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**THE POST COVID19 WORLD:  
HEGEMONIC THEORIES RATHER THAN NEW COLD WAR PARADIGM**

by

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## The Post Covid19 World: hegemonic theories rather than New Cold War paradigm

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Worldwide, the Covid19 pandemic has opened animated debates on the nature and future of the current international system. Although analysts agree on the fact that this pandemic has not overturned the current international system but is instead accelerating existing trends, they seem divided on the outcome of this acceleration. Some openly argue that the new phase of confrontation between the United States and China constitutes a "new cold war", therefore adjusting the world order around a sort of new bipolarism similar to the one between the USA and the USSR. Nial Ferguson<sup>1</sup> and Timothy Garton Ash<sup>2</sup> argued that, although every historical analogy is imperfect, if the essence of a cold war is a worldwide, multi-dimensional, long-term struggle between two superpowers, the current antagonism between China and the Us can be easily recognised as such.

Others, instead, highlight the peculiarity of this historical moment and describe a more complex world. Francis Fukuyama, for example, underlined how we can find losers and winners of the pandemic war both among western states and emerging powers. Factors responsible for successful pandemic responses have been state capacity, social trust, and leadership. Countries with all three— a competent state apparatus, a government that citizens trust and listen to, and effective leaders— have performed impressively, limiting the damage suffered. Countries with dysfunctional states, polarized societies, or poor leadership have performed poorly, leaving their citizens and economies exposed and vulnerable. Nevertheless, Fukuyama explains that over the years to come, the pandemic could lead to the United States' relative decline, therefore continuing the erosion of the liberal international order<sup>3</sup>. In fact, the decline and possible fall of the liberal world order opens the door to a new phase of transition, the same way the collapse of the bipolar order did.

### A systemic confrontation

In the first decade after the end of the Cold War, most political intellectuals were predicting a transition to an universal free market economy and democracy, a greater role for international institutions and the creation of a multi-level global governance, supported by a "global public opinion" committed to promoting and defending human rights and the "benign hegemony" of the United States and its allies. Only one decade later, the potential development of this new international order was being thrown into doubt by three events: the 9/11 attacks, the political and military failure of the 2003 Iraq war and the great economic and financial crisis of 2007-08. In parallel, interpretations of the international scenario first gravitated around an increasingly universal rhetoric of crisis and later reshaped into a better defined and more radical prognosis of the decline – or better said, the end of the liberal world order<sup>4</sup>.

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<sup>1</sup> [https://www.ecfr.eu/article/ecfr\\_quarantimes\\_9\\_with\\_niall\\_ferguson](https://www.ecfr.eu/article/ecfr_quarantimes_9_with_niall_ferguson)

<sup>2</sup> <https://www.theguardian.com/commentisfree/2020/jun/20/us-china-cold-war-liberal-de>

<sup>3</sup> <https://www.foreignaffairs.com/articles/world/2020-06-09/pandemic-and-political-order>

<sup>4</sup> Alessandro Colombo, "The Decline of the Liberal Order and the Rise of China" in ISPI Report 2020 "Work in Progress. The End of a World, part II" edited by Alessandro Colombo and Paolo Magri, 15 March 2020; <https://www.ispionline.it/en/publication/work-progress-end-world-part-ii-25379>

The twilight of the liberal world order included a shifting from unipolarism and American hegemony to a new sort of multipolarism. However, this outlook has been sharply changed by the quick rise of China as a competitor to the United States. This was evident even before the Covid19 pandemic and, being the pandemic a hegemonic crisis - as described by the so-called hegemonic theories of international relations – it could not help but further accelerate this trend.

The situation we are currently experiencing is very accurately described by Robert Gilpin in “War and Change in International Politics”<sup>5</sup>. The author’s definition is certainly more helpful than the “new cold war paradigm” in describing the fact that China poses an even more comprehensive challenge to the international order and the equal distribution of power at the global level. According to his theory, once a society reaches the limits of its power as the American one has done, it has great difficulty in maintaining its position and preventing its eventual decline. In addition, this hegemon, just as the US today, begins to encounter marginal returns in its industrial production. Both internal and external changes increase consumption and the costs of protection and production. The diffusion of its economic, technological, or organizational skills undercuts its comparative advantage over other societies, especially those on the periphery of the system. On the other hand, the rising states – think of China today- enjoy lower costs, rising rates of return on their resources, and the advantages of backwardness. In time, the differential rates of growth of declining power and rising state in the system produce a decisive redistribution of power resulting in a disequilibrium in the system. At the end of this process, we are confronted with a full-fledged hegemonic conflict. Generated by an increasing disequilibrium between having to preserve hegemony and the resources available to carry out this task, the hegemonic conflict leads to the creation of a new international order. One of the main preconditions associated with the outbreak of hegemonic war is the perception that a fundamental historical change is taking place and the worrying fear of the great power – in this case the US - that time is somehow beginning to work against it. As a result, the hegemon, feeling threatened, feels the need to settle matters through pre-emptive war while the advantage is still on its side.

