



The World After Ukraine

More bifurcated? The status quo? China wins? Or even a return to Pax Americana?

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Summary

To what extent will the war in Ukraine, and the overwhelming global support for debilitating economic sanctions against Russia, lead to, first, a further decline in globalization, and second, a sharp turn to the bifurcation of the industrialized world powers? Is this theory of a sharp turn toward bifurcation compelling? If so, where does India, with its large navy, fit in? In the United Nations vote on the Ukraine issue, India voted on the side of Russia and China. To what extent has Vladimir Putin's handling of the war forced China in the direction of global bifurcation a lot sooner than Beijing would have preferred? Could this move lead to the potential return of Pax Americana with the West now seeming to believe in the American democratic ideal perhaps more than many Americans do? Or when the war is over, will the world simply return to the status quo? Or, as some are arguing, could China end up the long-term winner? Over two dozen international policy strategists offer their views in: The International Economy, Spring 2022. Here is the view of our ISPSW Speaker Dr. Josef Braml.

ISPSW

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Analysis

Germany and Europe become collateral damage to this historic dispute if their decision makers do not develop options for action to defend their interests.

The “end of history” celebrated by the Western community after the downfall of the system rival Soviet Union—the global victory of liberal-democratic rule and the free market economy—was ironically refuted by history, long before Vladimir Putin’s invasion into Ukraine.

Donald Trump’s authoritarian challenge to U.S. democracy and nationalist economic policies was a clear sign of a new systemic competition between the battered world power, the United States, and the increasingly assertive China. The “Washington Consensus” is now not only hotly contested in the United States itself, but is also being challenged internationally by the “Beijing Consensus.”

In view of the Russian invasion of Ukraine, the “West” seems more united than it has been for a long time. From a geostrategic view, however, Russia commands escalation dominance in its neighborhood. While Ukraine is in Russia’s “vital interest” because of its geographical location on its immediate border, Ukraine’s (and Europe’s) fate affects the security interests of the United States only peripherally.

U.S. vital economic and security interests are mainly focused on the confrontation with China. Therefore, over a dispute in the Old World, Washington will not alienate its new ally India who has strong economic and military ties with Moscow, but whom it needs against its main rival China in the economic region of the future.

In fact, even Washington’s strategic thinkers will, sooner rather than later, realize that in today’s world, a firm strategic alliance between Russia and China would overstretch the United States’ capabilities.

In the twenty-first century, the United States and China compete for economic, political, and military dominance. Germany and Europe are increasingly in a quandary and become collateral damage to this historic dispute if their decision makers do not develop options for action to defend their interests in the increasingly fierce economic and geopolitical competition.

The economy is used as a weapon in this geo-economic rivalry. Russia’s war in Ukraine will reinforce this deglobalization, since it demonstrated again how interdependence can be weaponized. Western decision makers, already challenged by the supply chain disruptions caused by Putin’s war, need to increase their efforts to prepare for a possible future when China may be more aggressive, for example toward Taiwan. Resilience is key—at the expense of efficiency, such as the previously internationally networked “just-in-time” production. This “nearshoring,” “reshoring,” or “localization” means Western companies are moving their supply chains back home, not only from Russia but mainly from China.

But the return of nationalist power politics and the associated deglobalization surprises the leaders of the Berlin Republic and Europe. Despite obvious warning signals, political and economic decision makers of the so-called free world have for too long remained in the liberal *zeitgeist* of German reunification and held on to the self-image of their noble value orientation.

Remarks: The opinions expressed in this contribution are those of the author. [Read all views](#)

About the Author of this Issue

Dr Josef Braml, who holds a doctorate in political science, is a [USA expert](#) and Secretary General of the German Group of the think tank Trilateral Commission – a platform for dialogue among political and economic decision-makers in America, Europe and Asia to find cooperative solutions to geopolitical, economic and social problems. His new book, [„Die transatlantische Illusion. Die neue Weltordnung und wie wir uns darin behaupten können“](#) ("The Transatlantic Illusion. The new world order and how we can assert ourselves in it"), has just been published by C.H.Beck.

Dr Braml is also a member of the ISPSW speaker management team. For more information, please visit the ISPSW website at [Speaker Management – ISPSW](#).



Josef Bramls Buch „Die transatlantische Illusion. Die neue Weltordnung und wie wir uns darin behaupten können“, ist soeben beim Verlag C.H.Beck erschienen.