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QUESTION: IS THERE A MANIFESTATION OF ORDER OR DISORDER IN THE PRESENT WORLD?

Since 1945, the old liberal world order has served as the cornerstone of peace and prosperity. It was deliberately designed to prevent armed conflict and the economic nationalism which gave rise to it by the US and its western allies. It is composed of the United States, the International Monetary Fund and the World Bank, the World Trade Organisation, the G20 and a whole bunch of treaties and agreements. It has set the rules for a healthy positive-sum game while witnessing its ups and downs.

While virtually everyone agrees that a rules-based system is essential to managing security and trade, a power struggle is underway over who writes and enforces them. The spectacular rise of China over the past two decades and the relative decline of the US mean that sparks are bound to fly. Yet most westerners are only dimly aware of what’s occurring since the rug was so quickly pulled out from under them. The potential for catastrophic miscalculations, including US trade actions against China, are rising, with potentially devastating cascading effects to the global economy.

China is in the process of surpassing the US economically. By one measure, 35% of world growth from 2017 to 2019 will come from China, 18% from the US, 9% from India, and 8% from Europe. By 2050, the top five largest global economies are most likely to be China, India, the US, Brazil and Indonesia.

China is also leading the largest urbanization and infrastructure development scheme on earth. Already in its fifth year, the $900 billion "One Belt and One Road" (OBOR) project includes new roads, shipping lanes and building projects stretching to over 65 countries. The idea is to literally rewire global trade from China throughout Asia, the Middle East, Africa and Europe. While details are hazy, OBOR is being financed by Chinese state banks, with a modest strategic contribution by a new Chinese-backed Asian Infrastructure Investment Bank in partnership with other institutions.

China is set to become a global green powerhouse. China signalled its intention to take the lead on climate change reduction after signing the 2015 Paris climate agreement. By 2025, most new cars in China will be fully electric vehicles. China is aggressively cutting coal usage. Already, over 60% of high speed rail in the world is in China (10 times the length in Japan, for example). China also recently committed to achieving blue skies in all of its major cities within three years.

China is also setting the global pace on a digital economy, including cashless payments. In major cities, up to 90% of all commercial and retail transactions in convenience stores and cafes are occurring through Alipay and Wechat. E-commerce delivery in large Chinese cities through Alibaba is the currently the fastest in the world. One company, Alibaba, racked up sales of $25 billion in just one day – dwarfing the returns of so-called Black Friday and Cyber Monday in the US.

Chinese universities are also vaulting to the top of the international rankings. Two schools, Peking University and Tsinghua University, leapfrogged from well below the top 200 to the top 30 within five years. There are another 40 universities that are not far behind and are set to enter the elite in the coming years. While Chinese students are still seeking out educations in top schools in North America and Western Europe, soon they won't have to.

All the while, the west seems to be asleep at the wheel. There is a certain irony in our current predicament. On the one hand, the world is experiencing unparalleled levels of prosperity and connectivity, due in no small part to the US-backed global liberal order. Yet these advances are associated with ever greater complexity and systemic risks, increasing the liberal order's vulnerability to collapse. The world's global and national institutions are increasingly incapable of managing stresses to the system. Democracies, it turns out, lack the incentive systems to address higher-order and longer-term imperatives.

Faced with threats ranging from climate change to massive technological advancement and the recent COVID19 pandemic, the world is in desperate need of stable and able global governance. And yet there is surging opposition to liberal governance due to rising inequalities and frustration with the perceived failures of the liberal order. With all this said, it is safe to say that in the present world, order and disorder coexist.