

EMERGING MARKETS FORUM

BACKGROUND PAPER

FROM A UNIPOLAR TO A MULTIPOLAR WORLD: WHETHER AND HOW



From a Unipolar to a Multipolar World: Whether and How

Robin Niblett, Chatham House, 16 October 2024

Introduction

There has only been one recognized unipolar moment in recent modern history. It was when the US bestrode the world as its sole superpower following the collapse of the Soviet Union in 1991. The shattering of the USSR into a plethora of post-Soviet-States around a Russian rump, and the escape of central and east European states from Soviet control, led, in turn, to the end of the international communist movement and to the spread of more democratic and market-minded governments around the world. For fifteen years, the US became the uncontested world superpower, what French Foreign Minister Hubert Vedrine termed in February 1999 as a “hyperpower”.¹

Since the mid-2000s, however, following the debacle of the US-led invasion of Iraq and China’s steady economic rise, America’s unipolar power has been on the wane. But rather than being replaced by a multipolar order, the world appears to have gone ‘back to the future’, with the dawn of a new Cold War between the United States and its security allies, on the one hand, and China and Russia, their aligned rivals, on the other – with Iran and North Korea joining them in actively resisting US power.

Importantly, countries that make up the rest of the world – defined by many as ‘the Global South’, but perhaps more accurately described as the ‘global majority’ – are determined not to be trapped by this new bipolar superpower contest. Instead, they are taking advantage of the relative evenness in the balance of power between the rival camps in the Global North to triangulate between them to their own advantage.

¹ ‘To Paris, US looks like ‘hyperpower’; [The New York Times](https://www.nytimes.com/1999/02/05/news/to-paris-us-looks-like-a-hyperpower.html) (5 February, 1999), <https://www.nytimes.com/1999/02/05/news/to-paris-us-looks-like-a-hyperpower.html>

Rather than a multipolar world, therefore, we appear to have entered a more trilateral system, for now at least, in which deepening, but hopefully manageable rivalry between the United States and China, along with their closest allies and partners, runs in parallel with many countries across the rest of the world asserting greater political autonomy while climbing the global economic ladder. This relatively benign forecast depends, of course, on the rival camps in the Global North not entering a 'hot' war, which could force others to pick sides, as well as severely undermine economic prospects for the whole of the world.

But it also depends on new 'swing states' demonstrating sufficiently efficient forms of domestic governance to take advantage of the opportunities ahead. If these two conditions are met, then the transition from a trilateral to a multipolar world could prove to be a next stage in the evolution of the international system. If not, then a well-managed new Cold War, with others leveraging it as best they can, might be the best we can hope for in the near-term.

America's unipolar moment

America's unipolar moment was brief, but no less impressive. It began following the fall of the Berlin Wall in November 1989, which foreshadowed the subsequent implosion of the Soviet Union in 1991, and then the end of the bipolar world order.

In crude terms, when the Soviet Union began its collapse in 1990, its share of world GDP in nominal terms stood at only 6 percent, compared to 26.5 percent for the United States and only 1.6 percent for China.² EU members accounted collectively for about 14 percent of the total. However, their ability to project geopolitical influence was and still is constrained by the intergovernmental nature of their foreign policy-making and fragmented national defence capabilities. In contrast, the US defence budget was

² 'GDP (current US\$)', *The World Bank* (<https://data.worldbank.org>).

equivalent to approximately 50 percent of the world total in 1992, following the Soviet collapse, and retained this proportion through the following decade.³

With the collapse of the Soviet Union and the failure of its command economic model, the number of democracies expanded to 120, or 63 percent of the countries recognised by the UN.⁴ The main US-backed and allied institutions – NATO and the European Union – enlarged into what had been the Soviet sphere of influence in eastern and central Europe. The market-based WTO also expanded its remit and membership, most notably to China in January 2001. This was a striking example of America’s optimistic hegemonic power, as it opened its market to Chinese goods, despite China’s recourse to greater domestic protections as a WTO-designated ‘developing country’.

