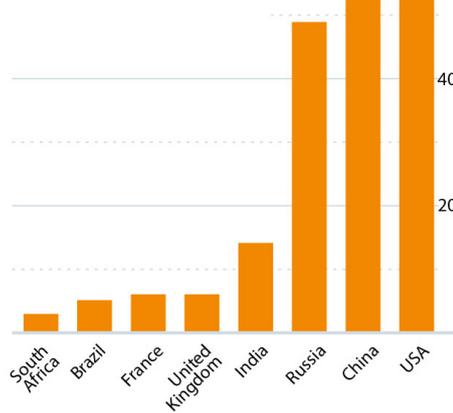
Source: IISS, 2016.

Total quantity of artillery pieces, in thousands, in 2016



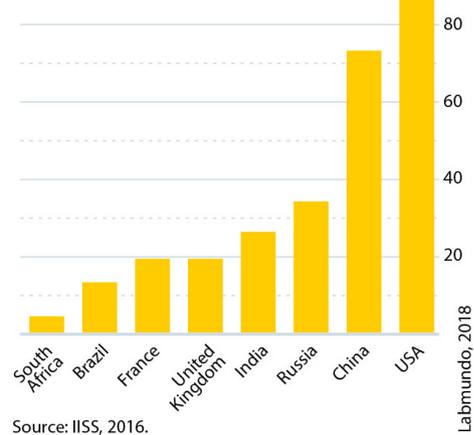
Source: IISS, 2016.

Total quantity of attack submarines, in 2016



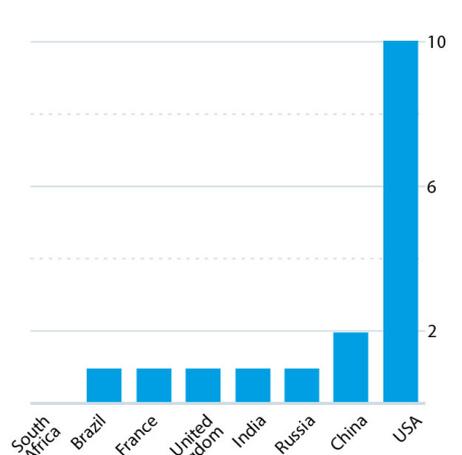
Source: IISS, 2016.

Total quantity of cruisers, frigates and destroyers, in 2016



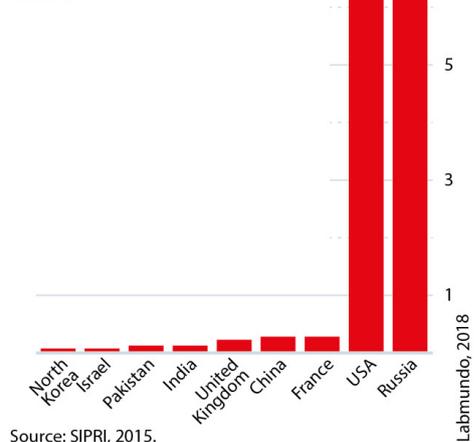
Source: IISS, 2016.

Total quantity of aircraft carriers, in 2016



Source: IISS, 2016.

Estimative of the total inventory of nuclear warheads, in thousands, in 2015



Source: SIPRI, 2015.

Since 2013, the Xi Jinping era has gradually deepened, quantitatively and qualitatively, this process of China's socialization in global and regional multilateral spaces, but also of recombination in new experiences of cooperation and integration, in the economic, strategic, political, and cultural fields. The Chinese conceptions of international relations have been built as a true "Chinese school" of international thought, gathering names such as Yan Xuetong (Tsinghua University), Zhao Tiangyang (Chinese Academy of Social Sciences), or even Qin Yaquing (China Foreign Affairs University). From a material point of view, it would be impossible, in this policy paper, to analyze all the initiatives that, since 2013, Xi Jinping's presidency has presented to the world as part of its "grand strategy" to achieve what he defined as the "Chinese Dream", based on the need to achieve stability in China-US relations ("new model of major-power relations", according to Xi Jinping), on the existence of a sphere of influence of China in the region and in the world, and on the preservation of Beijing's central interests, including the maintenance of the regime domestically¹⁷.

