

Chapter 4 International cooperation facing a crisis

The framework for multilateral international cooperation that seemed to be emerging from crisis in 2021 is facing ever more serious dysfunction in the wake of Russia's aggression against Ukraine. The UN Security Council has been exposed as dysfunctional and, while there are growing calls for reform, there are no prospects for that, either. While the stagnation and regression of nuclear arms control and disarmament had been widening the rift between nuclear-weapon states and their allies on one hand and non-nuclear-weapon states on the other, Russia's invasion of Ukraine and repeated nuclear threats have revealed a serious confrontation among nuclear-weapon states, which has not only made progress in nuclear arms control and disarmament more difficult but also sparked concern among the international community about the possibility of nuclear weapons being used. Although affected by heightened geopolitical tensions, some consensus building was achieved at summits and ministerial meetings in multilateral economic and climate change frameworks, but challenges remained in terms of concerted efforts to address serious adverse effects on the global economy and to achieve climate change targets.

Crisis of the security regime centered on the United Nations

At the UN, Russia's use of veto exposed the reality of the Security Council's inability to fulfill its primary responsibility for the maintenance of international peace and security. Resolutions passed in the General Assembly, including at emergency special session meetings, provided opportunities for the vast majority of member states to express their will in response to acts of aggression by Russia, and a General Assembly resolution was adopted calling for an explanation in the event that a permanent member exercises its veto, but these are no substitute for Security Council dysfunction. Calls for Security Council reform are growing, but there are no prospects for reform to be achieved.



FILE - Russia's U.N. Ambassador Vasily Nebenzya casts the lone dissenting vote in the United Nations Security Council, Friday, Feb. 25, 2022. Two days into Russia's attack on Ukraine, a majority of U.N. Security Council members voted to demand that Moscow withdraw. But one thing stood in their way: a veto by Russia itself. Proposals to change the council's structure or rein in the use of vetoes have sputtered for years. But this time, a new approach appears to be gaining some traction. (AP Photo/Seth Wenig, File)

On February 24, at a Security Council meeting immediately following the start of Russia's invasion of Ukraine, UN Secretary-General António Guterres stated that Russia's military aggression was "wrong"

and "against the (UN) Charter". The following day, however, the exercise of veto by Russia, which was assuming the Presidency of the Security Council, of a draft resolution demanding the withdrawal of Russian troops was reported to the entire world, a scene that symbolized the helplessness of the Security Council, which has "primary responsibility for maintaining international peace and security" under the UN Charter when confronted with aggression by a permanent member.

In response to the Security Council deadlock, member states turned to the UN General Assembly as a forum for expressing their will, which led to the adoption of several resolutions on Russia. On March 2, at an emergency special session, a resolution demanding the immediate withdrawal of Russian troops was adopted by a vast majority of 141 countries in favor (5 against, 35 abstentions). In April, following the discovery of bodies of Ukrainian citizens in Bucha and other locations, the General Assembly adopted a resolution suspending Russia's membership on the Human Rights Council, the second time this had happened (the first being Libya in 2011). The suspension was decided with 93 countries in favor, 24 against, and 58 abstentions, but it was clear that member states' positions were sharply divided on the issue of membership in the UN bodies. On the other hand, after the Security Council failed to adopt a resolution condemning Russia's annexation of four Ukrainian provinces at the end of September due to Russia's veto, the General Assembly adopted a resolution in October with 143 members in favor (5 against, 35 abstentions) labeling the annexation illegal and in violation of international law. The fact that the resolution received the largest number of votes in favor of any General Assembly resolution since the beginning of Russia's invasion of Ukraine clearly demonstrated the broad support among UN member states for the fundamental principle of international law, which prohibits the use of force to change the status quo. On the other hand, the fact that 35 countries, including China and those mainly from the Global South such as India, chose to abstain from voting on the resolution on this basic principle also highlighted the difficulty of bringing together countries that prioritize their own positions and interests into the "voice of the international community".

Russia's use of its veto, which symbolizes the dysfunction of the Security Council, has also increased calls for long-delayed reform of the Security Council. In April, the UN General Assembly adopted without a vote a resolution to convene a General Assembly meeting to request an explanation in the event that a permanent member of the Security Council exercises its veto power. The resolution was intended directly to increase accountability by the permanent members of the Security Council and indirectly to curb the use of the veto through such a process. However, it has yet to influence the decisions of the permanent members, as indicated by the veto by China and Russia in May of a Security Council resolution to strengthen sanctions against North Korea, which has accelerated its missile development in 2022. The Security Council impasse has hampered the response to North Korea, which has created actual hindrance

to addressing a serious security threat to Japan.

