

Topic : Is a multipolar world beneficial for or detrimental to Globalization?

Outline

1. Introduction

Thesis Statement : Multipolar global world has some positive and negative impacts on globalization. However, the negative repercussions of multipolarity largely outweighs the positive outcomes. Consequently, it is important to understand the suitability of multipolar power structure for globalization.

2. Benefits and dangers of multipolarity to Globalization

3. Multipolarity has destructive consequences for Globalization (Thesis)

- Political competition hinders globalization
- Reduced diplomacy due to political differences
- Trade wars limits competition
- Parallel communist system can not sustain globalization
- Global economic decline due to global recession
- Increasing Protectionist policies.

4. Benefits of multipolarity to Globalization (Anti-thesis)

- Competition drives globalization
- Interdependency and integration with the global world
- Multinational Corporations drive globalization
- Alternative to Western economic system
- Reduces inequalities
- Healthy competition by cooperation

5. Multipolarity is unsuitable for Globalization (Synthesis)

- There is political competition rather than economic competition
- Relations are reduced due to global politics
- Increasing role of state in economies restricts freedom of MNCs
- Globalization is inherently a product of Western Liberal system
- Global inflation results in higher inequalities

f) States resort to inward policies to outcompete strategic rivals.

6. Conclusion

Globalization comes to an end as multipolar order begins. Globalization was a result of rise of a unipolar power and a win of liberal market economic system. It resulted in integration and interdependence of world markets that brought the world together. It was driven by free market forces without any state intervention. However, new world powers have emerged in the past decade giving rise to multipolarity. A growing momentum of Chinese economy accelerated globalization however it is the heightened competition between the rival powers are impeding globalization. The resurgence of Russia, rising economies of Asia have increasingly made the world multi-polar. These have had negative impacts on globalization. Geopolitics resulted in trade wars and strained relations giving rise to global inflation and inward approach of the nations. It has had limited benefits of bringing alternative to Western economic system, heightened competition driving ^{global} economic growth. However, multipolarity remains unsuitable for globalization as it gives rise to political politicisation of global economy and state intervention in economies. Multipolar world has some positive and negative impacts on globalization. However, the

negative repercussions of multipolarity largely outweighs the positive outcomes. Consequently, it is important to understand the suitability of multipolar power structure for globalization.

The multipolar world presents some benefits and dangers to globalization. Globalization drives economic growth. Since the world has become a global village, it is imminent for the entire world to engage in global trade and relations. The changes in global order in the recent decades have consequences on globalization. Multipolarity is characterized by global power rivalry. This rivalry, if engaged in well-coordinated competition could potentially help the world meet its most pressing challenges. Rise of different powers also presents alternatives to market thereby increasing competition and reducing cost. For example, a well-coordinated competition between BRI and B3W could help develop the underdeveloped or developing world, reduce poverty and food insecurity and reduce terrorism and climate change. However, the competition between the world power is detrimental for globalization. The Economist's, 'The World Ahead 2030 report' describes the ~~poor~~ global competition is the future to be unstable with rapid social and technological changes. The trade disputes, technology cuts and military postures aimed at ~~geo-politi~~ would accelerate tech-decoupling and increase geo-political risk of another war hotspot. Thus, the multipolar world order may

present some benefits, but the reality is opposite to it. The globalization is convulsed by the vicissitudes of great-power rivalry, aftershocks of pandemics, economic recession and climate change. The multipolarity and the resultant rivalry have aggravated the situation making it detrimental for globalization.

Geo-political competition hinders the process of globalization. The great power rivalry between various power centers have resulted in unstable global economy. There is a competition between states to shape the future of international order. The US's National Security Strategy of 2022 overwhelmingly prioritize to 'outcompete China'. Similarly, due to the war in Ukraine, USA is courting Russia though sanctions. The global powers are engaged in conflicts and are hedging their coalitions against one another. The principle strategic goal is to prevail in competition with one another. On the other hand, globalization is all about economic competition. So multipolarity gives rise to political and strategic competition which hinders the process of globalization. This ill-management of competition of political nature has reduced the dampened relations between the global powers and countries under their respective sphere of influence.

The political differences between the states result in decreased diplomatic relations

among them. Globalization works on the spirit of cooperation, integration, ~~and~~ socio-economic relations among the nations of the world. Rise of multipolar world has increased animosity among the states. Consequently, diplomatic relations have reduced and turned ugly between them. Global powers The US secretary of state, Antony Blinken called China the "most serious ~~the~~ long-term challenge to the international order". Similarly, the United States of America imposed diplomatic boycott of the Winter Olympics in Beijing. Moreover, relations between ~~Russian~~ and USA are already tensed due to Ukraine war. These strained relations between the great powers complicate the global landscape and undermines globalization. and leads to destructive competition between them.