Western, ‘liberal’ conceptions of how best to sustain international order became dominant during this period. UK Prime Minister Tony Blair cajoled the Bill Clinton administration into taking up his idea of ‘liberal interventionism’. US support for NATO’s role in June 1999 in defeating the then Federal Republic of Yugoslavia (in essence, Serbia, plus Montenegro) whose forces were committing gross human rights abuses against separatists and civilians in the Kosovo region, and Kosovo’s subsequent transition to being an independent state, served as reminders of American unipolar power.

US allies took advantage of this moment of US strategic supremacy to begin drafting in 2001 a new progressive norm, ‘Responsibility to Protect’, whose principles were adopted by all Heads of State and Government in 2005. This encouraged UN members to intervene if any government committed or permitted gross human rights violations against their citizens. And in 2002, the UN General Assembly voted to establish the International Criminal Court (ICC), meaning state leaders could be prosecuted in an international tribunal for such violations.

³ SIPRI Military Expenditure Database, accessible at <https://milex.sipri.org/sipri>

⁴ Larry Diamond, ‘A Report Card on Democracy’, *Hoover Institution*, 30 July 2000.

The fact that the United States was one of only seven states that refused to ratify the ICC – just as it has never ratified the Comprehensive Test Ban Treaty or the UN Convention on the Law of the Sea – confirmed its exceptional position as the hegemon responsible for enforcing the rules and norms of this and other institutions without being bound by their strictures.

Transition

It is not possible to pinpoint the moment when global (and domestic) perceptions of US power began to decline, but as good a fulcrum as any was the evidence that the US invasion of Iraq in March 2003 had been a colossal strategic error, rather than the logical next step in a necessary ‘Global War on Terror’ following the terrorist attacks of September 11, 2001. From the failure to discover the weapons of mass destruction (WMD) that US officials had insisted justified the invasion, through to the humiliating exposure of American human rights abuses at Abu Ghraib detention facility, to Iraq’s descent into sectarian violence, rather than democracy, and the spread of jihadi terrorism, rather than its demise, America’s credibility as the leader of the post-World War II political ‘liberal international order’ was fatally undermined and has not recovered since.⁵

The George W Bush administration attempted to redress the balance at the start of its second term in January 2005, re-building bridges with its transatlantic allies and setting in train processes which were designed to strengthen international stability, even though its efforts alongside allies to curb Iran’s nuclear weapons and to strengthen European security through further NATO enlargement to Georgia and Ukraine have had mixed results.

⁵ It is tempting to think what might have happened if Osama bin Laden had not carried out the 9/11 terrorist attacks in 2001. Might America’s unipolar moment have stretched on for longer? Judging by the Bush administration’s intention in early 2001 to use its hyperpower to take on China, Iran and North Korea, strategic over-reach appeared inevitable.

But with the US mired in a succession of military ‘surges’ and other political-military adaptations to try to overcome persistent insurgencies in both in Afghanistan and Iraq, the main features of the next fifteen years were twofold. First, China set itself on a seemingly unstoppable economic rise to a position where it might challenge the US as the world’s largest economy. Second, America’s appetite for hegemonic global leadership pivoted into a more self-interested stance, reflecting the frustrations of large numbers of voters at the negative impacts of the globalisation of the 2000s and the resulting polarisation of American domestic politics.

The so-called Global Financial Crisis of 2008-09 encapsulated this new dynamic; not least because rather than being ‘global’, the GFC hit the developed economies of the US and Europe far harder than others. And it was China that stepped forward with a huge domestic stimulus package (RMB 4 trillion, equivalent to over 10 percent of China’s GDP at the time), which helped keep demand alive for US and European exports, compensating for their collapse in domestic demand and fiscal austerity measures.⁶ Whereas the US had long been the world’s lender of last resort, China now appeared to be the market of last resort.

Emerging slowly from economic recession, the administration of Barack Obama that took power in 2009 made little apology for focusing its efforts mostly at home, despite the great international expectations that accompanied his entry into the White House (epitomised by his award of the Nobel Peace Prize just nine months into his first term). Internationally, perceptions of US unipolar power continued to leach away.