Against this backdrop, Japan was elected in June as a non-permanent member of the UN Security Council for a two-year term beginning in 2023, and Prime Minister Fumio Kishida, in his speech at the General Assembly in September, advocated for reform of the UN including the Security Council, strengthening the UN's own functions including in the area of disarmament and non-proliferation, promoting the rule of law in the international community, and undertaking efforts based on the principle of human security for a new era, so as to return to the ideals and principles of the UN Charter. At the UN General Assembly, US President Joe Biden also called for reform of the Security Council, referring to an increase in the number of permanent members to include African and Latin American countries in addition to Japan and other candidate countries for which the US had already expressed its support. However, since the revision of the UN Charter requires ratification by all permanent members of the Security Council, the structural problem remains that it cannot proceed without the approval of these countries, and there is no prospect for substantial progress in Security Council reform.

Nuclear arms control and disarmament

Russia's aggression against Ukraine has also had a significant direct and indirect impact on nuclear arms control and disarmament. Russia's repeated nuclear intimidation deviated greatly from the "nuclear deterrence as a defensive measure" that Russia (and other nuclear-weapon states (NWS)) have emphasized up to the present, and was made in the course of acts of aggression in violation of the UN Charter. This cannot be justified at all, no matter what reasons are given. In addition, there are not only threats but also a heightened threat perception that Russia might actually use nuclear weapons, especially if the tide of war were to turn against Russia.

Such Russian actions also made it clear that Russia is in fact totally disregarding the principle of "nuclear war cannot be won, and must never be fought," which five NWS, including Russia, reaffirmed in their joint statement in January 2022. It has violated its commitment to negative security assurances that it will not use or threaten to use nuclear weapons against non-nuclear weapon states (NNWS), as well as the pledge stipulated in the Budapest Memorandum of Understanding in its relations with Ukraine. Furthermore, the Russia's dissemination of disinformation that Ukraine is developing or possessing nuclear weapons or other weapons of mass destruction, as well as the attack and occupation of nuclear facilities such as the Zaporizhzhia Nuclear Power Plant, were also serious challenges to the (nuclear) nonproliferation regime. Although the US and Russia continue to comply with the New Strategic Arms Reduction Treaty (New START) concluded in 2010, Moscow claimed that because of sanctions against Russia by Western countries, it would be difficult to resume New START's on-site inspections which

have been suspended since 2020 firstly due to the COVID-19 pandemic. In addition, while the US and Russia agreed to hold the bilateral "Strategic Stability Dialogue" at the end of November which had been suspended since the outbreak of Russia-Ukraine War, Russia subsequently refused to hold it. Revitalizing nuclear arms control is thus also facing difficulties.

Nuclear coercions by Russia and the possibility of the use of nuclear weapons have caused strong concern that the 77-year history of non-use of nuclear weapons since Hiroshima and Nagasaki may be brought to an end. The Western nations and others harshly condemned Russia. Meanwhile, China, India, and other countries that have friendly relations with Russia implied their opposition to the use of nuclear weapons and war, but did not explicitly criticize Russia. At the first Meeting of the States Parties (1MSP) to the Treaty on the Prohibition of Nuclear Weapons (TPNW) in June 2022, many states parties, who had advocated for establishing a global norm against nuclear weapons, avoided naming Russia. The Vienna Declaration adopted at the 1MSP has only the following reference: "We are alarmed and dismayed by threats to use nuclear weapons and increasingly strident nuclear rhetoric. ... We condemn unequivocally any and all nuclear threats, whether they be explicit or implicit and irrespective of the circumstances."

Russia's invasion also had a major impact on developments at the Tenth NPT Review Conference (RevCon) which was convened in August 2022. Even before Russia's aggression, it was anticipated that adopting a final document by consensus as a goal of the conference would not be easy, due to the widening rift between NWS and NNWS over nuclear arms control and disarmament. Under such circumstances, the five NWS had maintained a certain degree of coordination in the NPT review process and jointly issued statements and working paper even under strategic competition. However, following Russia's invasion, the confrontation among the NWS became also evident at the NPT RevCon.