The continuous strained relations give rise to trade wars between the global rival states. The extent of trade wars range from ~~sanctions~~ to export control regulations to sanctions. The USA has imposed export control ban on China of advanced computer chips that power AI algorithms. This would choke off China's access to US chip designs and manufacturing equipment. **Ninety** ninety-five percent of chips used by China were designed by US companies. Moreover, USA has imposed sanctions on Russia in the wake of Ukraine war. These sanctions have cut-off

Russia from international financial system among other sanctions. These sanctions have had disastrous effects on global economy, energy and food security. Therefore, there is a rise in conflicts resulting in politicization of global economy. In the multipolar world, power play has become the primary goal of each power center. This erodes the process of globalization as it limits competition as a result of bans, embargoes and sanctions. Also, the superpowers have different ideologies and economic systems. These economic systems are not feasible for globalization.

Parallel communist economic system to capitalist system can not sustain globalization. Though China's economic rise have accelerated globalization, their economic system is not suitable for globalization. China's and Russia's economic system do not retain their stronghold on private sector. Rise in multipolarity with two power centers being communist could hamper globalization where market forces decide price-driven competition. The cold war 2.0 between the present superpowers indicates remnants of cold war where the rivalry is based upon ideologies. Both China and USA are focused on self-reliance in science and technology as future competition will be based on technology. These upward approaches along with different opposite ideologies and economic systems are not conducive for globalization.

The global decline in economies lead to global recession. The world is facing high inflation due to fallout of Ukraine war, after shocks of pandemic and energy price hike in the global market. The current inflation is most likely to turn into a global recession. The IMF in October 2022 has warned that global economy and many economies will see recession in 2023. This means another recession is underway and the rise of multipolar world and resultant conflicts have given rise to it besides pandemic. Inflation has increased greatly with soaring energy prices that is are driving up the cost of living. Trading Economies, November 2022 shows many countries are facing double-digit inflation with six countries facing triple-digit inflation. The heightened inflation is would eventually lead to a global recession in the near future.

With rise in inflation, the states have resorted to protectionist policies domestically. These protectionist policies encourage domestic production while discouraging imports. As the rising global powers are threatening the dominance of United States, it has resorted to protectionist policies putting 'America first'. The America COMPETES Act was adopted to prevent China from dominating the global semi-conductor supply chain industry. It has adopted further

export control measures to prevent China from dominating artificial intelligence and chips industry. Protectionism is also not only restricted to USA. The decision of UK to leave European Union is another example. Perhaps Brexit started the protectionism and inward policies. China, on the other hand, is opposed to such policies as it harms its economy the most. Nevertheless, rise of multipolarity has resulted in shift in state policies for national and political interests.

Multipolarity, however, presents some benefits as competition is increased due to various power structures. Also, since no single power dominates the world economy, but various powers drive competition. This competition in turn drives globalization. Ian Bremmer, in his book, *The Power of Crisis* states that partnership between two rival states who engage in a "well-coordinated competition" could help meet the world's most pressing challenges. The competition between the powerful states can be managed where all powers can co-exist while engaging in intense competition. This would help the developing countries too to achieve their developmental goals. A power in a multipolar world perpetually tries to bring more countries into their sphere of influence through economic incentives

and strategic partnerships. This helps such partnerships can help meet climate and environmental goals along with intense technological advancement. This way globalization helps everyone to integrate with one-another.

In a multipolar world, states can independently integrate within the region or global world. Multiple pole provides attractive and diverse markets. Diverse markets enhance competition and drives prices down. The nation states can therefore integrate for better opportunities. The poor economically powerful states provides possibility of the growth to the developing world. For example, China, an economic giant is attracting the globe to integrate in econ trade and development through BRI. Similarly, USA is attracting the world to itself through B3W and various other incentives. Russia is offering regional development of gas-pipelines and other energy products. European Union is offering an alternative to BRI, Global Gateway project. Such competition among great-powers enhance trade and economic ties, hence making multipolarity complementary to globalization. Such competition propels growth and development by bringing economic opportunities at the doorstep of the developing world.

It is not only the governments that runs the economic world, but the businesses and private sector is equally involved in driving the global economy. Multi-national corporations plays a large role in global trade. They work closely with local markets to integrate them. These MNCs promote international ties through investments and trade. For example, Apple gets the parts of its phones and other devices from various parts of the world including USA, Germany, Japan, Switzerland, which are assembled in China, and the finished product is sent throughout the world. This way, it merges technology and the world together. China's rise as a global power is due to such MNCs. Since these businesses run for profit, they find cheap labour and high quality technology from the world. Unlike states, businesses do not fall for politics, but continue their business as usual. Multiple multipolar world benefits such MNCs through larger and diverse markets. These MNCs involve themselves in intense globalization. Since they work in a free-market, they are immune to domestic or world politics.

Multipolar world's biggest advantage is that it provides alternative to western economic system. Western economic system might seem successful, but it has

many flaws too. Capitalistic system has resulted in immense inequalities. Chinese Economic system is polar opposite to that of USA.

Similarly, a unipolar world benefited USA - the most as weaker countries had no other option, but to comply with USA.

China, on the other hand offers a better deal to the world with shared or mutual benefits. USA calls its partners as US alliance system while China calls them as China's

Partnership Network. So collaborating with China do not seem as a compromise to the sovereignty of independent nations.

