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REGIONAL CHALLENGES TO MULTILATERALISM: SHEDDING LIGHT ON THE CHANGING INTERNATIONAL ORDER

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I. INTRODUCTION

n 2017, Observer Research Foundation (ORF) was invited as an institutional partner to the Finland-based research project *Regional Challenges to Multilateralism* (2017–2020), funded by the Kone Foundation. The project's output has been substantial, including about 50 research publications, over 30 conference presentations, and tens of popular texts with caricatures and illustrations by a professional artist. This report presents an overview and chapter-wise summary of one of our final products, the open-access book, *Shedding Light on a Changing International Order: Theoretical and Empirical Challenges*¹, published by the Tampere Peace Research Institute, Finland.

I.i. Background to Regional Challenges to Multilateralism

This project began in 2015, when two of the project members met to discuss the global power transitions likely from two important developments—the formation of BRICS (the association of Brazil, Russia, India, China and South Africa to pursue common economic interests) and the US signing of a number of mega-regional trade agreements. ORF, an official BRICS institution, was subsequently drawn into the discussion, which led to the publication of the monograph, *Battle for Globalisations? BRICS and US Mega-Regional Trade Agreements in a Changing World Order*² by ORF in 2016. However, as the theme of a changing world order was by no means exhausted, the project was then launched under the leadership of Dr. Élise Féron in 2017.

The main objective of the project was to examine the relationship between emerging powers, new regional and intra-regional initiatives, and multilateral governance institutions. The gradual decline of US leadership, the consequences of the 2008 financial crash and the ongoing global transformations and power shifts have been interpreted in multiple ways, and continue to be much debated topics among scholars of international relations, peace and conflict, and governance. The *Regional Challenges to Multilateralism* project offered an opportunity to contribute theoretically and empirically to these debates.

I.ii. Main Outputs

Apart from about 50 research publications, over 30 conference presentations and several popular texts, two special issues of journals were published—one in English in the *Third World Thematics:* A *TWQ Journal* 4, no. 6 (edited by Jyrki Käkönen)

and one in the Finnish *Kosmopolis* (edited by Marko Juutinen and Karim Maïche). A monograph, titled *Revisiting Regionalism and the Contemporary World Order: Perspectives from the BRICS and Beyond* (edited by Élise Féron, Jyrki Käkönen, and Gabriel Rached, 2019) was also published (with Barbara Budrich Publishers). In addition, some articles have been published in other journals, such as *The Journal of the Indian Ocean Region* and working papers and blog texts published in collaboration with our institutional partners, in particular with the New Delhi based ORF. We have produced mixed art and science projects with the help of a professional artist, Karstein Volle.

We have also created a blog, Pluralist World Order³, where we popularise academic research and provide perspectives on current topics related to our subject, and illustrate them with caricatures. We organised a major international conference in September 2018 at Tampere University, which attracted leading scholars from all over the world, as well as a panel discussion during the Finnish Political Science Conference. Our individual researchers have of course also participated in numerous international conferences, as well as in the sixth and seventh editions of Tallinn University SOGOLAS Winter School of International Relations. We have thus sought to cross geographic and disciplinary boundaries, as well as the boundaries of academic and popular forms of expression.

II. THE CHANGING INTERNATIONAL ORDER

ne of the starting points of this project was our observation of a nuanced and multidimensional dissatisfaction with the liberal international order. One aspect of this relates to the so-called Global North and South divisions; another pertains to the need for decolonisation of the international order. There is a widespread liberal notion that the international order is based on generally approved norms and codes of conduct, a corollary to which is the belief that international organisations rely on international norms for their legitimacy, and not on great power dominance. We looked into the perceived dissatisfaction among rising powers, as well as developed countries, with this notion. While our focus has been on the rising powers and new institutions, the US' changed stance from a hegemonic to a dissatisfied power has also been analysed.