Because of its scope and ambition, we have decided to stick to a schematic presentation of the One Belt, One Road Initiative (OBOR), trying to situate it in the context of the aforementioned *sinicization* of the world. Launched in September 2013 (Silk Road Economic Belt) by Xi Jinping in Kazakhstan, and complemented in November 2014 in Indonesia (21st Century Maritime Silk Road), OBOR aims to transform China into the world's development engine and guarantee the country access to natural resources and markets for its economic development. Domestically, it seeks to give the regime legitimacy based on performance (through elements such as economic growth, prosperity for the Chinese people, and overcoming the middle-income country trap), associating all Chinese with big nationalist flags, but also defining a grand strategy in foreign policy. Another instrumental banner for Xi Jinping has been the fight against corruption, which has also allowed him to ward off internal rivals and competitors.

OBOR includes several financial tools, such as the New Silk Road Fund, the China Development Bank, and the Eximbank of China, among others. It was originally organized into six corridors: China-Mongolia-Russia, New Eurasia Land Bridge, China-Central and West Asia, China-Indochina, China-Pakistan, BCIM (Bangladesh, China, India and Myanmar) and the Maritime Route. In 2018, OBOR was expanded to the Arctic (Polar Silk Road). Very importantly, in addition to being crucial to the Chinese economy (for the possibility of market access, trade integration, and access to strategic and energy resources), OBOR is also key to the internationalization of the renminbi. Strategically, it is also a response to the U.S. New Silk Road launched by Hillary Clinton in July 2011 in Chennai, India, but also a reaction to Barack Obama's Transpacific initiative. OBOR is a broad diplomatic platform for Beijing, building on previous experiences of South-South cooperation.

Recombining the ancestry of various civilizations (such as Persian, Chinese, and Greco-Roman), which have interchanged much in this geography, and associating this past with a common history of domination and oppression by the West, OBOR has organized Chinese diplomacy by emphasizing the power of seduction ahead of military might, but mainly by "packaging" a nationalist ideology into global interpretative frameworks. In short, China seeks to construct an abstract and metaphorical notion of the "Silk Road" (associated with the Confucius Institutes, the Xinhua news agency project, and China Central Television - CCTV) as a global narrative of a true project of world hegemony, and places OBOR also as a platform for exporting Chinese cultural goods. However, OBOR also denotes a tactical shift in the Chinese grand strategy from bilateral to multilateral, in a context where the U.S., then under Donald Trump, was denouncing "globalism" and advocating economic nationalism. Combining to the geopolitical dimension a set of economic initiatives (such as the Asian Infrastructure Investment Bank - AIIB and the New Development Bank - NDB, also called the BRICS Bank), OBOR can also be read as an attempt to materialize the defense of the discourse widely spread in the region that Asian affairs should be led by Asians¹⁸.

17. Cf. Suisheng Zhao, The China Model: can it replace the Western model of modernization?, *Journal of Contemporary China*, 19(65), 419-436, 2010; Zhao Kejin & Gao Xin, *Pursuing the Chinese Dream, Institutional Changes of Chinese Diplomacy under President Xi Jinping*, *China Quarterly of International Strategic Studies*, 1(1), 35-57, 2015.

18. Cf. Mingjiang Li, Rising from Within: China's Search for a Multilateral World and Its Implications for Sino-US Relations, *Global Governance*, 17 (2011), 331-351.

Nonetheless, and this must be kept in mind, there is a risk of “strategic overstretch”, but at the same time OBOR allows to give an international dimension to a previous domestic initiative (‘Go West’, very important for Xinjiang). However, in China’s strategic environment, there are more than a few conflicts with Japan, with its neighbors in the South China Sea (mainly the Philippines and Vietnam) and with India (Kashmir). India, for example, refuses to participate in OBOR, mainly because of China’s massive infrastructure investments in Pakistan (among others in the port of Gwadar). One of

the most relevant strategic reactions to OBOR is the configuration of the Quadrilateral Security Dialogue (U.S., India, Japan, and Australia) in November 2017. Interestingly, there are several African countries integrated into OBOR (South Africa, Egypt, Ethiopia, Kenya), as well as Latin American ones (the heads of state of Argentina and Chile attended the launch meeting in 2017). The second OBOR meeting in April 2019 was attended by, among others, the presidents of Chile, Portugal, Switzerland, the Czech Republic, the prime ministers of Italy, Greece, Japan, and, a key point, Vladimir Putin.

