

The Multilateral World Order Post COVID-19: The “Withdrawal Policy” of the United States and China’s Response

Doron Ella*

The current COVID-19 crisis and its aftermath will have significant implications for the multilateral world order. Notably, the nature and strength of prominent international institutions will be shaped by the current and future actions of the US and China. During what seems to be the apex of the COVID-19 pandemic crisis, US President, Donald Trump, announced that he will [halt](#) funding to the World Health Organization (WHO), due to what he claimed was an ineffective response to the crisis and failure to communicate the extent of the threat on time. This followed existing tensions between the US and some of the UN specialized agencies, such as the Human Rights Council, which the Trump administration has [withdrawn](#) from; the Universal Postal Union (UPU), which, after Trump [threatened](#) to leave, reached a compromise that would allow the US to set its own inbound postage rates; And, the World Trade Organization (WTO), which the US is also considering to [abandon](#), due to what it claims to be unfair decisions made by its dispute settlement body.

China, on the other hand, is taking advantage of American reluctance to continue playing a leading role within these institutions, as well as of American and European inward-looking preoccupation with containing the spread of the COVID-19 pandemic, to consolidate its position within the current multilateral world order. China is already well-positioned to influence the current multilateral order. For example, four of the 15 UN specialized agencies are [headed](#) by Chinese nationals, including the Food and Agriculture Organization (FAO), the International

* The author is a Post-doctoral Fellow at the Munk School of Global Affairs and Public Policy, University of Toronto.

Telecommunication Union (ITU), the United Nations Industrial Development Organization (UNIDP), and the International Civil Aviation Organization (ICAO). Also, China is the [second-largest](#) monetary contributor to the UN, after the US.

The multilateral world order post COVID-19 will surely be affected by China's developing approach towards international institutions, as well as by actions that will be taken by the US and Europe. On the one hand, China might try and replace American leadership in some international institutions, by taking on further responsibilities, such as increasing its funding and pushing Chinese nationals to take leading roles. By taking on more responsibilities, China will expect greater formal influence in these institutions, which will be reflected in increased voting power. It will also expect increased [informal influence](#), which will be reflected by behind-the-scenes influence on decision-making procedures and outcomes. In the last decade, China has been [frustrated](#) with US reluctance to grant it with more power over decision-making in prominent international financial institutions, such as the International Monetary Fund (IMF) and the World Bank. If the US will keep on with its "withdrawal policy", then China, as one of the first countries to [declare](#) that they are winning the fight against COVID-19, might be able to increase its power and influence in various international institutions, and become a leading actor within the current multilateral world order.

On the other hand, however, China may try to weaken the current international liberal order by establishing competitive international institutions to challenge the rules, practices, or missions of existing ones, in what has been described as [contested multilateralism](#). China already established several international financial institutions, such as the [Asian Infrastructure Investment Bank](#) (AIIB) and the [BRICS's New Development Bank](#), which are considered by some as posing a challenge to the [Bretton Woods System](#) established by the US. If current financial institutions, such as the IMF and the World Bank, will show weakness in the post COVID-19 world, and will not be able to effectively respond to a global economic crisis,

alternative institutions, such as the AIIB, might gain strength and coveted international legitimacy.

This being said, the tendency to think about China's impact on the multilateral order in such dichotomous terms may be unwarranted. China may choose to implement an integrated approach – replacing Western leadership in some institutions, such as various UN specialized agencies, while weakening others, such as institutions that belong to the Bretton Woods System, by establishing viable alternatives. Now is the time when both the US and China are tested, and their actions towards the global multilateral order will shape its post COVID-19 future.