Evaluating multilateralism is one of the key objectives of this project. A major cause of the current dissatisfaction with the liberal international order, in our view, is the way multilateralism has been realised in practice. From a conceptual perspective, multilateralism has a strong normative underpinning. At the same time, it also pertains to the major constitutive and legitimising discourses of global governance. It is found that normative ideals and the reality of multilateralism in global governance integrate multiple discrepancies. As a normative concept, multilateralism can be defined as generalised principles of conduct ensuring that decision-making in international governance institutions is not based on the particularistic interests of a few or of the most powerful players⁴. Several scholars have demonstrated that this postulate does not match with the experienced reality of the international order. John Ikenberry's⁵ concept of "hegemonic multilateralism" described the situation, where the US, as the former dominant power, was able to influence multilateralism in favour of its particularistic interests.

In *realpolitik*, perceptions of dissatisfaction are not relevant unless means to transform the sentiments of dissatisfaction into actions of change exist. Thus, to the extent that the thesis of liberal institutionalism does not hold, the ongoing power shifts imply some form of change in the contemporary order. The agents of change, however, are not merely the rising powers. Today, the international world order, whether understood as multiplex or multi-polar, integrates other significant actors as well, such as cities, multinational companies, non-governmental organisations, and different virtual communities enabled by new technological developments. One should also remember how cross-cultural individual encounters are shaping

the cultures of agencies, increasing the fragmentation of an international or globalised environment.

Moreover, the former dominant powers, including not only the US but also the European Union (EU), Japan, and Canada, are displaying their dissatisfaction with the redistribution of decision-making authority within international institutions. The empirical focus of our original research plan was, nonetheless, primarily on the rising powers and some of their new institutional and cultural initiatives. We have thus studied how China and India relate to international affairs, how new initiatives like BRICS and the New Development Bank relate to multilateral institutions, and to what extent and how the concept of culture, as well as the indigenous traditions of the rising powers, can be conceptualised and used to reform multilateralism.

Besides the discontent over the use of hard power by the dominant countries, their excessive influence in international institutions and the expressed critique of the division of power in global governance, another key dimension of perceived dissatisfaction—one that also underpins this project—is of ideational and epistemic nature. The current scholarship on international relations, peace and conflict, and governance, has been challenged in the project by new and more global orientations, where the experiences and contributions of non-Western agencies have been stressed. This means, for instance, a critical review of ancient philosophical histories, as well as a deconstruction of assumed past identities, myths, and narrations related to the kinds of generalisations made in Samuel Huntington's 'clash of civilisations' thesis, such as "the West", "Asia", "Africa", and so forth. Nationalist tendencies have increasingly strengthened the tendency to divide the world into competing civilisational cultures as if they had developed separately from one another.

The objective of encouraging people to take pride in their civilisational history can easily become a process of distorting, reinterpreting, or remaking the past for present political purposes, be it to serve the interests of a Hindu leader in India, to maintain the economic dominance of the upper proprietary class in Brazil, or to strengthen the idea of an ethno-nation in Finland. One of the aims of our project has therefore also been to challenge these reductive conceptualisations of the world's cultural developments, notably by shedding light on a networked view of the development of humankind. By challenging populist concepts, we want to stress the more complex processes of the development of socio-economic premises, whether from post-structural, realist, or constructivist frameworks. The Renaissance would not have happened without Arabo-Islamic contributions. Similarly, without India, China, and Sub-Saharan Africa, Mediterranean culture with its achievements related to Minoan, Phoenician, ancient Greek, or Hellenistic cultures, would not exist in its present form.

To appreciate international macro-scale phenomena, it is also necessary to critically examine how concepts used in traditional scholarship within the aforementioned disciplines are understood. Concepts and theoretical frameworks produce and reproduce power relations. For instance, by studying multilateralism and regionalism as "obvious" configurations in the world order, aren't we silencing other types of regional and/or continental arrangements—in Africa, for instance?

III. THEORETICAL AND EMPIRICAL APPROACHES TO UNDERSTAND CHANGE

he book *Shedding Light on a Changing International Order: Theoretical and Empirical Challenges* comprises articles by project team members that tackle the question of change from unorthodox perspectives, both ideational and epistemic. Here we provide an overview of the individual chapters of the book, freely available on the Tampere University Press website⁶. Preceding and following these contributions, the book also includes illustrations by the project's professional artist, **Karstein Volle**. These illustrations, produced between 2017 and the end of 2019, aim at stressing the popular dimension of our project, by combining art with academic outputs.