Final remarks: multilateralism, interests and convergences in the Brazilian perspective

In the Structured Conversations organized in the framework of this project, the various invited analysts reached broad agreement on the factors causing the contemporary crisis of multilateralism, although they also expressed different opinions with respect to objectives and national interests and, fundamentally, on what to do.

In this sense, Anna Jaguaribe, in the webinar organized by CEBRI in partnership with KAS,¹⁹ entitled “Multilateralism Today: New Political Conditions and Narratives of the Different Players”, recalled that in Washington analysts are divided between those who are convinced that the rise of China makes imperative a liberal hegemony over the two oceans and those who, in contrast, argue for a new system of balance of power, in which competition and cooperation would guide policy. As Anna Jaguaribe has rightly stated, these contrasting views influence perspectives and expectations about what multilateral arrangements and regulations should be, with the result that the externalities of the U.S.-China conflict today impose a bipolar order

in a multipolar world²⁰.

Therefore, in general, there is broad consensus as to the origins of the contemporary crisis of multilateralism: (i) the financial crisis of 2008 accelerated the process of change in the correlation of forces at the international level, overcoming the immediate post-Cold War scenario of victory of the West and peak of its influence, in an international context marked by the debt crisis in the main countries of the South and the imposition of neoliberal reforms; (ii) the spectacular rise of China and, in a first moment, the diffusion of power towards the countries of the South; (iii) the US-China competition, intensified after Donald Trump, who began to consider China as a strategic adversary and threat

19. Cf. <http://www.cebri.org/br/doc/224/conversas-estruturadas-i-realinhamentos-globais-e-formulacao-da-politica-externa-espacos-nacionais-regionais-e-insercao-global>

20. Cf. <http://www.cebri.org/br/evento/159/multilateralismo-hoje-novas-condicoes-politicas-e-narrativas-dos-diferentes-atores>

to U.S. interests, thus reinforcing Washington's unilateral tendencies²¹; (iii) the re-emergence of nationalism, the rise of protectionism and the introspection of many important countries, phenomena that coincide with the rise of far-right governments that accuse international organizations of harming "national interests", and of spreading what some of these governments identify as a "globalist ideology" or even the "cultural Marxism" of the UN.

In this scenario, the countries of the Global North continue to be the main beneficiaries of the system's rules, whether in the field of liberal values and principles, or with regards to the rules that inform the functioning of international financial institutions. Nevertheless, they credit the crisis of multilateralism, particularly in its Universalist version, to the excessive number of participants in the political game and to the growing heterogeneity of interests. These conditions would not, as Richard Haas rightly pointed out in the aforementioned May 2021 webinar, contribute to the efficiency of the multilateral process and would lead to its failure, as in the case of the latest, unfinished, WTO Doha Round. Richard Haas recognizes the importance of the ideal of universal multilateralism, but points to its ineffectiveness in solving global problems, for which reason he defends the adoption of *ad hoc* plurilateral practices or mechanisms of a "flexible multilateralism" of the *coalition of the willing* type or even groupings among like-minded countries. Recognizing the difficulty that the competitive game between China and the U.S. brings to multilateralism, Haas favors the adoption of feasible practices to the detriment of the (slower and more deliberative) negotiation of legitimate norms within multilateral institutions of universal character²².