After cautiously backing the overthrow of President Mubarak in February 2011 at the start of the ‘Arab Spring’, the world witnessed Egypt’s descent into chaos and then the return of strong-arm military rule. Reluctant US engagement alongside NATO allies in

⁶ YAO Shujie, LUO Dan, ‘Chinese Economy 2009: Leading the World Out of Crisis’, Briefing Series – Issue 59, *Nottingham University China Policy Institute* (February 2010)
<https://www.nottingham.ac.uk/iaps/documents/cpi/briefings/briefing-59-sy-econ-review-2009.pdf>

the overthrow of Libyan leader Muammar Ghaddafi that same year was followed by the country's collapse into anarchy. Popular efforts to end the brutal and corrupt regime of Bashar al Assad in Syria received little US support; Obama's decision to ignore his own 'red line' for action (Syrian use of chemical weapons) raised questions by US allies around the world about the credibility of the US commitment to their security. And, having announced a 'pivot' to the Asia-Pacific region in November 2011, the administration failed to back its announcement and accompanying diplomatic outreach with military deployments. This incentivised the government of newly installed Chinese leader Xi Jinping to occupy and then militarise several reefs and submerged features in the South China Sea and claim sovereignty over this entire critical area of world trade.

In the meantime, China revealed itself under Xi not just as an emerging economy and regional power, but also as an emerging global power. Setting aside the maxim of his predecessor Deng Xiao Ping that China should "hide its strength, bide its time and never take the lead," Xi Jinping's signature 'One Belt, One Road' initiative (soon re-named the Belt and Road Initiative, given its multiples axes of economic engagement) pointed to its ambition to cement political-economic relations with countries across the world, on its own terms.⁷

The parallel failure of the world's main international financial institutions – the IMF, World Bank and Asia Development Bank – to accommodate China's rise in terms of shareholdings and voting weight contributed to Beijing's decision to launch a series of parallel institutions, including the Asia Infrastructure Investment Bank (2014) and the New Development Bank (NDB, 2015), the latter under the umbrella of the BRICS club of countries. The large number of countries that have applied since to join the NBD reflects their appetite to dilute dependence on US dollar-denominated trade and investment with its accompanying continuation of US political-economic hegemony.⁸

⁷ Deng Xiao Ping's statement has been interpreted in many ways, although the intent is well enough captured in the quote above. See 'Context, Not History, Matters for Deng's Famous Phrase' *Global Times* (15 June 2011), <https://www.globaltimes.cn/content/661734.shtml>

⁸ *XV BRICS Summit Johannesburg II Declaration*, paragraph 10, 23 August 2023.

The election of Donald Trump as US President in 2016 then ushered in an administration that was implicitly anti-hegemonic. His zero sum, 'America First' view of the world relegated allies to the same rank as US competitors, while his unilateral trade policies put the WTO on life support. And the election of Joe Biden as President in 2020 did not lead to a reassertion of US unipolar power. On the positive side, his administration healed rifts with America's European and Pacific allies. But these same allies have been unsettled by the disastrous withdrawal of US troops from Afghanistan in August 2021; the replacement of Trump's tariffs by tariff quotas; unpredictable, sometimes extra-territorial restrictions on US technology exports to China; and an 'Americans first' Inflation Reduction Act that offers \$369 bn of incentives to accelerate production of green technologies only within the US.

Emergence of a New Cold War

America's unipolar moment is now over; but this does not mean we are the dawn of a multipolar alternative. The possible shift towards multipolarity has been blocked by the emergence of a sharpening contest between the United States and China, which currently spans all domains of international relations – military, technological, economic and institutional. Caught in the 'Thucydides Trap', the term initially coined by Prof Graham Allison in 2012, the US is resisting the rise of China as a peer competitor that could challenge its global supremacy and the economic, political and geopolitical benefits this brings.⁹ Continuing high levels of trade between China and the United States are a strong disincentive for the two sides to enter a contest as intense as the one between the US and the Soviet Union. But two further dynamics are taking this contest beyond a pure power competition between the world's two most materially powerful countries and into a stand-off that carries the hallmarks of a new Cold War.¹⁰

⁹ Graham Allison, 'Thucydides's trap has been sprung in the Pacific', *Financial Times*, 21 August 2012; and *Destined for War: Can the United States and China Escape the Thucydides Trap?* (Houghton Mifflin Harcourt, 2017).