Chapter 1. Tracking the Past in the Chinese and Indian Regional Cooperation Initiatives

In the first chapter, Tracking the Past in the Chinese and Indian Regional Cooperation Initiatives (pp. 13-34), Jyrki Käkönen studies Indian and Chinese perspectives. He maintains that the centre of gravity of the world economy and politics is moving back to Asia and the Indian Ocean region in Eurasia, where it used to be until the early eighteenth century. In Asia, China and India are the most influential rising powers of the global order. Tensions between these two civilisations have at least a 2,500-year history. Both are keen on becoming core actors in the continent, and within the global order. The competition between these two states is demonstrated in their initiatives for regional cooperation in Asia and beyond. Although China and India cooperate in the BRICS context, for instance, they also construct their own regional forums like the Belt and Road Initiative (BRI) and the Bay of Bengal Initiative for Multi-Sectoral, Technical and Economic Cooperation (BIMSTEC) respectively. This chapter evaluates the initiatives of both states for regional cooperation and how signs of pre-colonial structures are present in them. At another level, it also tracks whether elements of the traditional Chinese (tianxia) and the Indian (mandala) approaches are present in Chinese and Indian attempts at regional cooperation.

Chapter 2. Emerging Dynamics of Conflict and Cooperation in a Post-Hegemonic Age – a Kautilyan Perspective on 'the BRICS Paradox'

Marko Juutinen focuses even more on Indian traditions, particularly Kautilyan political science (based on the ancient treatise *Arthashastra* by Kautilya) as a means of rethinking international relations in a pluralistic order. In this chapter (pp. 35–66), Juutinen argues that the concepts of multiple and overlapping *mandalas*, as well as the idea of transnationally intertwined states provide a potential new source for foreign policy scholarship and can be a key concept in understanding the dynamics of modern states. He brings his theoretical framework to empirical policy analysis by applying the Kautilyan perspective in interpreting some of the dilemmas presented by the BRICS. Building on the so-called BRICS paradox⁷, Juutinen's starting point is that BRICS is a little bit of everything and thus a challenge to understand. He tests an alternative way to assess and examine BRICS.

An earlier version of this chapter was published by ORF as Occasional Paper No. 208.8 This chapter is an extended and revised version of the Occasional Paper (which was developed from the authors' earlier open-access journal article). The chapter was nominated winner of the British International Studies Association (BISA) Working Group's Contemporary Research on International Political Theory Essay Prize.

Chapter 3. BRICS Coexistence and the Islamic World

In this chapter (pp. 67-90), **Karim Maïche** reflects on whether Muslim-majority countries such as Indonesia, Turkey, Iran, or Egypt among others, could become BRICS member-states in the future. BRICS lacks any member from the Islamic world in its explicit struggle to strengthen the role of the developing world in the international political arena. While the manifold strategic orientations of BRICS are highlighted in the analysis, Maïche stresses the plurality of the Muslim world in general, challenging its reductive image as a compact singular entity. Maïche also challenges certain ideas of the development of capitalistic production as being inherently "European", stressing socio-economic development as more important than the political-cultural explanations that are often found in various research methodologies.

Chapter 4. Regional Organisations and the Management of the Conflict in Burundi: Too Many Players?

Analysing the regional mechanisms of conflict management in one of the world's most turbulent regions, the Great Lakes Region of Africa, **Élise Féron** (pp. 91–114) draws our attention to the difficulties that arise from the presence of, and overlap

between, a plethora of regional organisations and actors. She shows how military and political conflicts can put regional organisations in a competitive situation, and that concerned individual states can strategically play regional actors against one another, to further their specific national interests. At the same time, examining conflict management practices in Sub-Saharan Africa, she highlights on the one hand the increasing role that regional organisations play in maintaining the world's peace and security, and on the other, the existence of oft-overlooked practices, such as ad-hoc regional alliances, for conflict resolution.

Chapter 5. Contesting the International Liberal Order: Institution Building and the Challenge for Hegemony

Giovanni Barbieri (pp. 115-146) approaches BRICS from an empirical perspective. He studies BRICS and its new initiatives like the New Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB) as alternatives to liberal blends of development finance. He shows that the underlying idea behind the NDB and the AIIB is not to directly challenge the international liberal order or to substitute one institutional hegemony, that of the US, with another, that of China. Instead, he notes how the contestation is limited to the specific area of development finance, and how these two institutions tend to integrate an alternative set of core norms into the existing world order through cooperation and competition between new and old multilateral institutions. In the end, the confrontation reflects the existing tension around the core values animating the actions of the current international (liberal) order's institutions, and is not a challenge to the international order *per se*.