At the conference, the Western NWS and their allies harshly condemned Russia's nuclear intimidations as well as attacks on and occupation of nuclear facilities. They also made various proposals on China, which has implemented few substantial nuclear arms control or disarmament efforts, in mind. From Japan, Prime Minister Fumio Kishida attended the NPT RevCon for the first time as the incumbent prime minister. In his speech, Prime Minister Kishida stated, "As the first step of a realistic road map, which would take us from the 'reality' we face in the harsh security environment to the ideal of a world without nuclear weapons, we will work on the 'Hiroshima Action Plan' which is rooted in the following five actions, while simultaneously making efforts to reduce nuclear risks", and listed the following: (1) a shared recognition on the importance of continuing the record of non-use of nuclear weapons; (2) enhancing transparency, including disclosure of information on the status of production of fissile materials for nuclear weapons ; (3) maintaining the decreasing trend of the global nuclear stockpile (by supporting the dialogue conducted

between the US and Russia for further reduction, and encouraging the US and China to engage in a bilateral dialogue on nuclear arms control and disarmament); (4) promoting nuclear non-proliferation and peaceful uses of nuclear energy, and (5) promoting the accurate understanding on the realities of nuclear weapons use. The first meeting of the “International Group of Eminent Persons for a World without Nuclear Weapons,” mentioned in his statement, was held in Hiroshima in December, where the members from Japan and abroad discussed the situation surrounding nuclear disarmament, challenges in promoting nuclear disarmament, and priority issues to be addressed.



Prime Minister of Japan Fumio Kishida addresses the United Nations General Assembly during the Nuclear Non-Proliferation Treaty review conference in New York City, New York, U.S., August 1, 2022. REUTERS/David 'Dee' Delgado (United States)

On the other hand, China was more aggressive than ever, inter alia: strongly opposing a proposal for a moratorium on the production of fissile materials for nuclear weapons; and strongly criticizing the Western countries on issues such as Australia's plan to acquire nuclear submarines under AUKUS, US nuclear sharing with allies, and treated water from the Fukushima nuclear power plant. And it was Russia that prevented the conference from adopting the final document. The draft final document by the chairperson was less than what the NNWS had originally called for, mainly on the issue of nuclear disarmament due to proposals for revision submitted by NWS and others. Still, it included several important points, among them, a commitment to efforts to ensure that nuclear weapons will never be used again, recognition of the devastating humanitarian consequences of nuclear weapons use, pursuit by the US and Russia of negotiations on a successor framework to New START, increased transparency by NWS, nuclear risk reduction measures, and the importance of gender and disarmament education. However, on the last day of the conference, Russia opposed the adoption of the final document, stating that it "could not agree on five paragraphs" while implying its opposition to the reference to the Budapest Memorandum of Understanding and to the description on the control of the Zaporizhzhia nuclear power plant.

The global economy: impact of the coronavirus pandemic and the war in Ukraine

As of December 2022, restrictions on economic activities associated with the spread of COVID-19 are finally coming to an end after nearly three years, with the lifting of border control measures in most countries except China. On the other hand, a number of downside risks to the global economy have become apparent, and the global economy is showing signs of slowing down.

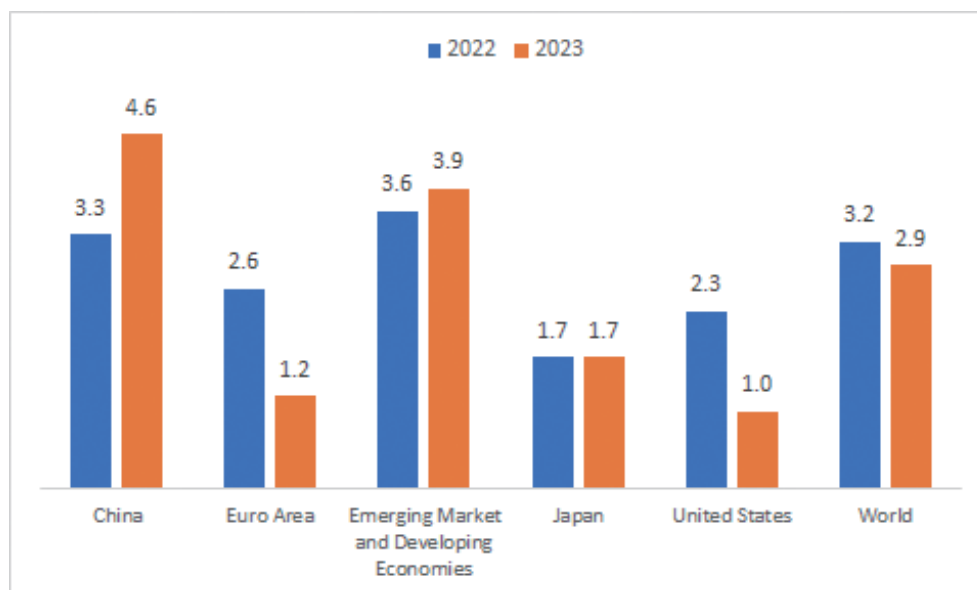
Inflation is rising worldwide, in both developed and developing countries, with the global CPI (consumer price index) at 8.2% in 2022 and the core CPI (excluding food and energy) at 6%. A combination of factors, including higher food and energy prices due to Russia's invasion of Ukraine, higher demand after the COVID-19 pandemic, and higher costs, including raw materials and wages on the supply side, are all contributing to the situation. Central banks of major countries, except Japan, have adopted interest rate hike policies, and rapid rate hikes, especially by the US, have led to a stronger dollar and tighter financial markets. Growth in wage has been weak relative to inflation, increasing the burden on households in general and on vulnerable groups in particular.