¹⁰ This section draws on the arguments I lay out in *The New Cold War: How the Contest Between the United States and China Will Shape Our Century* (Atlantic Books, 2024).

The first is the *political* threat that each side believes the other poses to its security. In China, Xi Jinping and his followers are in the midst of a comprehensive effort to strengthen CCP control over all domains in China, whether business, society, the military or education.¹¹ Inevitably, however, the CCP, like other one-party political systems, cannot escape the fear that it could be undermined from outside, if not from within. The return to concentration of power in one person since the party abolished term limits for its President in 2018 feeds this sense of insecurity.¹²

As a result, under Xi, China has taken several additional steps to strengthen the party's domestic standing. It has embarked on a massive military modernisation programme that includes building the world's largest (although not the most capable) navy and aims to increase its number of deployed nuclear warheads from some 200 to 1,000 by 2030 and to equal the US's deployed total of 1,500 by 2035.¹³ It is using these new capabilities to raise significantly the pressure on Taiwan to cede its sovereign democratic governance to the Communist mainland. And it has passed a raft of counterespionage and other national security laws since 2017 designed to make foreign understanding of the Chinese economy and Chinese companies practically impossible.

In the United States, these steps have confirmed longstanding and deep-rooted suspicions that the CCP was never going to become a 'responsible stakeholder' in the US-designed rules-based order and that those who had advocated China's entry into the WTO as a prelude to China become a more pluralistic polity had been naïve.¹⁴ There is instead rare bipartisan consensus that China is bent on becoming a strategic

¹¹ The CCP revised its constitution at the 19th Party Congress in October 2017 to say that 'Party, government, military, civilian, and academic; east, west, south, north, and centre, the Party leads everything'. See 'The CCP Vows to "Lead Everything" Once Again', *The Diplomat*, 28 October 2017.

¹² In March 2018, at the formal start of Xi's second term, the Party did away with the norm that the President should serve only two five-year terms, opening the way for Xi to serve as President of the country and General Secretary of the Party indefinitely.

¹³ Office of the Secretary of Defense, *Military and Security Developments Involving the People's Republic of China 2022*, US Department of Defense, p. IX.

¹⁴ See, Robert B. Zoellick, 'Whither China? From Membership to Responsibility', *Remarks to National Committee on US-China Relations*, 21 September 2005; and Aaron L. Friedberg, *Getting China Wrong* (Wiley, 2022).

challenger to the US not only in the Pacific region that is so central to America's economic security, but also globally.¹⁵ US steps to blunt China's rise simply feed the CCP's conviction about the correctness of its responses.

The second driver of the new Cold War has been Russia's full-scale invasion of Ukraine in February 2022, which has forced China to stand by Moscow. With the Biden administration strengthening and interlinking its Pacific allies to confront the rise of Chinese military capability, it has become essential to the CCP that Russia does not lose the war in Ukraine. If it were to do so, not only might Russia become politically unstable; China would also be left alone to confront the steady process of US "comprehensive containment, encirclement and suppression".¹⁶

There are several other knock-on effects from Russia's invasion of Ukraine that have sped up the start of a new Cold War. Russia is now divorced from Europe as a result of the sanctions the EU has imposed following the Ukraine invasion, leading to Moscow to turn to Beijing for economic support. Trade between Russia and China has surged to its highest levels ever, \$240 bn, with military and dual-use technologies making up an increasingly large proportion of the total.¹⁷ But the perception in Washington now is that the US must not only confront China, but China *and* Russia. And with Iran and North Korea having entered the strategic contest as key weapons suppliers to Moscow while maintaining close political and economic relations with China, Mike Johnson, US Speaker of the House of Representatives, has argued that the US faces "a new axis of evil."¹⁸

Another impact of Russia's invasion of Ukraine is that European countries are dependent once again on the US for their security. Sweden and Finland have joined

¹⁵ President Biden wrote in his foreword to the *2022 National Security Strategy*, 'The People's Republic of China harbors the intention and, increasingly, the capacity to re-shape the international order into one that tilts the global playing field to its benefit.'