Thus, two distinct solutions are put forward. One of them seeks to preserve the liberal legacy of multilateralism, suggesting that it be restricted to like-minded countries or liberal democracies. The other, more concerned with increasing the efficiency of negotiations in themes that require some degree of coordination among members, also suggests reducing the number

of participants, restricting them based on an inclusion criterion that takes into account only the countries that are really relevant to a given theme, regardless of whether or not they are liberal democracies. Both suggestions are critical of universal multilateralism, and in the case of the second perspective, any reform would be doomed to failure, since it would not eliminate the problem. The solution to the crisis would be in the creation of new mini or plurilateral instances with the mentioned characteristics and, even, with the participation of the private sector.

Such a proposal would not find support from Beijing, which favors the universal multilateral system, not least because its prerogatives as one of the P5 of the UNSC guarantee its main security interests. Nor would it have the approval of the emerging countries and the Global South, whose participation would certainly be hindered with the adoption of the criterion of the player's degree of relevance in the regulation of specific issues and themes. China, as we have seen, favors multilateralism because its institutions and norms (especially economic) legitimize Beijing's actions in its steady and progressive ascension process; however, China is particularly hostile to initiatives that may hurt the principles of sovereign equality and non-intervention in domestic issues, generating what has been called "multilateralism with Chinese characteristics".

For the countries of the Global South and emerging powers, multilateralism provides a system of rules that, in principle, tends to attenuate the factual powers of the most powerful states, with the possibility of exercising meta-power, as Stephen Krasner²³ would say. The main claim of the countries of the Global South focuses on reforms for representativeness in the decision-making arenas and for rules that recognize the existing asymmetries, protecting them from unequal modes of competition in the international system. According to Kishore Mahbubani, in the same webinar mentioned above, innovations in multilateralism will come from Asia and, in this sense, the author presents three proposals in order to strengthen existing multilateral institutions: (i) improving the balance between mandatory budgets (the national quotas, also called budgetary funds) and voluntary budgets (also called extra-budgetary funds) in the

21. Cf. United States of America, *Summary of the 2018 National Defense Strategy of the USA: sharpening the American military's competitive edge*. Available in: <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

22. Cf. <http://www.cebri.org/br/evento/159/multilateralismo-hoje-novas-condicoes-politicas-e-narrativas-dos-diferentes-atores>

23. Cf. Stephen D. Krasner, *Structural Conflict: The Third World Against Global Liberalism*. Berkeley, University of California Press, 1985.

agencies²⁴; (ii) reforming the international financial agencies (such as the International Monetary Fund - IMF – and the World Bank), in which rules of direction according to nationality are still in force (European directors in the Fund, and Americans in the Bank); (iii) reforming the UNSC²⁵.

China's convergence with the position of the emerging countries could occur with regard to the preservation of universal multilateralism, the introduction of criteria that take into account the diversity of the members, and the attenuation of the liberal and western bias. However, there would certainly be resistance from China regarding the increase in the number of permanent members in the UNSC, especially in relation to India and Japan.

In the end, this situation of mutual vetoes or low convergence among the main partners points to the near impossibility of deep reforms of the multilateral system. However, given the fact that all players have something to lose with the disappearance of universal multilateralism, the most likely scenario would be that of incremental and localized changes. On the other hand, given the severe criticism by the powers to the multiplicity and heterogeneity of the interests present in the system, it is more likely that, at the same time, new arenas with varied institutional designs, with a smaller number of participants and with the voice of members chosen not for their political lineage, but for their relevance in the issue in question, will emerge. Finally, one cannot rule out the hypothesis that non-political events, such as health crises and extreme events related to climate change, could precipitate negotiations, despite the difficulties pointed out above. In both agendas, Brazil, due to its characteristics, is called upon to play a relevant role.

At the regional level, although there are successful examples of cooperation and integration, the variety of models makes it difficult to reproduce them at the global level. Regionalism is more focused and tends to be much more efficient than universal arenas. Moreover, the vicinity

creates a series of problems of interdependence in varied themes (health, labor, migration, trade) and the consequent need for regulation, based on the common interests of a limited number of participants and the possibility of mutual gains. In the case of Brazil, among all the current experiences of regionalism, it must be acknowledged that the most fragile, practically non-existent today, are the Latin American and South American ones, where the interaction pillars are still directed outside the region, an inheritance of colonization, accentuated today by the attraction exerted by China. Moreover, the low institutionalization and the dependence on a leadership that is willing to coordinate regional collective action are also obstacles to regional cooperation and integration in the Brazilian environment.

