

The World Ahead

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Introduction

The world is heading into volatile and fragile times. Across the world, the pandemic era is marked by pessimism and a significant retreat in global cooperation. The Russia-Ukraine conflict and Nancy Pelosi's recent visit to Taiwan are significant events that add to this pessimism and chaos in the international order.

The Future of International Politics

For international politics, I share the pessimism that many display. Concerning international relations, the sheer number of issues to address is daunting. War and regional instability in Ukraine and elsewhere are just one aspect. The deeper problem lies in the attitude of global politicians towards the rise of nationalism combined with more extreme forms of populism. Different pieces of historical evidence, such as Nazi Germany, point to the likely harm nationalism and populism can bring to political stability. Today, some international politicians are not only turning a blind eye to the expansion of potentially detrimental spirits, but they are also even encouraging the growth of these spirits. One proof is how the education and propaganda systems (which can be strongly influenced by politics) in many countries nurture nationalists who only appreciate their own culture and ignore other cultures. Such kinds of nationalists are not conducive to the stabilization and development of status quo relations.

The political stalemate between China and the U.S. is also worrying. For the past five years, governmental relations have only worsened to many degrees. For China, although some recognize the U.S. as a nation that people can learn from, more view it as a hostile force that constantly disrupts international order and breaks its promises. For the U.S., both the Trump and Biden administrations have viewed China as a potential threat to its hegemony and have attempted to take active steps to undermine its growth in power. Both parties have been staunch in their respective stances, and neither side has been willing to back up. Following Pelosi's visit, relations are expected to take a further dip.

It is dangerous to underestimate the impacts this stalemate on the political level will cause. For one, both China and the U.S. are nuclear superpowers that can seriously alter the pattern of global politics. The situation today is almost comparable to the Cold War in the late 20th century between the U.S. and the Soviet Union. Back then, decisions made by either country could lead to disasters worldwide. Today, the conflict between China and the U.S. has already seen its wider repercussions. Countries are choosing sides. Increased forms of political tension have appeared on various continents. Looking into the future, as this conflict is doomed to become

one that involves global nations, every word of confrontation from Chinese and American politicians will speak to the world. Once situations evolve that far, negative impacts can be more frequent and catastrophic.

For another, rising tensions are usually accompanied by a greater probability of miscommunication or miscalculation. From the military perspective, Chinese and American military forces are experiencing increasingly closer encounters in the Pacific region. This means that should a misfire from either side occur, a military standoff is on the line. From the governmental perspective, escalation can prod leaders to make less sensible and thought-out choices, further increasing political miscommunication risk. For example, the Cuban Missile Crisis, the product of political escalation between the Soviet Union and the U.S., almost resulted in a severe miscommunication that would eradicate the world order. Although eventually, both governments resolved the Crisis subtly, one cannot blindly trust the mind of leaders under such tense circumstances.

The Future of the World Economy

As argued in a previous essay, I take a more optimistic stance on the world economy. It is too early to conclude that a worldwide recession is happening. Moreover, economic globalization is not as fragile as many perceive, and recovery from the blows of the pandemic is still possible.

At the root of recession worries is a fear that GDP growth will stall coupled with a prediction that monetary tightening is currently ending the party altogether. Both concerns are too soon to be substantial. First, GDP contraction in recent quarters does not imply that the underlying performance of the world economy is weak. As *The Economist* points out, “[GDP contraction] would count as a recession by one rule of thumb, but not necessarily by others.” One must consider other factors, such as employment, real income, and real GDP. For several large economies, such as China and the U.S., some of these factors are performing fine. For example, the unemployment rate in China has been gradually falling in the past several months, and technological innovations in the U.S. are still fueling economic progress. As a result, global economic performance is not as poor as many think.

Second, the fear that contractionary policies in various countries will end economic expansion is too early to become true. Take the example of the U.S. Admittedly, looking at history, since 1955, there have been three periods when different rates climbed to current levels of prediction: 1973, 1979 and 1981. In each case, a recession occurred within six months. However, both fiscal and monetary policies are known to possess significant time lags. Interest rate changes can take up to 18 months to fully come into effect. The Fed has begun “quantitative tightening” starting roughly from June, and according to Jerome Powell, the Fed’s chairman, the markets, in

general, are looking stable. Thus, it is too soon to claim that central bank tightening is taking a heavy toll on the U.S. economy or other economies.