¹⁶ *NPR* (7 March 2023), <https://www.npr.org/2023/03/07/1161570798/china-accuses-u-s-of-containment-warns-of-potential-conflict>.

¹⁷ *Reuters* (12 January 2024).

¹⁸ 'Mike Johnson makes his case on Ukraine aid', *Wall Street Journal* (18 April 2024).

NATO, while EU governments are increasing their defence spending and transposing their earlier idea of building 'European strategic autonomy' *from* the US to the idea of building a 'European pillar in NATO' *alongside* the US. And rather than seeking a 'third way' in their China policy from the more adversarial US stance, European governments now see in China a country that is directly involved in undermining their domestic security.

European governments have stepped forward with modest but politically meaningful naval deployments to support the US in upholding freedom of navigation in the 'Indo-Pacific' region. Joining the US resistance to China's expanding military presence there reflects in part a desire to convince the United States to sustain its military commitment to Europe.

Meanwhile, America's Pacific allies Japan, South Korea and Australia now face an increasingly assertive and well-armed China in their neighbourhood that is actively backed by Russia. This has made them determined to sustain US engagement in upholding their security. They are raising their defence spending to record levels and have welcomed US efforts to deepen their bilateral and plurilateral security arrangements, such as through AUKUS, the QUAD, the US-Japan-Korea Trilateral agreement. At the same time, they have imposed sanctions on Russia for the first time, and the Prime Ministers of Australia, Japan, New Zealand and South Korea have attended the last three NATO summits, the most recent of which explicitly called out China as a core threat to European collective security.

In parallel, the G7 has emerged as the coordinating body for strengthening the economic and technological resilience of the United States and its security allies against China and Russia. G7 working groups design and coordinate new sanctions against Russia and monitor those already in place. Others discuss how to avoid divergence between their respective restrictions on sensitive, security-related exports to and imports from China, and growing restrictions on Chinese inward investment.

South Korea and Australia have been regularly invited to join these discussions as well as those on creating secure (ie non-Chinese dependent) critical mineral supply chains.

Notwithstanding, therefore, the mutual benefit the US and its European and Pacific allies gain from their economic relations with China – and vice versa – the two sides are reversing into a new Cold War. And the deep mutual political suspicions, plus Russia’s bellicose actions, mean there is only a one-way negative ratchet to the relationship.

The global majority are resisting

The rest of the world naturally resents this return to geopolitical contest between the world’s superpowers, above all because it takes place at the moment that US unipolar power was waning. Chinese commentators find a ready audience when they complain that the return to Cold War thinking reflects a US effort to hang on to its global power. One of the major differences from the last Cold War, however, is that the growing economic heft of the non-aligned countries gives them the opportunity to leverage the current geopolitical situation to their advantage.

Rather than being proxies or spectators to this big power contest, as they largely were during the last Cold War, this time they have agency. This is principally thanks to the size of their economies. Not only do these countries now represent some 65 percent of world population, but they also constitute just under 30 percent of the world economy. And this proportion is growing relative to the Global North, as their better educated populations gain access to new investment, technologies and infrastructure. As a result, a growing proportion of world trade (approaching a third of the total) now takes place across the Global South and not between it and the Global North.¹⁹

¹⁹ South-South trade grew from 17 percent of the world total in 2005 to 28 percent in 2021; ‘The South–South Trade Partnership’, *UN Conference on Trade and Development, Trade Forum 2023*, 8 May 2023.