The United States, especially since the beginning of Trump’s presidency, seem determined to dismantle the international apparatus they themselves contributed to create. This move clearly looks like a pre-emptive measure and, to an extent, a pre-emptive war. The multilateral system is evidently under attack by the Trump administration and the pandemic threatens to corrode it further. Like the Obama administration before it, the current administration seems eager to distance itself from the hegemonic and potentially imperial temptations of previous American foreign policy. Instead, it is attempting to gradually re-dimension the country’s international engagement in order to achieve a new balance in the critical equation between commitments and resources. In essence, the United States has decided to stop investing in something that is favouring a rival more than themselves.

### **A technologic war**

In this historical moment, the challenge is two-fold: First, the object of the dispute is the international supremacy in a context where both the liberal order and globalization are getting weaker. Second, weapon to win the hegemonic conflict is technology: the United States seem increasingly committed to blocking the central/peripheral technological transfer fearing that it could erode US hegemony in

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<sup>5</sup> Robert Gilpin, “War and Change in International Politics”, Cambridge: Cambridge University Press, 1981.

favour of the Chinese challenger. In this context, it could be said that the hegemonic conflict has grown into a global technologic war.

Once again, hegemonic theories of international relations are being called into question and they explain the current scenario better than the “cold war paradigm”. China has placed itself within the western-led global system, unlike the Soviet Union which acted within its isolated space of influence. It’s not accidental that China is defending the international system and it will probably have to do everything in its power to avoid its collapse in the next future, especially in light of its efforts towards economic global integration<sup>6</sup>. The reason for China’s behaviour is pragmatic: international integration is the essential pillar of the Chinese model of economic growth and political stability. Despite scientific and technological developments, the Soviet economic system collapsed due to lack of innovation e entrepreneurial ability. On the contrary, China, albeit through public enterprises and a planned economy, used globalization to its advantage. By opening to investments by foreign companies and connecting entire regions to global value chains and to international trade, Peking created an outward-looking innovation system that was missing in the USSR. International integration has the merit of encouraging the productivity of Chinese enterprises, facilitating knowledge transfer and allowing domestic companies to learn through the interaction with foreign companies<sup>7</sup>.

Both the perceived decline of the U.S. and the challenges that China is posing to its Washington’s hegemony, shed light on a new concept of non-waged war, strictly correlated to the technological primacy of global powers. China has been able to take advantage of globalization in some unexpected ways. It was expected that China would slowly but surely align itself with the liberal-capitalist system. Instead, it took capitalism away from liberalism and it’s now challenging the West with its political trade-off between growth and freedom. Customs war, repatriation of businesses and reduction of value chains on a national or regional basis are some of the measures taken by the United States to contain China. At the same time, Washington is pressuring on allies to close ranks and disengage from multilateral institutions where China is advancing. A glaring example of this was Trump's proposal for a G11 that would include Australia, South Korea, India but also Russia. The strategy is clear: without exports China should necessarily develop an internal market, which would increase the demands of political participation of the growing Chinese middle class, destabilizing the communist-led system and probably reducing it to a regional power. Today we are witnessing a new and stronger American attempt to block Chinese growth by compartmentalising the global economy and parallel effort by China to leave it integrated.

What results from this developments is that the globalization process could undergo an important mutation. From the trend towards a delocalisation of global production, observed in the last twenty years, we could experience the re-nationalization of some sectors or a wider diffusion of the model of "regional value chains", where the competitive advantage is determined by the proximity (and relative reliability in crisis situations) of the markets rather than the production costs.

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<sup>6</sup> China's Xi Jinping defends globalization from the Davos stage; <https://www.weforum.org/agenda/2017/01/chinas-xi-jinping-defends-globalization-from-the-davos-stage/>

<sup>7</sup> Andrea Filippetti e Raffaele Marchetti, “Cina paladina del mondo globalizzato”, *Il Sole 24 ore*, 25 June 2020.

## Europe between Us and China: different perceptions

In the post-Covid19 world, the European Union (EU) will find itself between the hammer and the anvil: strengthening transatlantic ties, needed to counterbalance Beijing's essential role in the global economy and governance, or putting up more geopolitical muscle and develop more strategic autonomy. For Europe the pressures to dismantle the architecture of globalization and the revision of alliances and international cooperation mechanisms are particularly compelling questions.

