

# Restoration of International Order Facing Crisis of Disruption

By Naoyuki Haraoka

Division is a key word in describing today's world. Since the outbreak of the Ukraine war, the division between the camp of Russia and China and the camp of the West has been widening. China's aggressive military and foreign policy in the South China Sea and East Asia has accelerated this division, and the global economy cannot escape it, even though a borderless economy would no doubt be of benefit for nations.

Many products today can be used for weapons as well as for their intended commercial use. Thus trade is now often seen from a national security angle as well and often restricted for security reasons. This can be damaging for a free trade regime and is bad for business. Meanwhile, there is another division between the rich and the poor in national economies, which destabilizes domestic politics, as can be seen in some elections in several countries. To meet this challenge, nations must seek higher economic growth, as mere distribution policies would not be enough to secure income equality. To achieve high growth, we need free trade.

There is a gap between policy goals in the international economy and in domestic economies. How well we can fill in this gap is the challenge we are faced with in economic policy.

We have a Roundtable discussion on how to rebuild an international order in chaos to restore vitality and dynamism to

the global economy, which in turn would contribute to the revitalization of a nation's domestic economy. This discussion is among members of JEF's research group on restoring international order following the Ukraine war, based on their final report to be published soon. It also touches on Japan's contribution to such restoration, noting the need to build up true friendships with the Global South as a key to achieving it and to be a good leader of free trade, of which the Global South, and in particular ASEAN countries, are the greatest beneficiaries.

Following the Roundtable, we have essays by three members of the JEF research group – Prof. Takahiro Shinyo, Michitaka Nakatomi and Prof. Masahiko Hosokawa – that provide solutions for the restoration of the international order. Each of them does so in the light of their own expertise on the United Nations, the WTO and economic security, respectively.

With the Ukraine war continuing, we can have no clear prospect for a new international order, but at this stage we can at least consider the options and priorities.

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