

Think

new things

Make

new connections

**World Order: what can
and should it mean
today?**

**A Ditchley conference
in honour of Dr Henry
Kissinger**

3 to 4 December 2020

DITCHLEY

Terms of Reference

In his widely acclaimed 2014 book *World Order*, Dr Henry Kissinger wrote, “A world order of states affirming individual dignity and participatory governance, and cooperating internationally in accordance with agreed-upon rules, can be our hope and should be our inspiration.” He noted that the old order was in flux and the shape of the replacement was highly uncertain. Everything depended on “some conception of the future.”

Some six years later, that conception of the future remains cloudy and, in the midst of a global pandemic, it is harder than ever to define. As often quoted these days, at darker moments the words of Antonio Gramsci from a Fascist prison resonate, “this crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear” or, as the last phrase has been more compellingly if very loosely mistranslated, “... now is the time of monsters.”

This extended period of flux comes at a period of potential existential risk through degradation of our global environment. The coronavirus pandemic has also exposed new downsides to our globally connected world, whilst at the same time further accelerating our adoption of, and reliance on, technology. Before returning to the current moment, though, it is worthwhile reviewing the trends and tensions that were already evident before the pandemic began and that have largely been further accelerated by it.

Context

We have opened up new worlds of extraordinary human possibility in digital space, only to discover that this also means new worlds for human frailty and predation. The collapse of space by the Internet also undermines the Westphalian system by eliminating the effective distance between the jurisdiction of one power and another. Home and abroad now share a common field of action and influence.

Weary of 18 years of inconclusive military effort abroad for uncertain gains, and with its middle class undermined by the combination of globalisation and a domestic economic system with limited safety nets, the United States is passing through one of its periods of introspection, preoccupied with defining itself, not the world. This could be about to change. November’s extraordinary election saw President-elect Biden win more votes than any president in history, defeating (subject to the completion of legal challenges) President Trump with the second largest popular vote tally in history, confirming the depth of polarisation. President-elect Biden will want to address domestic challenges and legislation but, unless the Senate goes blue in January, this may prove difficult. With decades long experience of foreign policy in the Senate and as Vice President, it may be that President Biden’s route to effect at home will run through action abroad, for example on global challenges such as Covid-19 and climate.

In Europe, the European Union has yet to decide on the full extent of its ambitions for convergence and therefore identity: whether it is primarily an economic or political project and whether the economic experiment of the Euro is truly sustainable. Europe faces

demographic contraction with, it seems, limited cultural appetite to absorb, largely Muslim, immigration from North Africa and the Middle East. The UK meanwhile is going through its own protracted identity crisis, heading out of Europe at some speed but with destination uncertain. India has yet to fulfil its manifest potential as the world's largest democracy or find a balanced identity as both a Hindu superpower and the world's second largest Muslim state. Pakistan feels as precarious and dangerous as ever. Iran is intent on Shia' regional domination but is being forced by the pressure of sanctions to play an ever more dangerous game of brinkmanship, edging towards a nuclear weapons capability that would spark a regional nuclear arms race. Saudi Arabia and other Gulf states face a world of stranded assets, with the acceptability of fossil fuels likely to run out before their reserves. Ambitious Arab plans for transformation in response are being underwritten by multibillion-dollar bets on the next big thing in Silicon Valley, routed via visionary funds out of Japan. In a new twist of globalisation, this is increasing the prospect of a global market correction, if valuations of loss-making VC-funded major technology companies prove unsustainable.

All eyes remain on China. 850 million people have been pulled out of poverty. Countless innovations have been studied, copied and sold back to the West. The *Made in China 2025* strategy looks to go beyond this to turn China into a self-sufficient technological superpower with a vast internal market. Recovery so far from the pandemic is impressive compared to western efforts. The big question is whether genuine innovation can be combined with tight political control but China looks set to try. The Belt and Road Initiative that aimed to build new Silk Roads connecting East and West is faltering. But even as tensions increase, and the Internet balkanises, the Chinese economy remains dependent on the West, and vice versa, for raw materials, an exchange of expert people, and the manufacture and trade of goods. This is in stark contrast to the Cold War, where Russians didn't buy BMWs and the most fashionable phones were not made in Moscow. Unless one has the misfortune, misjudgement or courage to cross an authoritarian tripwire, then an elite life can be lived in Shanghai in very similar fashion to London, New York or Los Angeles.

Russia has become a tactical country with strategic weaponry. Its governance is a one-man institution: President Putin. This poses challenges for continued strategic stability and deterrence. Bar pariahs such as North Korea and Iran, Russia is the power most prepared to experiment with cyber warfare and information operations to support its interests and to grab attention on the world stage as a great power. Cyber may be a perfect weapon but it is a very imperfect and unpredictable tool of policy and, at some point, something is going to go badly wrong with uncertain consequences. Russian influence is particularly strong in neighbouring European countries, but miscalculation is probably more likely than a deliberate incursion into the Baltic states or the rest of Ukraine. Belarus might be another matter. Frozen out from the West by sanctions, Russia has turned, once again tactically, to China as its main partner, but if it persists too long in this tactic then Russia will risk becoming a satellite power.