Economic globalization is also not as fragile as many believe. The main point is that economic globalization does not rely too much on mutual values to prosper, only requiring nations to believe in the power of money and trade. An essay written by the National Bureau of Economic Research (“NBER”) demonstrates that while China and the U.S. have been locked in a bitter clash, the export and trade volumes of bystander countries have risen - calculations reveal that the “trade war raised global trade by 3 percent” from 2018 to 2019.

A brief analysis of history helps show the robustness of economic globalization more. From the 1500s to the 1200s BCE, the Bronze Age world, from the Fertile Crescent in the Middle East to the Mediterranean region, flourished under the first international economic network. Definitive pieces of evidence display trading activities between modern-day Syria, Egypt, Turkey, Cyprus, and Greece. In the late 1200s BCE, the Bronze Age world collapsed due to unclear reasons. However, economic globalization did not die out. It ascended to a higher level. In the 640s BCE, the Lydian Empire made history by issuing the first coins, signaling a groundbreaking development in the efficiency and effectiveness of trade. The subsequent international networks, namely the Silk Road, all demonstrated that economic globalization would persist in innovative ways even under obstacles.

Finally, I feel optimistic about the world economy because global recovery and a strong bounce-back are still feasible. Several prerequisites are fulfilled for this recovery. One is household saving, which is imperative for growing consumption and investment. Data shows that households in the rich world have accumulated some \$3trn in “excess” savings during the pandemic. According to the JPMorgan Chase Institute, “the cash balances of poor households [in the U.S.] were 70% higher in March than they were in 2019.” Another prerequisite is consumer confidence in their personal finances. Confidence leads to more spending and investing behavior. A study by *The Economist* illustrates that across the E.U., an economic zone taking up 1/6 of world GDP, “households are about one-third more likely to be positive about their own finances than they have been, on average, since the data began in the mid-1980s.” Trackers that document consumer spendings, such as the Bank of England and JPMorgan Chase, also report positive signs.

The Future of Global Cultural Communication

The future of global cultural communication is facing a retreat. The rise of nationalism and populism on the cultural level is worrying. People who fanatically defend every cultural aspect of their nation and vehemently refuse to learn from other cultures are increasing in numbers. Suppose these so-called die-hard nationalists or online mobs become more powerful and less



restrained. In that case, they can stifle cultural communication on the most basic level, and hatred can proliferate in the populace. For example, a recent poll reveals that about 80 percent of Americans display solid dislike towards China, a rise of almost 13 percent. One can find similar numbers in China too. In that case, it is even harder to reconcile conflicts and divides, as neither the government nor the ordinary people are willing to take a step forward.

Further, different kinds of cultural conflicts are looming on the horizon. Religion is a cultural element that has led to deep clashes. For example, the Middle East's Sunni and Shia Islamic conflict is still raging. Religious discrimination is becoming more prevalent even in developed countries where religious freedom is more valued. People are viewing religion increasingly as a disruptive force, and tensions have been rising. Religion also was the cause of massive conflicts in the past. The war forged between the Catholics and the Protestants in Europe in the 17th century was one of the bloodiest in human history. The struggles between Christianity and Islam have lasted for millennia.

Race is another form of cultural conflict that must be urgently dealt with. Racism and other kinds of discrimination are not just limited to the U.S. They are present in Asia and different continents. In the U.S., along with hate for black people, Asian hate is also getting much attention recently. Racial discrimination is a natural phenomenon that cannot be naturally avoided or quelled. It needs de facto action from governments and, more importantly, the common public.

Conclusion

Overall, the world is filled with challenges and obstacles that test the resolve of global leaders. While mistakes will be inevitable, history has shown again and again that there will be solutions to a dilemma. There will always be a new, more functioning order that evolves from the ruins of the previous one.