The Covid19 emergency is accentuating all the EU's structural weaknesses that were already evident in recent years. At the same time, the economic crisis - with its delays and errors - seem to have given new angles to debate that is developing in Brussels and in the European capitals. The truth is that unusual progress has been made in recent weeks. The actions approved and those in the pipeline are cyclical and temporary, but some of them could become structural, in line with the multidimensional interdependence of the European project, starting from the functioning of its single market and monetary union.

In light of these potential structural changes to the EU's architecture, we at ECFR decided to analyse what the public was thinking about the post-Covid19 world. To do so, in late April 2020 ECFR commissioned a poll of over 11,000 citizens in 9 countries across Europe – Bulgaria, Denmark, France, Germany, Italy, Poland, Portugal, Spain, and Sweden – covering over two thirds of the EU population and GDP. The United Kingdom was surveyed with analogous questions in late May 2020<sup>8</sup>.

Interestingly, data from our polling disclosed that the corona crisis has not fuelled a rise in support for *either* nationalism or EU federalism. In each surveyed EU member state, improved perceptions of nationalist parties were below 17%. However, although there is an overall call for more EU cooperation, faith in EU institutions remains low. This is demonstrated by the fact that 47% of our sample lamented the EU's irrelevance during the crisis. These data therefore confirm what said before: the Covid19 crisis has not deepened the faultline between nationalists and EU federalists. Rather it has created three groups of voters with different worldviews:

- the **“New Cold warriors”**, who make up 17% of those surveyed. They foresee a deeply polarised world order with the US as leader of the free world on one side and China as leader of an autocratic axis on the other. Such axis would include states such as Russia and Iran. Surprisingly, they are most numerous in Italy rather than in Poland or Denmark.
- the **“DIYers”**, who make up 34% of those surveyed. They envisage a pluralistic scenario where no particular alliance prevails. States are autonomous and on their own. DIYers do not have faith in the capacity of their states but are pessimistic about any prospect of effective cooperation both at the EU and global level. Most DIYers can be found in Germany, according to our data.
- the **“European Sovereignists”** who make up 50% of those surveyed. They believe that Covid19 has brought back regionalism and power blocks. According to them, Europe's importance on the global stage will depend on its ability to act coherently and unitedly. They prevail in Portugal, while also constituting a majority in Poland, Spain, and Bulgaria.

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<sup>8</sup> On this project see Ivan Krastev and Mark Leonard, “Europe's Pandemic Politics: How The Virus Has Changed The Public's Worldview”, June 2020.

A common denominator to all our surveyed countries is that their citizens currently feel alone in the world. Plummeting perceptions of the US as a reliable ally demonstrate that the transatlantic friendship is damaged. Over 50% in every member state except Italy, Poland and Bulgaria (where there are, nevertheless, large minorities) have overall worsened perceptions of the US, and very few respondents believe that the US has been a valuable ally during the pandemic, with Italy the largest answer at just 6%. The US, however, is not the only country being frowned upon. Europeans have also worsened perceptions of China and Russia with many holding China accountable for the outbreak of the pandemic. Unreliable partners are making the prospects for international cooperation very thin to the eyes of Europeans. As a result, 52% across all countries covered (and ranging from 44% in Sweden to 67% in Spain and Portugal) want the EU to develop a more robust response system to global threats and challenges. Only a bolder European approach can help them cope with the sense of loneliness and alienation they have experienced during the crisis.

The global context is changing, and the public opinion is changing with it. This opens a window of opportunity for the EU to renew its internal cohesion and assert its credibility and authoritativeness on a global level. This is not just grand rhetoric. The EU does have the instruments to become an important actor on the international stage. Its strength lies in it being a system based on institutional and societal resilience, where equity and welfare systems play a fundamental role, particularly in crucial sectors such as education and health. However, one must remember that the EU remains a product of a historical phase in which globalization and international integration could thrive in the international system. Today, this is no longer so and the EU will necessarily have to reinvent itself. If globalization gives way to regionalisation, Europe should seize the moment to create a new and proper sovereignty. In this sense it is important to underline that the EU's "self-reinventing" efforts should not focus exclusively on pursuing economic recovery and building social safety nets. It is important to preserve the commitments and objectives that the EU and its Member States have set themselves in the fields of security and defence. In a future scenario of fragility, the potential risks posed by old and new threats (such as terrorism and cyber-attacks) should not be underestimated.