Some aspects of the new world emerging are coming into focus and states are accelerating their efforts to master them, anticipating that they will turn out to be the modern technological equivalent of strategic high ground. The arms races on digital warfare, bioengineering and AI are well underway, with prowess in AI above all providing the prospect of a potential singularity of power. China is playing its authoritarian advantage to take a strategic statist approach, amassing vast reservoirs of data to train AI applications. The West

is struggling to turn its free market lead on technology into AI for state power but still has the edge on innovation for now.

Worried about what all this might mean, all sides are probably seeing both more threat and strength, and more weakness and vulnerability, in others than they should. Some authoritarians are watching the messiness and unpredictability of the democracies with satisfaction and turning the screw through early experiments with digital manipulation. Critics of authoritarianism note that Russia's economy has shrunk almost to the size of ailing Italy and its infrastructure is decaying. President Xi Jinping, meanwhile, is turning away from the private sector-driven Chinese miracle to priorities of security, surveillance and state enterprise, whilst China's debt mounts.

Few countries, entities or people seem exempt from a relentless questioning of identity. Corporations in both technology and finance are being urged to rethink their purpose and to deliver more for society than just profits for shareholders. Technology platforms are being pushed to accept more of the duties of guardians of shared public spaces that previously would have been the preserve of the state.

The concepts of the state and the nation are more contested than at any point since the Second World War, building on the pendulum swing toward the primacy of the individual and her human rights, born of revulsion at the war's mass killings and the reduction of human beings to raw material. Modern western liberalism accepts only the interests and identities of other individuals as the limit to the realisation of the identity of the individual. The state does not get to determine who or what people should be. Individuals are thus free to choose which identity is paramount for them – Ethnicity? Gender? Religion? Philosophical beliefs? Some other common cause? All this said, the pandemic has made the state the last resort for many, greatly increasing government intrusion into personal life and into private sector business.

At the geographic level, identity is on the march towards both international and local destinations: we are Scottish not British; Londoners not English; villagers not city folk; New Yorkers not red necks. We are citizens of the world on the one hand and hyper-local on the other, crossing paths frequently but not recognising each other as having a shared national heritage. How can such diverging views all fit into one country and one nation? How many jostling multitudes can be made into one?

We are rightly increasingly concerned about what industrialisation and globalisation are doing to the future viability of our planet. The global industrialised youth have been told to expect long lives on the one hand and, on the other, that there will be no resources to sustain them as the stability of the climate deteriorates. The ecological revolt that began as polite scientific protest is becoming angrier, with schoolgirl Greta Thunberg, the revolution's Joan of Arc. There is the risk that failure to act sufficiently decisively will see things end in flames for us all this time.

On the global economy, meanwhile, interest rates remain close to zero, investment cash is virtually endless and close to free for individuals and companies with wealth. Wages, even before the current crisis, were only just emerging from stagnation for the many. Employment is increasingly insecure, and power has shifted decisively from workers to owners of capital. It is beginning to dawn on all of us that automation is not going to stop

and that old fields of work will become obsolete and new ones have to emerge in what is likely to be a messy and relatively rapid process. The gap between the richest and the poorest continues to increase. This is a structural trajectory in the new economy that has been further accelerated by the pandemic. Unlike the old wealth, vested in coal, oil and property, the new wealth is virtual and international. It is not yet clear that demands for anti-trust action and fairer taxation can be delivered without some sort of world order acting on agreed-upon rules and that, of course, does not exist at present.

Our world, then, is on both a physical and a figurative march, accelerated by the exchange of ideas and fears at Internet speed. We are looking for ourselves anew, trying to work out where we are headed and why. It is a dangerous time but also one of great possibility and potential renewal. Extraordinary new technologies are emerging in quicker succession now, built on the advances on digital technology but moving into the physical world. We are moving from psychological self determination to genetic determinism, beginning to attack ageing itself but perhaps at some cost to our freedom to make of ourselves what we will. Automation and autonomy are setting our built environment in motion, changing what it means to be in a city. There are still many parts of the world underdeveloped, but they are increasingly connected, sharing in the knowledge of what is emerging, and impatient to share in the fruits. This is setting off another type of march, across borders and in dangerous small boats, to get to a better life. The lucky few can't absorb all who would like to come. But we can't simply block them without undermining our ideals and our humanity. How can we help them stay in place and prosper?

Amidst all this rapid global movement of information, money, goods, power and people, new contours of global significance can arise quickly like a sand dune built on a pebble in the desert. The millenarian certainties of Islamic fundamentalism have not fully lost their appeal and a new mutation of Al-Qa'ida and ISIS is likely to emerge. Other forms of nihilistic identity-based terrorism may also flare up with devastating effect as we saw in the attack in Wellington, New Zealand, streamed live to a globally connected audience of "sick losers". Race hatreds are flaring. The strange conspiracies of 'Incels' and QAnon are gaining surprising traction. Everything has become social, including murder. In a highly interconnected and yet disordered international system, even very local actions may spawn chain reactions with global consequences. It has become commonplace to think of the Europe of 1914.