The European Union is reducing its dependence on Russia for energy resources in response to Russia's aggression in Ukraine, and in retaliation Russia is cutting back on natural gas supplies to Europe. Natural gas supplies from Russia to Europe via gas pipelines are down by nearly 40% from the previous year. The EU has decided to curb consumption and take other measures but, if natural gas supplies from Russia are cut off, it will further accelerate inflation and have a serious impact on households and a whole industry. For this reason, the economic growth forecast for the Eurozone for 2023 is set at 1.2% (Figure 1).

By maintaining its “dynamic zero-corona policy” for the most part of 2022, China has again disrupted economic activity and supply chains by taking lockdown measures in Shanghai and other Chinese cities due to the expansion of Omicron infections. As a result, the outlook for economic growth in 2022 remains at 3.3% (Figure 1); the key to economic recovery in 2023 will be whether the country can accelerate vaccination, including of the elderly, after the zero-corona policy was reversed at the end of 2022. Uncertainty in the real estate market is also a risk, and the domestic and international impact of the Chinese economy's course is being closely watched.

Emerging and developing countries have a high proportion of their consumption going to energy and food, and they are being significantly affected by the rising prices of crude oil, natural gas, and agricultural products. Prices for fossil energy, including oil and coal, have been rising sharply since 2021. As for food, grain prices in particular have been rising, more than doubling since 2019. Concerns about food supply have led some countries to restrict exports in favor of domestic supply, as seen with India's rice export restrictions. In addition, debt crises in emerging and developing economies are coming to the fore as developed countries raise interest rates. Pressure from falling currencies, difficulties in obtaining new loans, and deteriorating public finances due to the COVID pandemic have forced an increasing number of countries to default on their debt, forcing Sri Lanka, Ghana, and Pakistan among others to seek IMF assistance.

Figure 1 Real growth outlook (%)



Source: World Economic Outlook, July 2022, IMF.

Multilateral frameworks in the economic realm: achievements and challenges

Multilateral frameworks in the economic realm such as the G20 and APEC have faced difficulties, with a series of ministerial meetings unable to adopt joint statements due to the conflict between Western countries plus Japan and Russia over the invasion of Ukraine. Despite this situation, an agreement on a summit declaration was reached at the G20 Summit in November, followed by the adoption of a summit declaration at the APEC Summit held in the same month. These declarations stated that



Nigeria's Ngozi Okonjo-Iweala, director general of the World Trade Organization (WTO) speaks at a press conference after the closing of the 12th Ministerial Conference (MC12) at the headquarters of WTO in Geneva, Switzerland, Friday, June 17, 2022. (Martial Trezzini/Keystone via AP)

"many countries strongly condemn the war in Ukraine" and that the war had caused enormous human suffering and had a negative impact on the global economy, while the views of Russia and other countries opposed to sanctions were recognized in the wording "There were other views and different assessments". The fact that major countries in multilateral economic frameworks shared a sense of crisis about the rising geopolitical tensions, including the invasion of Ukraine, and their negative impact on the global economy and were able to reach a consensus at the summit level can be seen as a positive sign. News reports also highlighted the persistent efforts and wisdom of Indonesia and Thailand, which served as the respective

chairing countries of the Summits. However, the failure to reach agreement in these processes at the ministerial level preceding the summit meeting left a strong impression on the international community that policy coordination was not progressing due to confrontation among countries amid the ongoing global inflation and resource/energy crises.