China has sought to corral countries from the global majority to its side. Its more than \$1 trillion in investments in infrastructure and other projects across the global south in the ten years since 2013 through the BRI has helped it build close relations with governments across Africa;²⁰ its voracious appetite for minerals and agricultural commodities makes it the essential trading partner for countries in Latin America, such as Brazil and Argentina; China's trade with Latin America and the Caribbean exploded from \$12 bn in 2000 to \$495 bn in 2022, making it the region's largest trading partner, ahead of the US.²¹

And, while the United States has focused on deepening its security relations across the Asia-Pacific, China has concentrated on deepening its economic relations in the region, encouraging the negotiation and entry into force in 2022 of the Regional Comprehensive Economic Partnership, which has reduced tariff barriers to trade below WTO levels between itself, ASEAN countries, Japan, South Korea and Australia; a market of over 2 billion people, representing 30 percent of world GDP.²²

But China's alignment with Russia in its contest with the US and its allies creates antibodies to its ambition. India has coordinated with its G20 partners, Indonesia, Brazil and South Africa, to use the G20 as an alternative coordinating forum to the BRICS for critical issues where global (not Global North or Global South) cooperation is essential for progress. The series of G20 presidencies these four countries have held between 2022-2025 has placed their concerns about climate change, food security, and women's inclusion in the workforce onto the G20 agenda, despite Chinese objections. In this sense, India is emblematic of a community of states from the across the Global South that seek to bridge and engage with both sets of competitors of the new Cold War in the Global North, and not to pick sides.

²⁰ 'China's Massive Belt and Road Initiative, *Council on Foreign Relations Backgrounder* (2 February 2023).

²¹ 'US reluctance on trade deals sends Latin America towards China', *Financial Times*, 24 May 2023.

²² *A New Center of Gravity: The Regional Comprehensive Economic Partnership and its Trade Effects* (United Nations Conference on Trade and Development 2021).

In addition, even as labour costs have risen in China, raising questions about the continued profitability of certain economic activities there, many investors also fear that new investments might become stranded behind a financial and regulatory Iron Curtain, should US-China relations escalate into more overt political, economic or even military conflict. As a result, many companies have shifted to a ‘China for China’ strategy – whereby their investments there focus on serving the vast local Chinese market – alongside a ‘China plus one’ (or more) strategy – whereby investment in other emerging economy markets provide a geopolitically safer, as well as lower-cost base for accessing developed country markets.

At the same time, growing global demand for the minerals and commodities that are heavily concentrated on territories of countries across the Global South give them the opportunity to attract foreign direct investment that will help lift their economies up the global value chain, as opposed to them to continue serving just as raw material suppliers to China or western markets. The ways that these considerations are shifting global patterns of trade and investment are most clearly evident today in the growing attractiveness of countries like India, Indonesia, Mexico and Vietnam to foreign direct investment.²³

A possible route to multipolarity, or not

This loosely trilateral system could open the way to a more explicitly multipolar world. But it would depend on three dynamics: a weakening of US leadership of its pole of dependent security allies; weakening of the strategic relationship between China and Russia; and the emergence of a group of strong swing powers across the geographic

²³ Indonesia’s net foreign direct investment has surged from \$15 bn in 2010 to \$25 bn in 2023; Vietnam’s from \$8 bn to \$18.5 bn in 2023. Mexico’s has also risen steadily but fell back in 2023 from its \$39.5 bn recent peak in 2022, while India’s most recent peak was nearly \$50 bn in 2022. *World Bank data* (<https://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD?locations=VN-IN-ID-MX>)

Global South. Whether these dynamics might play out (and, if so, when) is hard to say, but there are some signposts.

Currently, the US has the capacity to remain the dominant player within its alliance system. It possesses essential operational military capabilities as well as the extended nuclear deterrent against existential threats on which its allies depend. And US companies dominate the high technology frontiers and applications on which America's allies rely for their economic innovation. US gas reserves also make it a secure and indispensable partner in their energy transitions to renewable energy sources. Under the Biden administration, an appreciation of the importance of allies for America's strategic competition with China and Russia means it is drawing its allies into interdependent physical and digital supply chains largely separate from China's.

