

QUESTION:3

Global World Order is changing and new powers are emerging. Analyze the factors behind it. Also, critically evaluate the impact of change on Pakistan.

Introduction:

Global World Order is tilting towards a multipolar system. Key drivers of such a change are instability and recurrent conflicts that were left lingering in the past. Dents to US economy and rise of China as an economic power are both notable contributors. Regional cohesion, creation of multiple institutions challenging US hegemony are all notable factors. Pakistan is in a state of strategic dilemma to balance two great powers while attaining its national interests. Recurrent regime changes and economic instability are also results of altering global environment.

Factors behind Emerging Multipolarity:

There is a complex set of reasons that leave vacuum for other actors to rise in the global arena.

(i) Dents to US Economy:

The world operates on economic might as translated by Fareed Zakaria in his work, "From Wealth to Power".

Post the Cold War, USA enjoyed the status of global hegemon due to economic superiority. Currently, it has the world's largest GDP of \$26 Trillion but the debt is even higher (23 Trillion).

130) Debt to GDP Ratio is an essential factor of US decline.

(ii) Chinese Capture of Markets:

On contrary, China emerged as a strong economy, currently with 2nd highest GDP (\$20 Trillion). At its present pace, it shall surpass US by 2030.

China evolved economically, captured markets and enhanced investments.

in developing nations.

(iii) US Double Standards resulted in loss of global influence:

Throughout history, United States has deferred its own standards. This caused doubt on trust by countries.

The principle of sovereignty was violated in Iraq Invasion of 2003. Gaza genocide portrays its silence on HR violations despite being a flag bearer of equality.

(iv) Chinese Dragon : Mao's Vision to capture the World:

Filling this void, China launched its Belt and Road Initiative (BRI) as an attempt to promote infrastructure development in developing states and expanding its sphere of influence.

This infrastructure diplomacy has led China to enjoy significant role in global decision-making.

(v) Competition in Military Domain:

United States was the sole provider of strategic weapons until

China established military industry
Russia, Iran are also contributors.
This leads to multiple stakeholders in the security realm.

(vi) BRICS : The Rise of Global South

The emergence of BRICS group as a major bloc indicates lesser influence of western world. Global South, devastated by past exploitation considers China as its leader.

BRICS has over 40% share of global GDP.

(vii) De-Dollarization has resulted in rise of other powers:

US Dollar hegemony was the backbone of unipolarity. With the end of Petro-Dollar Agreement in June 2024, beginning of trade in native currencies, USA has lost its status as sole superpower of the world.

Yuan is the largest trade currency of Russia.

(viii) Establishment of Alternative Financial Institutions.

Contemporary times witness the establishment of new banks and institutions.

SWIFT → CIPS
 IMF, WB → NDB, AIB

(ix) Ideological Competition:

China has begun to exert its soft power in the form of summits and conferences. Liberal institutions like WTO and UNO failed their purpose. Moreover, US backout on its own free trade policies is a set-back for its liberal ideology.

Chinese Vision →

- 1- Multilateralism
- 2- Rule of Law
- 3- Sovereignty & Identity

Impact of Change on Pakistan:

Pakistan is a country that has global relevance due to its geo-strategic significance. It has been at good terms with USA in the past, with bumpy arrangements. China has been an all weather ally to the state. The changing world order poses significant challenges for the country.

(1) Strategic Balancing of Rivals:

As part of CPEC flagship project, Pakistan is bound to cater to Chinese needs. USA has been an ally too. Balancing both countries in tough situations is a challenge for state of Pakistan.

Economic Dependence on the IMF does not help either. The country requires well-thought policy to balance its long-term objectives.

(2) Extracting Economic Benefits at crucial moments:

China provides great opportunity to attract FDI in the country as long as CPEC projects are carried out smoothly. USA's recent interest in Rare Earth Minerals is also a positive sign for economic progress. Economists must devise solid plan to attain such benefits.

(3) Ensuring Regional Cohesion:

In times of multipolarity, Pakistan needs to evaluate the role of middle powers and formulate good ties with neighbours like China, Iran, India and Afghanistan. Calculated engagement can prove fruitful to maintain geographic relevance.

CONCLUSION:

The world pattern has changed. Countries like Pakistan should devise foreign policies to adjust within the new

order. It is highly urgent to correspond adequately and rise in the region.

"The world has changed from vertical command and control to Horizontal connect and collaborate"

-Thomas Friedman
"The World is Flat"

Impacts can be both positive and negative...evaluate accordingly:

Opportunities:

Greater foreign policy flexibility

Diversified economic partnerships and investment sources

Increased voice in global institutions (UN, WTO, IMF)

Regional diplomacy and conflict mediation space

Challenges

Strategic balancing among competing powers

Heightened regional security competition (India, Afghanistan)

Potential entanglement in great power tensions

Arms race