Finally, we conclude with an observation with respect to Brazil and the current bipolar dispute. From the perspective of global history, our country has successfully experienced a transition of world power in the past and experiences one one underway. At the end of the nineteenth century and the beginning of the twentieth, the country witnessed the passage from British to American hegemony, when the decline of the British presence in the economy was accentuated and replaced by modernization led by the U.S.. The hegemonic cycle was completed at the end of World War II, with the Allied victory and the undisputed ascension of the United States to the condition of global power, in an order hegemonized by Washington. During the 1930s, the Vargas government tried a rapprochement with Germany, through compensated trade, without involving the use of international currency. However, when we declared war on Germany in 1942, Brazil has definitively assumed the alignment with the allied forces, and has enjoyed, at a certain moment of the war, a strategic position in the conflict's fate, by ceding the bases in the Northeast for use by U.S. aviation. The "special alliance" with the U.S. was then formed, which made Brazil's position in the South American context unique, yielding many fruits for the country's modernization, even though the partnership was quite asymmetric and relatively unilateral.

The end of the Cold War ushered in a second transition of power in two movements. In the first, immediately after the end of the Soviet Union, where there was clearly one main winner and

24. Behind this apparent technicality about the type of budget, there is a political issue. In budget funds, agencies are autonomous in their internal governance processes, with the director-general (or secretary-general) and the secretariat deciding how and what to do. In the case of voluntary funds, donor countries set the agenda and the *modus operandi*. Cf. Carlos R. S. Milani, *Solidariedade e Interesse: motivações e estratégias na cooperação internacional para o desenvolvimento*. Curitiba: Appris, 2018 (em especial o capítulo 2).

25. In addition to the *webinar*, cf. too Kishore Mahbubani, *The Great Convergence: Asia, the West, and the Logic of One World*. New York, Public Affairs, 2013.

practically no spoils to negotiate. The condition of unipolarity was relatively short-lived, relative multipolarity was rehearsed, and the process of deconcentration of the global order generated some room for maneuver for the countries of the South, particularly the emerging ones, favored by the globalization of capitalism with the end of real socialism. The second movement is underway, with the rise of China, since the hegemonic cycle has not been completed. The challenges for Brazil are much greater than the successful first transition, when Brazil, despite the initial flirtation with Germany, formally joined the winning alliance and was rewarded with American cooperation during the conflict and in the post-1945 years, which did not occur, for instance, with Argentina.

In a scenario in which the US-China dispute remains in a state of latency, which would be ideal for global stability, and more convenient for Brazil, the “active neutrality” strategy would be more adequate to the country’s geopolitical and economic interests²⁶.

However, the latter tends to be more demanding for Brazil, for at least two reasons. First, because of the strong presence of U.S. policy in the formation of interests and mentalities among Brazilian elites, and the influence (cultural, consumer, behavioral, among other aspects) that Washington exerts on Brazilian society in general. Secondly, because of the fact that we are not located in Asia and thus run the risk of being treated as a periphery of the Chinese power. That is, in the scenario of maintaining a condition of equilibrium between the U.S. and China, the hypothesis of extracting benefits today, as in the past, from both great powers will depend on the political-diplomatic state capacity in a broad sense, which we do not have at the moment, and on a firm alliance with our South American neighbors in order to increase the scale in the negotiation, at the same time that regional benefits could be generated. Active neutrality presupposes agency, cohesion among the strategic elites, and leadership around a clearly defined and shared political and strategic project, conditions that Brazil today is far from having.

26. According to Hélio Jaguaribe, foreign policy should be guided by a position both of greater autonomy, in face of the United States and the great European powers, and of neutrality, in relation to the US-Soviet conflict in the Cold War. It is this concept of neutrality, which we here call “active neutrality”, that we refer to, inspired by Professor Jaguaribe’s work. Cf. Hélio Jaguaribe, *O nacionalismo na atualidade brasileira*. Rio de Janeiro: ISEB, 1958.



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