And now, into all this messiness and complexity spawned by human nature, has stepped COVID-19, the first true pandemic of the networked age. There is much regional variation, of course, but, in contrast to all the human complexity described above, the virus is a simple thing – it spreads by human contact and it causes serious illness for a minority and, in about one percent of cases, death for mainly older people. This has slammed the breaks on travel and globalisation, disrupted international supply chains, plunged economies into deep recession, cast millions into unemployment and forced public debt that will be a burden for generations. It has mostly accelerated many of the existing trends outlined above from digitisation to nationalism. It has deepened doubts in the managerial competence of democracies to deal with such a crisis and further undermined western confidence. There are ambitions to "build back better" but no clarity as yet as to how this will be achieved beyond the ultimately unsustainable expansion of state power and aid. With few monetary tools left in the toolbox to deal with the global economic downturn, fiscal stimulus has to carry a heavy load. This is the kind of global event that humbles empires and destroys or

makes leaders. None of us, leaders or followers, know where we will be in a couple of years' time. We all hope for effective vaccines, but that is not assured and we may have to learn to live with COVID-19 for the long term.

Questions

In this terrifying, but also exhilarating, context, what can and should world order mean today? What should be the limits of the ambitions of the major powers for world order? What conditions and events is it imperative that we avoid at all costs because of their extreme danger to our societies? What ambitions should we give up – including those for peace and resolution of crises – because they come with too many risks? For powers built on the promise of freedom and a belief in the innate dignity of human beings, what balances must we strike between morality, legitimacy and order and between intervention in the affairs of other nations and restraint and withdrawal?

In this conference we will explore the extent to which the ambitions and fears of the major powers for world order are compatible or conflicting. We will aim to identify how we can build on convergence of interests and how we can mitigate the risks of escalation flowing from divergence.

We will be better served, to quote Dr Kissinger quoting Burke, “to acquiesce in some qualified plan that does not come up to the full perfection of the abstract idea, than to push for the more perfect.”

Having set out some major themes in plenary sessions at the start of the conference, we will pursue discussions on three themes. This will be achieved by a series of working group sessions, timed to allow us to bring together participants from different time zones and to maintain continuity in the discussion.

Theme A: US and democratic perspectives on world order. What is the US determined to achieve, with or without allies' support? What might the US seek to achieve with the support of allies? What should be the limits of ambition? What must we avoid at all costs? What is the 21st-century story to sustain the vitality and influence of democracies on the world stage?

What relationship does the US seek with China? What relationship does the US seek with the UK and the EU and vice versa? What are the prospects for working together on global challenges and trade reform? What are the prospects for deepening democratic alliances with the democratic and close-to-democratic countries of the Indo-Pacific? What are the strategic risks of attempting this? How will the US-led political West maintain a lead on strategic technologies such as digital capabilities and cyber; AI; and bioengineering? What role do the UK, Australia, Japan and other medium democratic powers see themselves playing on world order in the years ahead? To what extent is the US able to lead on global challenges such as climate, the degradation of the environment and crises such as the pandemic, or another global financial crisis?

Theme B: Chinese perspectives on world order. What are China's minimum and maximum ambitions? What does China seek to avoid at all costs? Does China want to be a global superpower or only a regional one? What is China's 21st-century story for its people and for the world?

What relationship does China seek with the US? What relationship does China seek with the EU and vice versa? How does China see its role in the global economy and the question of the dollar as global reserve economy? How does China see its pursuit of technological self-sufficiency and the development of strategic technologies such as digital capabilities and cyber; AI; and bioengineering? What are the implications of the Belt and Road Initiative for traditionally non-aligned states and for world order? How stable does China see itself in the aftermath of the pandemic? To what extent is China able to lead on global challenges such as climate, the degradation and crises such as the pandemic, or another global financial crisis?

Theme C: Russian perspectives on world order. What are Russia's minimum and maximum objectives? What does it seek to avoid at all costs? What is Russia's story for the 21st-century for its people and for the world?

What opportunities and dangers will strategic cooperation between the US and China present for Russia? How long can Russia separate economic shrinkage from strategic shrinkage? Can Russia sustain its current levels of spending on defence and defence technologies? What are the economic implications and the impact of development of technologies such as digital capabilities and cyber; AI; and bioengineering for Russia? What relationship does Russia seek with the EU and vice versa?

Closing plenary sessions will bring these themes together. What are the shared, must-avoid-at-all costs outcomes for the three themes above? How can action be triangulated to avoid the outcomes that each country really does not want to see? Looking to risks, are there outcomes that seem essential to one player that are on another's must-avoid-at-all-costs list? How can we manage such potential strategic flash points where perceived essential interests push against each other?

More positively, are there outcomes that could be shared objectives and that would nurture the habit of communication and compromise? How can we take these forward?

Can we sustain deterrence and avoid large-scale conflict, whether in physical or cyber space, between power blocs? Can we unite sufficiently to address the long-term threats to our planet?

The agenda and running order for the conference is laid out in the draft programme.