



THE POST-COVID-19 WORLD ORDER – CHINESE LEADERSHIP AS A NEW REALITY?

Erkinbay Abdullaev,

Researcher of UAM in Poland,

Awarded Kirkland scholarship program

Article history:		Abstract:
Received	26 th September 2020	The Corona virus pandemic has jeopardized the United States' global leadership. Beijing is moving quickly and cautiously to take advantage of the discovery created by the United States' mistakes, filling the vacuum to position itself as the global leader in response of the pandemic ¹ . Can China dominate in the post pandemic world? In this paper I will argue that China will dominate in the world politics after pandemic. I will demonstrate my argument with the concrete cases.
Accepted:	8 th October 2020	
Published:	31 st October 2020	

Keywords: Corona virus, COVID-19, United States, China, European Union, Russia, Global leadership, dominate in the world politics, unipolar, multipolar, trade deficit, economic crises, trade war, Chinas digital currency, economic and political leadership.

Since II World War till the collapse of the Soviet Union superpower in 1991, the world's political area became "unipolar," where the United States remained the only pole left. Many politicians and scientists were worried about unipolar era. American political scientist, adviser and academic Samuel P. Huntington wrote his book the "Clash of Civilizations", about a post-Cold War new world in 1993. Moreover, Samuel P. Huntington in one of his publications named "Why International Primacy Matters" argues that there was a need for political power to compete with US in the political and economic arena. To fill the vacuum that emerged after the Cold War, it was necessary for emergence another powerful force that could compete with the United States and keep its forces in balance.² However, fast growing economy of China and its integration with the world countries and organisations has created multipolar environment in recent years. From 1993 to 2001, China got ahead of Japan in development and became the world's second-largest economy behind the United States³.

Seth G. Jones, the director of Harold Brown Chair, argued that, by 2025-2030 there will be multipolarity between different parties, with the United States, European Union, China and Russia representing different poles. But at the macro level, these poles may be regime-like with the democratic European Union and United States, opposed to China and Russia⁴.

At the end of 2019 the first cases of Coronavirus disease COVID-19 were observed in China. The spread of Coronavirus around the world indicates that China plays important role in the world economy. The spread of the COVID-19 virus throughout the world has created mutual competition between countries that are leaders in world politics. As a result of the pandemic, the global economy faced significant changes. In recent times, the quarantine conditions were simplified in order to revive the economies of countries and restore their way of life, although the spread of the virus in Europe did not decrease.

EU Member States had more imported goods from China than exported ones in 2019. Regarding EU – China trade balance, the trade deficit stood at €164 for EU last year (The cost of the goods exported to China was €198 billion and the cost of imported goods from China was €362 billion respectively)⁵. These dates indicate that there is the threat of falling under Chinese influence as a result of economic crises after the pandemic.

In January 2020, China's central bank tested a digital currency. According to some observers, this means the beginning of a new economic arms race, and Chinas digital currency may challenge the supremacy of the USD⁶.

¹ N. Kabbani "Pandemic politics: Does the coronavirus pandemic signal China's ascendancy to global leadership?" May 6, 2020

² Samuel P. Huntington, "Why International Primacy Matters", International Security, Vol. 17, No. 4 (Spring 1993), pp. 68-83;

³ „China overtakes Japan as world's second-biggest economy” /news/business. 2011

⁴ S. Jones, "World Order after Covid-19", CSIS. May 28, 2020

⁵ Ec.europa.eu/eurostat. Date for 2019

⁶ Scott Horsley, China To Test Digital Currency. Could It End Up Challenging The Dollar Globally? NPR/Business. January 13 2020.

The pandemic process has slowed down the process of issuing the digital currency of China. The Central Bank of China is worried that if nearly 2,5 billion Facebook users suddenly get their own e-currency, China's digital money may remain in the dust. The bank has begun completing design work and is now getting prepared for the first pilot test of its digital currency. China will use its digital currency to compete with the US dollar. Now the United States is looking for solutions to complex and pressing problems, such as maintaining the dollar's position in the global market and in the economy.

Moreover, considering the volume of goods sold in Yuan, the volume of money circulation in the domestic and foreign markets of China, we can assume that the digital Yuan of China may become a world currency. Because digital Yuan is easier to use than USD and Euro. Moreover, World brands Tencel, Starbucks, Subway and McDonalds have started using China's digital currency.

Kumar and Rosenbach state that "United States policymakers are unprepared for the consequences." Generally, digital currencies can weaken the power of United States sanctions and the ability of the officials to track illicit financial flows. Specifically, a digital yuan combined with China's advanced electronic payment systems may provide a very effective platform for future influence⁷.

The pandemic has increased strategic competition between the United States and China and created economic conditions that do not meet commitments in the Phase One agreement reached in January.

At a strategic level, COVID-19 pushed the United States and China to a further collision course. Both countries chose to use the pandemic for advancing divergence instead of creating links. There is a threat of unravelling of recent stability in the trade relationship, and even some positive actions such as the rollback of certain United States tariffs on Chinese goods. While the Phase One agreement stabilized trade tensions, COVID-19 has collapsed the entire United States-China relationship. The pandemic could have been an opportunity for cooperation between the world's two leading powers, however, it created a fierce battle, in which each nation is blaming the other for the virus's spread and each trying, unsuccessfully, to use the crisis to generate power.

President of China Xi Jinping and US President Donald Trump are unlikely to reject confrontation⁸. The significant feature of China's foreign policy strategy is that, like other leading countries, it communicates in an economic language not through a military language through military operations, but through such large-scale trans-regional projects, investments, and lending.

According to some experts China will have become the largest economy in the world by 2030⁹. Then what strategy China will pursue? This question worries the leading states in the world political arena. As a close partner country, this issue also concerns Uzbekistan.

Central Asia has been an area subjected to the geopolitical clash of great powers – mostly within the triangle US, Russia and China. Uzbekistan is located in geopolitical point of Central Asia for China priority making diplomatic and economic relationship with Uzbekistan. As well as to learn and doing research further strategy of China important for Uzbekistan as a close strategic partner. China's economic and political leadership in the world, as a close partner country, will strengthen Uzbekistan's trade relations with it. On the other hand, it could threaten Uzbekistan's economic dependence on China.

To summarize the information above one may conclude that:

1. During the period spreading COVID-19 China's dominance in trade balance with other partner countries will increase, the countries that have strong relationships with China can easily adopt its new digital currency and it will replace Euro and USD. World brands Tencel, Starbucks, Subway and McDonalds have already started using the digital currency and it can make China the largest economy in the world in the future.

2. The Coronavirus pandemic has jeopardized the United States' global leadership. China can take advantage of the mistakes created by the United States, filling the vacuum to position itself as the global leader in the near future. This will allow China to dominate the politics in the post pandemic world.

We can make conclusion from the above data that, the US and EU countries have to prepare themselves to accept China as the largest economy in the world and dominate the politics in the post pandemic world. EU countries need to strengthen ties with each other. They should avoid the events like Brexit to happen again. The United States, needs to work out specific solution to maintain its current political and economic position in the world.

⁷Frederick Kempe (@FREDKEMPE), Op-ed: China is testing a national digital currency — one piece in Xi's bid for global influence. CNBC/ OPINION – POLITICS, MAY 23 2020

⁸Jack Caporal, Associate Fellow at CSIS, "COVID-19 Risks Reigniting US-China Trade War"Brink/geopolitics, May 5, 2020.

⁹The World Bank "China 2030 Building a Modern, Harmonious, and Creative Society" Development Research Center of the State Council, the People's Republic of China.