But there are important underlying risks to this situation. According to recent polling data, US popular priorities for the country's engagement with the world are increasingly defensive, with between 50 and 73 percent highlighting ensuring the country's primacy against external threats, such as terrorism, weapons of mass destruction, Russia and China. Only between 18 to 30 percent would prioritise transformative policies in the fields of democracy promotion, tackling climate change and global health pandemics, or in strengthening NATO (27 percent).²⁴

These numbers could worsen if voters face the need to address the huge levels of US public debt built up since 2000. A victory for Donald Trump could precipitate this outcome if he goes ahead with a mass, across-the-board increase in US tariffs, potentially rupturing US alliances, as well as driving inflation. This could return the United States to a more traditional, pre-1945 isolationist outlook and posture, in which its resource endowments and seeming economic self-sufficiency convert it into its own pole, not the leader of one pole in a new Cold War.

²⁴ 'What Are Americans' Top Foreign Policy Priorities?', *Pew Research Center* (23 April 2024), <https://www.pewresearch.org/global/2024/04/23/what-are-americans-top-foreign-policy-priorities/>

Even if Kamala Harris were to win, and the US seeks to sustain its leadership role among its allies, the latter will want to take greater responsibility for their own security. The EU and other European governments are already investing more in their defence. This could go as far as negotiating new arrangements with France and Britain that would compensate for a less reliable US nuclear deterrent. At a minimum, EU and / or individual European states are going to have to pay the bulk of the costs for ensuring Ukraine's survival as a sustainably sovereign state.

Unlike the US, the EU is unlikely to abandon its use of trade policy to try to improve its prospects. The African continent will be an ever growing priority, given the proximity of the opportunities it offers and the challenges it poses, especially with a rapidly growing population and under severe pressures from global warming. With the loss of cheap Russian gas, the EU may also choose to develop a more independent policy towards China that diverges from the US, by encouraging significant Chinese direct investment into European green supply chains, thereby benefiting from China's technological head-start in this critical sector.

An end to the Russian invasion of Ukraine war and some sort of stable cease-fire – even perhaps a peace agreement – could lead to a relaxing of the bonds between China and Russia. A post-Putin leadership might try to turn back to Europe to lessen its political and economic dependence on China, as difficult as this would be given European insistence that Russia must pay for Ukraine's reconstruction and cooperate with planned war crimes investigations.

But without the risk of descent into a hot war, countries across the Global South could invest more confidently in their futures and contribute to the emergence of regional hubs within a global multipolar system. Such a multipolar world might be made up of the United States, generally but not always aligned with Europe; China dominant in the Asia-Pacific region, but balanced by a rising India and strong Indonesia; and the US, European and Chinese poles finding competition globally from the likes of Brazil, South Africa and Saudi Arabia.

But each of these scenarios depends on a positive evolution of the geopolitical dynamics described earlier in this paper, which is hard to foresee today. In addition, the swing states remain vulnerable to national and regional dynamics, irrespective of the fate of the New Cold War. Saudi Arabia requires peace in the Middle East to enable Vision 2030 to live up to its ambitions. India's federal system of government and complex domestic politics might struggle to unlock its vast human potential. Indonesia today risks slipping back into cronyism, compounded by the rising levels of Chinese foreign investment. African governments might not succeed in entrenching the political stability necessary to get ahead, when their mineral endowments make them the locus of the new geopolitical 'great game'. Across the world, the impacts from climate change continue to worsen, while global coordination on effective responses is further set back by the zero-sum thinking of today's great powers.

The lack of strong regional hub players in the Global South will make it harder to build strong regional institutions that could play a role similar to the EU in a more multipolar world. In the meantime, politics in the EU point to the prospect of it becoming a Fortress Europe 2.0. A future Russia leadership might feel more secure sustaining opposition to Western norms and an axis of convenience with CCP-led China, even at the expense of economic opportunities that re-building economic relations with the West would offer. A Chinese leadership that struggles to break through the middle-income trap might draw even closer to Russia, while focusing the country on the inevitable clash over Taiwan's long-term status.

In these circumstances, the discipline of a well-managed new Cold War, with new rules and boundaries between the protagonists, each side competing for the attention of the emerging markets and developing countries, might be a better option than an unstable multipolarity.

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