It results in mutual benefits of both countries. Moreover, as China's economy is growing, it is investing more and more in various developing countries in building high quality infrastructure. Two alternatives give incentives to the global powers to outcompete with each other, and such competition between two alternatives benefits globalization.

Two parallel economic systems and competition would consequently reduce inequalities. As the global powers compete, they would invest more and more in developing world that would help overcome the gap between rich and poor nations. China is heavily investing in Pakistan, Iran, Sri Lanka and alike. This will integrate the tea Asia with the

rest of the world thereby reducing inequalities by helping these countries overcome their financial crisis. Similarly, USA is also interested in investing in the least developed countries to outcompete China. Their power-competition would help the poorer nations in achieving developmental goals, and by reducing inequalities.

This great power rivalry can compete is a well organized competition to steer globalization. A healthy competition through cooperation is beneficial for globalization. As Henry Kissinger calls it 'co-evolution', where two power-rivals engage in intense competition and high-end tech war to prevail over one another. Both China and USA are highly dependent on one another, and their competition ~~so~~ benefits everyone. Keeping politics aside, economic competition have the potential to reward everyone. Therefore, management of strategic competition is essential for both powers to co-exist.

Though, there are benefits to multipolar globalization in a multi-polar world, which can only be realized if the competition is economic in nature. The competition between the global powers is political

in nature that aims to economically destabilize one another. States have the powerful states have weaponized various sectors to compete with one another due to geo-political tensions. USA, for instance, have sanctioned Russia, and put export controls on China as well as European Union. Donald Trump, was the former President of USA, was the first one to come up with such embargos. It was mainly done for as a populist move. Biden administration is following suit.

Such inward and protectionist approach is reciprocated by the competitors, resulting in closing of globalization. USA in its **National Security Strategy** is focusing on building internal strength. Similarly, Xi Jinping's new policy is to achieve self-sufficiency in technology. Such postures are detrimental for globalization.

The previously globalized world was more integrated through diplomatic, trade and strategic relations. However, multipolarity have resulted in reduced ~~down~~ diplomatic relations. These relations have turned ugly variously with each side openly threatening one-another. USA's technological curbs have deteriorated its relations with China at economic level too. China's have called such export controls as 'technological blockade'. Such endless confrontations

between -the global powers lead to deterioration of globalization. It also -the sanctions on Russia have as a result of Ukraine war have crumbled its relations with USA. China, an economic concerned global power, have criticized sanctions as a 'double-edged sword' that 'politicize -the global economy'. The economy is, -here fore, politicized globally as well as domestically.

The power-competition increases -the role of state in economies -that decreases -the freedom of MNCs to freely trade with -the world. The USA's export controls would not only damage China's economy, but also to -the corporates manufacturing chips equipment within America. These MNCs would lose ~~the~~^{its} largest market. Globalization allowed free-trade and large profits for MNCs. However, -the increasing role of state in economies is ~~de~~ degenerating businesses. Neo-politics is stagnating -the global market economy by imposing strict controls on -them. It is odd -that USA was -the paramount supporter of globalization, and now it is reducing globalization to maintain itself as a sole power.

Globalization is inherently a product of Western liberal system. Trends across Europe and America have changed to a great extent with the change in international order. The changes are evident in the rise of nationalism throughout the West following Brexit in 2016. Today nationalism is declining resulting in rise in trade protectionism in the USA. Globalization emerged as a result of USA's primacy in the world order, and when the world order is changing, the globalization is declining. It was run by the West as global hegemon. The 2008 financial crisis, and the fall of US hegemony resulted in rise of China as a global power. Since then, the globalization is on decline, with rise in nationalism and identity politics. The protectionism of USA, and resultant self-sufficiency and withdrawal of USA from global economy. While that is not a near possibility, but the effects of USA policies are deteriorating globalization to a great extent.

Multipolarity have resulted in skirmishes to full-scale wars in the recent time. Russia's rise to power from annexation of Crimea to Ukrainian war is a glaring example. The consequences

of war are prevalent throughout the world in the form of global inflation, food and energy insecurity. This inflation have negatively grasped the entire world. Countries continue to put export import bans to overcome their fiscal short-comings. Such bans on top of protectionist policies further discredit globalization. The frequent tensions between the major global powers affects the entire globe, rippling their economies when they could have been better off without it. This creates large inequalities among the states!

States as a result of unstable global world adopt protectionism and inward policies to compete with their rivals. The chip war between USA and China is resulting in intense investments of both countries within their countries. US have announced a plan to invest \$50 billion investment in chips within its domestic market. Similarly, China will invest in some \$143 billion in its local chips industry for advanced manufacturing. Both the countries are investing within their domestic markets whr to achieve self-sufficiency. Such policies and postures eventually diminishes the

prospects of globalization.

To sum up, multipolar world is detrimental to globalization. Despite of a few benefits of multipolarity in theory, the practices indicate of the opposite. Multiple global powers engage in political competition to harm ~~one another~~ their rival. This results in reduced relations, trade wars and protectionist policies. These actions and their consequences are opposed to the spirit of globalization. This reduces makes globalization unsustainable with disintegration of states from the world market. The rise of multipolarity gives rise to only power rivalry, as is evident from history.