Chapter 6. Crisis and Opportunity: How the Greek Crisis Began, Continued, and Opened a Door for China into the EU

Terry McDonald and Benjamin Klasche (pp. 147-174) examine the consequences of the Greek crisis and how it contributed to opening the door for China into the EU. More specifically, the chapter explains the origins of the Greek crisis up until the beginning of 2017, and drawing lessons from this analysis, applies them to studying China's influence. The authors show how inaction on the part of Greece's Western creditors opened a door for China into Greece, and through it into Europe itself. Finally, it touches on the lessons for other small states—from classical Realist theory, critical World Systems theory, and a modern Financialisation approach—to show that contemporary small states face dwindling options to insulate their economies from unexpected shocks in the face of ever-increasing international financial flows.

Chapter 7. The Creation of the NDB and the AIIB as a Third Wave of Multilateral Development Banks: What Stands Behind?

Yana Leksyutina (pp. 175-198) takes a different perspective and studies the motive behind the creation of the NDB and the AIIB. She argues that multilateral development banks (MDBs) occupy a place of strategic importance in global economic governance. Since the creation of the first MDB—the International Bank for Reconstruction and Development (i.e. the World Bank)—these institutions have emerged in three waves, each time as a result of major changes in the world arena. The creation of the NDB and the AIIB represents the third and latest wave of MDBs. These new development banks have arisen due to a historic shift in global economic power from developed countries to emerging economies, and more specifically, the increase in China's economic might. Leksyutina explains the motives of the founding countries in establishing these two financial institutions, and the historical landscape that enabled the developing countries to create new financial bodies despite some scepticism and criticism from the West. The author identifies major factors underlying the creation of the AIIB and the NDB. Since both the AIIB, and to a much lesser extent the NDB, are China-promoted financial bodies, this chapter also seeks to reveal what national interests and objectives Beijing is pursuing in creating and promoting them.

Chapter 8. Before Us and After: Old and New Resiliencies Against Remaining Hegemonies

Tuomo Melasuo (pp. 199-230) uses wider perspectives in his analysis of regional and multilateral processes 'shedding light', on the evolution of the world's economic and political structures and systems from the Second World War until 2019. Concentrating on decolonisation and the Cold War, he argues that the dismantling of the five centuries old European colonial empires, which took place in four main phases, is perhaps the most important phenomenon of the twentieth century. First, Melasuo analyses how the hegemonic and dominant centres constructed new institutions. such as the Bretton Woods institutions and the United Nations, to reshape their power positions. This process instigated forms of resistance within the Bandung Conference and later on within the Non-Aligned Movement (NAM), which opened focused arenas for the former colonial states to operate in under the auspices of the UN structures. Secondly, multilateral organisations, such as the Organisation of Petroleum Exporting Countries (OPEC) were established in the 1970s with development oriented connotations, after the majority of African countries became independent, to provide a counterweight to the New International Economic Order (NIEO). Thirdly, in the next decade 'the Empire' struck back when multinational companies managed to dominate and re-conquer the former colonies with new forms of global governance. Finally, he notes that since the end of the Cold War, former power structures are starting to scatter simultaneously, with the emergence of new social movements around the globe challenging the hegemony of the contemporary economic order. These movements, often integrating sections of the youth, can pave the way towards future configurations.

IV. CHALLENGES, STRENGTHS AND WEAKNESSES OF THE PROJECT

n some realists' interpretations, BRICS is a block of unsatisfied countries with increasing global influence and thus form some kind of agent for change. Yet it is difficult to precisely define the challenge that BRICS poses for the current international order. Indeed, in the project we have confirmed the assumption that while regional institutions can challenge the US hegemonic multilateral conduct of power, they are simultaneously in favour of multilateralism.