The World Trade Organization (WTO) also succeeded in reaching consensus in June 2022 at its first ministerial conference (MC12) in four and a half years, following three postponements. The WTO has been facing rampant unilateralism in recent years against the backdrop of geopolitical competition as well as problems with the Appellate Body in the dispute settlement system, which has been dysfunctional since December 2019 due to failure to have a quorum. An urgent priority in making the revitalization of the multilateral free trade regime through WTO reform is in three main areas – rule-making, dispute settlement functions, and monitoring of agreement implementation. MC12 was the first ministerial meeting conducted during the term of Ngozi Okonjo-Iweala, who assumed the position of Director-General in 2021 and, under her leadership, a ministerial declaration was adopted after an extended session. In a webinar hosted by JIIA, Director-General Okonjo-Iweala explained that the consensus reached at the ministerial meeting was the result of "many dialogues with the countries concerned and persistent advocacy that the WTO is of interest and essential for each member country." Notable achievements include agreement on new rules for fisheries subsidies and agreement on simplified procedures for the use of patented vaccines ("vaccine waivers") in connection with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). These achievements in rulemaking are highly commendable because they are extremely important for reinvigorating the negotiation of new rules. It is also of great significance that the parties were able to reach agreement on the issue of simplified procedures for the use of patented vaccines in developing countries for limited periods, which has been an issue of contention between developed and developing countries. On the other hand, many important issues of WTO reform remain unresolved, including the dispute settlement system that serves as a cornerstone of the rules-based system.

Russia's invasion of Ukraine had a major impact on the energy policies of countries in 2022 and there were cases of increased dependence on fossil fuels, while extreme weather events and large-scale natural disasters occurred in many parts of the world, heightening the sense of crisis that the effects of global warming are increasing. Against this backdrop, financial support for "loss and damage" (loss and damage caused by the adverse effects of climate change) became a new agenda item at the 27th Conference of the Parties (COP27) to the United Nations Framework Convention on Climate Change (UNFCCC) held in Egypt in November, in response to strong demand from developing countries. Although developed and developing countries disagreed over the specific measures to be taken, a decision was made to establish a fund to provide assistance to particularly vulnerable countries, and its operation was to be discussed in

the run-up to COP28. The agreement reached at COP27 is another example of the multi-party approach showing some results in a difficult international environment. However, there are still many issues to be addressed, including the strengthening of efforts to achieve the 1.5°C target of the Paris Agreement.

Perspective

At the United Nations, even before Russia's invasion of Ukraine began, it had already become difficult to reach a consensus among the permanent members of the Security Council due to the growing conflict between the United States and China. Even if the fighting in Ukraine comes to an end, there is no prospect for a significant near-term improvement in the division between the United States, Britain, and France on the one hand and China and Russia on the other, and the Security Council is expected to remain dysfunctional for some time.

Regarding nuclear arms control and disarmament, the failure to adopt a final document following the 2015 NPT RevCon may not immediately result in the collapse of the nuclear nonproliferation regime or nuclear order. With the exception of Russia, the conference participants did not oppose the adoption of the final document and repeatedly reaffirmed their commitment to the NPT, although they remained dissatisfied to a certain extent. However, Russia's actions contrary to the nuclear order, the growing reliance on nuclear deterrence by nuclear powers and their allies, the qualitative and/or quantitative increase in nuclear capabilities, and the possibility of new attempts by some countries to change the status quo with nuclear intimidation in imitation of Russia will continue making it difficult for the foreseeable future to achieve progress in nuclear arms control and disarmament and to restore confidence in the nuclear nonproliferation regime.

In economic and climate change-related matters, multilateral frameworks barely succeeded in consensus building amid rising geopolitical tensions, including the invasion of Ukraine, and their adverse impacts on the global economy. On the other hand, the world economy continues to be affected by geopolitical risks, and the existing international trade regime faces the challenge of adapting to a new era of globalization with concerns for economic security, including supply chain issues for semiconductors and other critical goods. Efforts to address climate change also need to be further strengthened. It is increasingly important to make progress in international cooperation and coordination toward a global economic recovery; to steadily update international economic rules to rebuild a multilateral trade regime based on free and fair economic rules by addressing remaining issues in the current WTO-centered international trade regime; and to strengthen multilateral efforts to address global challenges such as climate change. ■