**IRD 416**

**What is the position of the developing countries in the present world order.**

A developing country is a country with little industrial and economic activity and where people generally have low incomes. They also have low living industrial base and low Human Development Index.

World order as an analytical term refers to the arrangement of power and authority that provides the framework for the conduction of diplomacy and world politics on a global scale. Prescriptively, world order refers to a preferred arrangement of power and authority that is associated with the realisation of such values as peace, economic growth and equity, human rights and environmental quality and sustainability.

When Donald Trump was first elected U.S. president, foreign observers hoped that he would moderate his more outrageous campaign positions as the practicalities of governing socialized him to adopt more conventional stances. Failing that, they hoped to contain the damage until the U.S. electorate returned to its senses. Trump’s scythe has sliced through these thin reeds.

Trump has been seen to go against the liberal international order. His view against trans-Atlantic relations is seen in his reactions from his denial of the G-7 announcement to his trade war against U.S allies to his undermining of the North Atlantic Trade Organisation, and many more controversial actions carried out by the U.S President. His actions are seen to scatter the parts that his predecessor painstakingly cultivated over seven decades.

Due to his actions, U.S allies are now changing their normal ways by taking steps which were previously unimaginable. They see that the America of old may never come back even after the era of Trump is over so they pursuit strategic autonomy, looking for a way to separate themselves from the unpredictable United States. They are working with China to safeguard globalization, expanding their own strategic autonomy in line with Washington, and also trying to defend what remains of the open world from the depredation of its creator.

Developing countries, which in this case are U.S allies are seen to be aligning with China to defend globalization. Trump’s trade protectionism has done the seemingly unimaginable. It has allowed mercantilist China to portray itself as a place of multilateral trade. Shortly before Trump’s inauguration, Chinese President Xi Jinping was in Davos, Switzerland, channelling former U.S. Secretary of State Cordell Hull and depicting himself as the saviour of globalization.

Europeans increasingly agree. On July 16 2018, the EU and China held their first summit in two years. They declared their commitment to a “rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system with the WTO as its core.”

The Trump administration, by contrast, has vowed to ignore adverse findings by the WTO’s dispute settlement understanding and is reportedly considering quitting the organization entirely, on the grounds that it restricts U.S. sovereignty and retaliatory options. This would be an extraordinary blunder for the nation that not only spearheaded the WTO’s founding but has won a whopping 91 percent of the cases it has brought before the dispute resolution body.

In the area of pursuing strategic autonomy, America’s allies since January 2017, have been faced with a split-screen presidency. The president’s advisors have reassured NATO and U.S. allies that U.S. security guarantees are ironclad. Meanwhile, Trump repeatedly has castigated those same allies for freeloading on U.S. generosity and suggested that solemn U.S. obligations are conditional.

In a July 17 2018 interview with Fox News host Tucker Carlson, Trump questioned the very core of NATO’s principle of collective defence, wondering why Americans should die to defend tiny Montenegro, which joined the alliance last year. Trump’s stance is likely to find support among many Americans—half of whom believe that the United States should not come to the aid of its allies unless they increase defence spending. That reality has sent shudders through the alliance. To cope with uncertainty, the allies are hedging, building their own defence capacities as a form of self-insurance and decoupling themselves from life-or-death decisions made by the leader in Washington. In Asia, Japan is spending unprecedented sums on defence, and South Korea is seeking national control over its military in the event of war with North Korea, rather than continuing to accept U.S. command.

### The Global Economic Order is Broken. The world is experiencing unprecedented weaponization of economic interdependence, as countries turn cross-border trade, investment, and technology transfers into instruments of coercive statecraft. While China and others are contributing to the problem, most global observers perceive the United States in particular as abusing its privileged position in the international monetary system to coerce and punish those who stand athwart its perceived national interests. Such economic coercion represents a significant break from long-espoused U.S. principles of global economic integration for mutual benefit. For seven decades, U.S. presidential administrations, with few exceptions, prioritized economic order building, generating shared growth and global economic stability, while furthering comity among nations.

The Trump administration increasingly invokes national security as a justification for restricting trade, and its prolific use of quotas, sanctions, tariffs, and the like threatens to destroy the rules-based economic order. These actions could have dire consequences. First, they promise to hinder domestic and global economic growth. Second, they could leave the middle and minor powers whose support has bolstered America’s position in the world worse off. Smaller countries depend on international rules for a level playing field; weakening those rules makes them increasingly vulnerable to economic and political pressure not only from the United States but other great powers. Third, while Trump’s strategy may reap some limited gains, the more the United States abandons rule of law for rule of power in the economic realm—particularly in an increasingly multi-polar world—the more it reduces its global influence and incentivizes other countries to resist U.S. stewardship of the global economy. Indeed, cracks in the U.S.-led economic order are already surfacing, although it could take decades (or longer) for an alternative order to become fully operational.

References.

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