Therefore, the question is what kind of multilateralism, *qui bono*? How will the conditions of multilateralism be shaped in the near future? The case of BRICS demonstrates that the rising powers are comfortable with the idea of multilateralism as a form of governance. Rather, they are dissatisfied with the disproportionate influence of the US and the EU in global institutions, as well as with some of the practices embedded in international institutions that are represented as multilateral. For a number of years, the rising powers, together with developing countries, have sought to shift the practice of multilateralism closer to the ideals of multilateralism. The effort has not yet succeeded. The US has naturally been reluctant to diminish its role.

The process has been stalled because of the natural resistance of the former dominant powers. In addition, economic challenges, and even the current crisis of the capitalist system, as well as globalisation, have strengthened nationalist tendencies around the world, from the US to Brazil, Hungary to Scandinavia, India to the Philippines, and so forth. Populist leaders are elected to power and the rhetoric they use challenges the normative grounds of the liberal international order. Therefore, its crisis is not only related to the growth of rising powers, but also with internal state factors. As a result, the US, since the election of President Donald Trump, has rejected multilateralism, most recently by withdrawing from the Paris climate agreement. The US has even practically frozen the operations of the WTO by crippling its dispute settlement system.

The ongoing struggles against various forms of dominance, whether political, cultural, economic, or military, are important. But while stressing the heritage and ongoing processes of European colonial rule around the world, it is equally important to contextualise the multiple forms of dominance as processes that can be traced back to various historical times. Analysing new forms of dominance,

whether practiced by China, India, or various new and old multinational entities, cannot be done without contextualising and connecting them to more ancient forms of dominance practices. These include ancient religious forms of governance and their institutions (e.g. Hindu, Islamic and Christian), European colonialism, the US and the Cold War period practices of power, and other multiple forms of authoritarian governance as a result of the decolonising processes of the twentieth century.

Regional organisations are no less related to these multiple forms of dominance than multilateral or global ones. They reflect similar—and yet different—patterns accumulating into various realities, experiences and narrations that form the framework within which international, domestic, and multinational agencies operate. Communities that are exerting these powers are also supranational, and consequently it is dubious to categorise the use of power according to national, religious or ideological premises. Even the nature of regional trade agreements (RTAs) that include arrangements of international power relations has changed from a 'made here-sold there' basis to a 'made everywhere-sold there' one9. Considering these changes, it has become clearer to us that the new regional and intra-regional initiatives, as indeed the rising states, are changing the existing order. We reject the idea of them being a challenge, because there is no direct animosity between them and multilateralism. Thus, instead of changing the existing order, they seem to be increasing pluralism and fragmentation within global governance. Given these developments, our project has increasingly sought ways to understand how international cooperation in the new context can be conceptualised, and whether the predominant understanding about stability and continuance can encapsulate the ongoing changes.

We are aware that our project has limitations. We have sought to critically approach power-related methodological and conceptual research frames, but we found—and are still finding—multiple hurdles to understanding political, cultural, and economic policies and processes. In addition, our expertise on the environmental dimensions of the changes taking place is limited, though we totally agree that climate change has implications on our daily lives, and is leading to collapsing systems, eroding global governance, and increasing local violence, thus transforming our futures in an ever more unpredictable way. The fragmented international order, challenged by mass immigration and the rise of populism, faces serious risks to peaceful coexistence. These biophysical factors should not be disregarded any longer and joint interdisciplinary research efforts, across North–South or East–West divisions, are vital as we enter the new decade, often defined as 'crucial' for humanity.

Perhaps the most valuable contribution of this project is, after all, not its empirical findings but its attempt to foreground alternative perspectives to global changes, and to help examine the world with tools that are not only bold and unorthodox, but also novel, at least to the current generation of international relations scholarship. Indeed, we argue that a holistic and pluralistic take on global change is paramount for humankind to be able to find peaceful solutions to the problems the world faces. Considering that climate change is actively changing the planet, that scarcities are increasing, as is competition among the few who control the means of life, we stand face to face with an unpredictable and threatening tomorrow. For this reason, the work that started with this research project should be taken forward in the form of further studies.

V. CONTRIBUTORS TO THE PROJECT

his project was hosted by the Tampere Peace Research Institute (TAPRI). Our collaborators for the various books and special issues we publish, and our blog, are based, apart from Finland, in Brazil, Estonia, India, Italy, Mexico, Russia and South Africa. We owe overwhelming gratitude to these outstanding scholars.

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Endnotes

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