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Xi Jinping and Vladimir Putin agree to deepen technology and energy partnership at June 2019 summit meeting. (Photo: Xinhua)

Multipolar Maneuvers: Sino-Russian Collaboration and Competition

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Following Benedikter and Kofler's argument that national sovereignty has today become a major, if not decisive, driver of re-globalization, this essay outlines the idea that there is a new facet of globalization, which we would like to call "contending globalization" and which we see as a constituent part of Benedikter and Kofler's "re-framing" option. We find contending globalization mainly represented by current Sino-Russian relations. Their joint illiberal project, combined with tensions in the EU-US relationship, is on the verge of becoming a new and perhaps even a dominant facet of globalization. Therefore this essay focuses on two aspects of re-globalization: Sino-Russian relations, and the "trade conflict" between the US and EU.*

Sino-Russian Relations: A New Counterproject of Globalization?

There seems to be agreement among scholars that the US has largely benefitted from its open-world economic policy while preserving its own sovereignty at the same time. Because of the liberal meritocratic form of US capitalism, the US economy has dominated the world for the last several decades.[1] However, with the financial growth of Eurasia and the formation of new international organizations—for instance, the Shanghai Cooperation Organization (SCO) or the Asia-Pacific Economic Cooperation (APEC)—the balance of economic and political power in the world has changed. Today, for the first time since WWII, states have appeared that are full members of the prevailing global system and at the same time defy dependence on the United States. These powers—primarily China and Russia—began pushing for

new rules in the world economy and cornered the old hegemons; now they clearly seem interested in deepening their strategic partnership in order to strengthen their national sovereignty within a liberal global order shaped by the US and the EU. One of the key aspects of this project is the creation of regional economic unions to improve China's and Russia's global competitiveness. This began as a cooperation in technology in the early years of the Cold War. Nowadays, the Sino-Russian relationship is experiencing a "golden age" as they pursue bilateral security arrangements and "the spirit of innovation" becomes not only more institutionalized, but also has strategic and ideological implications as an illiberal counterproject to US-led globalization.[2] Several important treaties and agreements have been signed that cement Sino-Russian collaboration at all levels:

- In June 2016, the 'Memorandum of Understanding on Launching Cooperation in the Domain of Innovation;

- In December 2017, an agreement on promoting the construction of a Sino-Russian high-tech center at Skolkovo;

- In September 2018, the first China–Russia Industry Innovation Competition, focused on the theme of 'Innovation Drives the Future' and highlighting big data, AI, and high-end manufacturing;

- As of 2019, plans for the opening of another Russian high-tech park and innovation center in the city of Shenzhen.

As scientific knowledge and technology are central to economic development, China and Russia see opportunities for both their own development and a collective challenge to the US global tech dominance in these bilateral agreements. However, so far it is China that has been the dominant player in this bilateral collaboration scheme while Russia finds itself in a position of disadvantage.[3] Still, Russia sees this as a chance, since by liberalizing economic ties with its most important neighbor, Moscow can participate in the discussion about the future of the world economy.

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On the other hand, the Sino-Russian cooperation has encountered various problems. These include Russian's reservations about China's "One Belt, One Road" (OBOR) initiative, which has been closely linked to scientific and technological collaboration of both countries but seems to asymmetrically favor Chinese interests at the expense of Russia's. In 2013 this global strategic project, initially implemented in the Central Asian states, broadened to a global arrangement involving around 70 states across Latin America, Africa, Central Europe, and Central Asia. Its goal is to integrate the world around Chinese interests in a number of ways: trade routes, infrastructure projects, the construction of roads, railroads, and other form of transportation. At the same time, China is seeking to expand trade relations into the political realm at the global level by attempting to present the "Belt and Road" as an "international" cooperation even though it is fully implemented, managed, and sponsored by Beijing. China has already invested more than 200 billion USD to build various infrastructure projects and, at first glance, the scheme would appear to be appealing to Russia. However, Moscow does not intend to become a full participant—both because she already cooperates within the framework of existing projects such as "Eurasian Economic Union" (Russia, Belarus, Kazakhstan, Armenia, and Kyrgyzstan) that seek to establish interaction with OBOR, but also so as not to become fully dependent on China. But aside from this, Russia sees in OBOR a new form of re-globalization that to some extent opposes the America-led liberal/neoliberal system, and therefore actively participates in the Chinese initiative.[4]

EU-US Dissonance

In this context the EU seems to be one of the few remaining global economic actors still interested in the continuation of the European unification process, which is, at least to some extent, a restriction of the concept of sovereignty. Nonetheless, the recent European Parliament elections of 2019 showed that populism within the EU is becoming steadily stronger, actively opposing further European integration. The right-wing and nationalist factions such as the German "AfD" or The Italian "Lega" agreed on strengthening nation-states, promoting more security at the EU's external borders, and a strong limitation on immigration into the EU.[5] At the same time, the EU is experiencing a rough patch with its hitherto most important overseas ally, and, Brexit aside, the EU's trade conflict with the United States continues. This sort of economic nationalism—with protectionism as one of its main manifestations—in many ways harms the states that practice it by intensifying the re-globalization of the world economy via the emergence of new trade and economic zones. In this

regard, the new leadership of the European Commission faces the challenge of stabilizing the EU internal market amidst re-globalization.[6] The EU countries already need to stimulate their domestic consumption, as Union losses from the trade war could be even more serious in the future.

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Can the current situation be called re-globalization or is it just a new or altered stage of globalization? Regardless of what we call it, a profound transformation is currently underway. We might, in fact, be witnessing the formation of a multipolar world economy where integration processes in limited areas will occur alongside each other in different regions of the planet. In this view there would, on the one hand, be several globalization projects in competition and in parallel to each other, propelling re-globalization—reflecting Benedikter and Kofler's "reframing" perspective. On the other hand, this new form of globalization would be fragmented, quite different from the liberal international order promoted by the US and the EU from the 1990s onwards.

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Notes

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