

*Think*

*new things*

*Make*

*new connections*

## Conference Summary

# **Authoritarian Alliances: an alternative world order in the making or just marriages of convenience?**

8-10 September 2023

A Ditchley conference at Greentree,  
in partnership with American Ditchley

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# Conference Summary

## Context and why this was important

This Ditchley conference explored whether an alternative authoritarian world order is in the making and, if it is, how democratic countries might best respond. What dilemmas, threats and challenges would these shifts in world order pose for governments and businesses?

The backdrop to this conference was the growing concern, discussion and analysis of the rise of authoritarianism as a global trend. When it comes to alliances, this has been characterised as a distinction between 'rule of law states' and the authoritarians. Rule of law states have developed long-lasting alliances because their leaders are constrained by the long-established checks and balances of their systems. For authoritarians, the constraints that shape alliances are often much looser, and consequently relationships between states can be less stable. Participants considered whether this previous world order is beginning to change as tensions increase between the West and authoritarian states and as interests between authoritarian nations converge.

A number of countries globally were highlighted in this discussion. The relationship between China and Russia served as the prime and central example, with their announcement of a 'friendship without limits' raising questions about how they may or may not wish to support each other going forwards. Other noteworthy groupings include various Middle Eastern states, certain European nations which have elected leaders with authoritarian tendencies, and some Latin American countries.

## People

This conference brought together key stakeholders and leaders across industry, government and think tanks, with representatives from technology, finance, consulting, defence, energy and international development gathering around the table. Geographies represented included the United Kingdom, the United States, the European Union, Australia, Japan, Canada, Turkey and Russia.

## Summary of the discussion

The conference discussion began by considering the alliances between authoritarian states, reflecting on whether these are truly formal alliances based on shared ideologies, or rather a temporary overlap driven by pragmatic interests. China's geopolitical role was a key topic, as were the roles of both India and the broader region of Southeast Asia, which were posited as alternative centres of strategic power. China has developed a strong narrative challenging traditional definitions of 'democracy' and 'free markets' and has seen some success in creating their own institutions and influencing norms in existing multilateral institutions.

China has also been engaging extensively in the Global South. There was criticism of the way China has been operating in some developing countries and concerns about China creating debt traps to

leverage its soft power influence. There were seen to be limits to China's abilities in, for example, developing strong lasting security coalitions. Much of China's model is also being challenged as their economy slows. Even so, a major challenge here for Western alliances is in coordinating and adapting engagement in these countries to demonstrate a viable alternative to China that can be at least as beneficial for these developing countries.

Countering authoritarians' use of soft power (i.e. in the form of economic coercion) was described as critical in reducing their influence, particularly in smaller countries and regions which may not already have measures in place. Coordination between countries seeking to counter authoritarianism is essential. Some suggested that China sees the window of opportunity closing for action on Taiwan, indicating that the West ought to be prepared to respond in the event of a potential conflict in Taiwan. However, it is crucial to acknowledge that this cannot be done by the United States alone and that bringing along European allies is necessary for effective deterrence. This is because the United States does not have the bandwidth to operate in multiple regions effectively on its own. In particular, the importance of having German and Dutch counterparts across government and politics around the table for effective policy development and enforcement was underscored, given their strengths in industrial and technological capabilities.

Participants highlighted the notable tilt of many countries towards industrial policy. It is important to bear in mind that if these policies can be coordinated with one another and be inclusive of key partners then this could be an effective method to form alliances that counter hostile and authoritarian alliances. Worth noting also is that although this strategy may be effective in countering the likes of Russia and China, it may also make both countries increasingly isolated, which would pose a new set of challenges.

Another key area of focus was those alliances involving the Middle East, India and Southeast Asia. A key takeaway was the increase in middle and developing powers playing the great powers off against one another. The role of the World Bank and the changes it may need in terms of leverage were highlighted as an approach to provide more favourable deals for developing countries and therefore countering authoritarian offers.

Despite the array of concerns and tensions highlighted, it is important to note that there was a range of views about the coherence, and therefore threat, of authoritarian alliances or their relative weakness. The argument was that there is still time to garner effective coordination between democratic allies and to do so in ways that avoid exclusionary policy development.

### **Recommendations and ideas (not consensus but arising in discussion)**

#### In response to authoritarian alliances, the West should reconsider its offer to the Global South.

- Beyond aid, there is access to data, infrastructure, new technology, markets, and capital.
- As more countries have turned towards industrial policy, there could be greater inclusion and coordination. If such policies are inclusive of key partners, then this could be a method to form alliances that could counter hostile and authoritarian alliances.

Increasing leverage of IFIs such as the World Bank in order to provide a better alternative to the Belt & Road Initiative.

Quantifying exposure in areas critical for national security to equip policymakers with in-depth understanding so that they can plan how to reduce dependencies on hostile states.

Cross-country discussions on industrial policy coordination with countries such as the Netherlands, Germany, South Korea, Japan, and Australia.

Areas for greater exploration.

- The technology infrastructure build-up from China and what to do about it could be productive.
- As defence costs continue to increase, the additional financial burden risks falling on the middle classes. This might lead to erosion of trust in the choices made by democratic institutions and a reduction of support among the public for allies.
- Southeast Asia will also be an area of increased discussion in coming years, given that region's supply chain strengths but simultaneously its technological dependence on China.
- India's role as an alternative to China's ability to scale development is another area of interest. Particularly given potential issues in engaging with India, both in its supply chain weaknesses and geopolitical tensions (e.g. Canada).
- The role of international financial institutions — both in their use of leverage and the impact of their potential politicisation.
- There is a question of how to coordinate industrial policies with key partners.
- Europe's role in the Middle East is another area that could be explored, given both their proximity and relative lack of activity in the region.

**A number of the themes and questions arising from this conference will inform Ditchley's programme for 2023-25, these include:**

- Industrial policy coordination
- The role of India
- How can we best engage non-aligned or developing countries to create mutually beneficial opportunities?
- Further exploring key areas related to national security (such as procurement of critical minerals).

*This Note reflects the Director's personal impressions of the conference. No participant is in any way committed to its content or expression.*

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