

VIEWS



China and the World Roundtable | 2025 Global Outlook

Editor's note: In 2024, the world witnessed further transformation and instability, which marked by protracted and intensified geopolitical conflicts. How will the world develop in 2025? Four experts share their views on the issue with China Daily.

Robert Lawrence Kuhn

A prescription for better Sino-US ties

It is a propitious moment to assess the state and prospects of Sino-US relations, the world's two largest economies as well as large military powers. It might seem clichéd, but nothing is more important for peace and prosperity in the world than cooperation between the US and China.

In the opinion of many Chinese people, the US is hyping the “China threat” theory and thwarting the country's historic, rightful development by coordinated policies of containment, through technological sanctions (particularly chips and AI); tariffs and threats of greater tariffs; foreign alliances, including the Quad (Australia, India, Japan, the US) and AUKUS (Australia, the United Kingdom, the US), and separate alliances with Japan, the Republic of Korea and the Philippines; and not least, of course, US support for and arms sales to the Taiwan island.

To many in the US, China has become more “aggressive” abroad and more “repressive” at home. What is especially disquieting to US elites is their perception that China is backing Russia in Ukraine.

With respect to US politics, Trump campaigned, in part, on a tough-on-China platform. One can usually forecast a US president's foreign policy by assessing the background of those whom he picks for top foreign policy positions — and Trump's Secretary of State-designate, Marco Rubio, and National Security Adviser-designate, Mike Waltz, are both historical hawks on China. Yet, going deeper, this truism is less true for Trump, who has a history of flouting expert advice and going with his gut instincts. In fact, Trump himself professes admiration for President Xi Jinping, prides himself on avoiding new wars, and loves to make new deals. This provides an opening for improving US-China relations.

With respect to China's economy, the readout of the Central Economic Work Conference is telling — using stimulus-signaling language not seen since the global financial crisis in 2009, implicitly recognizing that China's economy needs to “vigorously boost consumption, improve investment efficiency, and expand domestic demand on all fronts”. It stresses “boosting domestic demand, especially consumer demand” and calls for adopting a more proactive



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fiscal policy, implementing a moderately loose monetary policy with reductions in the reserve requirement ratio and interest rates to ensure ample liquidity, and moves to stabilize real estate and stock markets.

China says that it still welcomes foreign investments and that it still will be the engine of global growth.

This provides a motivation, if not a necessity, for improving China-US relations.

With respect to the world, events overwhelm expectations. The toppling of the Syrian government, after over five decades of al-Assad family rule, shocked almost everyone.

Assad had been backed strongly for over a decade by a powerful Russia and an ascending Iran. Then, in less than two weeks, Assad was gone, chased out by barely known, seemingly ragtag rebel groups. But actually, multiple factors were drivers, triggered by Hamas's horrific killing and kidnapping of some 1,500 Israeli civilians in October 2023 and subsequently Israel's furious, devastating and relentless attacks against Hamas in Gaza and Hezbollah in Lebanon, and even against their backer, Iran. It says something about our chaotic

world when Israel, in 48 hours, destroys 80 percent of the advanced assets of the massive Syrian army and air force, from missiles, fighter jets and drones to munitions plants, research centers and chemical weapons — and sinks the entire Syrian navy in one night — and the astounding story wasn't even the main headline in the international press.

In Europe, there is deep concern over troops from the Democratic People's Republic of Korea having entered the Russia-Ukraine conflict and over China's perceived backing of Russia, despite China's repeated clarifications. There is also concern that low-cost, good-quality Chinese EV vehicles would undermine the European automotive industry.

Meanwhile, US allies in Europe and Asia worry about what Trump may do to them, from imposing stiff tariffs to demanding they spend more on their own defense.

While just about everyone in Washington advocates tough-on-China policies, Trump himself is not beholden to any of them. He is the boss and he is ready and eager to make deals that he perceives are good for the US and burnish his image. What others call Trump's policy flip-flops his ignorance of basic principles, and declare it a weakness, Trump himself calls his personal unpredictability, a strength. This is why when Trump says that he respects President Xi and that Xi is his friend, he is laying the groundwork for potential deals.

It takes no PhD in economics to know that everyone loses when global economies are decoupled.

We would best settle in for a period of uncertainty and volatility in China-US relations. My three-imperative prescription for China-US relations remains simple: First, avoid exacerbating areas of conflict or contention. Second, find common ground for joint action: interdicting dangerous drugs, planning for pandemics, mitigating AI risks, and controlling climate change. Third, give time a chance to lower the heat by passing quietly without incident.

Just three points to follow — for US citizens, for Chinese citizens, for the people of the world. If only it all worked this way.

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Tang Zhichao and Liu Xuejie

Hope for stability amid the turbulence in the Middle East

A prominent feature of the Middle East's development in 2024 is the increasing bifurcation of the Middle East, one marked by rising turmoil and unrelenting conflicts, and another characterized by stability, steady progress, and increasingly active international cooperation. This dichotomy urgently needs to be resolved. We hope for the disappearance of the turbulent and conflict-ridden Middle East and the expansion of the stable and developing Middle East, merging into a new, stable, and flourishing region.

Since October 2023, the Middle East has increasingly exhibited two opposing blocs: one led by the United States and Israel, and the other represented by Iran and its regional resistance axis. The outbreak of a new round of the Israel-Palestine conflict has been the primary trigger for this confrontation, while the conflict between these two axes has become the main source of widespread instability and violence in the region. In 2024, the confrontation between the two camps has intensified, with the conflict centered in Gaza spreading outward — from Lebanon to Yemen, from Syria to Iran — as clashes and hostilities escalate, expanding the scope of the turmoil in the Middle East.



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Over the past year, a series of significant events have exacerbated regional instability and conflict. For instance, two rounds of direct military conflicts between Iran and Israel nearly sparked a regional war. Israel's killing of Hamas leader Ismail Haniyeh and Hezbollah leader Hassan Nasrallah has been the most prominent, but it has virtually eliminated the political and military leader-

ship of both Hamas and Hezbollah. The Israeli military has continued to target locations in Lebanon and Syria, while the Bashar al-Assad government in Syria suddenly collapsed after the opposition forces launched a rapid offensive.

Over the past year, the trajectory of the Middle East's turmoil has increasingly deviated from old patterns and frameworks. The linkage between regional developments and the Israel-Hamas conflict is being progressively broken, and their interdependence is diminishing, showing signs of decoupling. Hezbollah no longer insists on halting attacks against Israel only if there is a ceasefire in Gaza, having reached a ceasefire agreement with Israel on Nov 27. The overthrow of the Syrian government by opposition forces has removed Syria from the anti-Israel axis, if only temporarily.

The United States is finding it increasingly difficult to restrain Israel, whose increasingly bold and reckless military actions have not only created numerous challenges for the Joe Biden administration but also introduced uncertainty into regional developments. Notably, Israel's continued strikes against Hezbollah and Syrian targets have significantly weakened Hezbollah and the Syrian military, creating new variables in the situation in Lebanon and Syria.

The collapse of the Assad government in Syria and Hezbollah's retreat have also dealt a severe blow to Iran, leaving its regional resistance axis on the brink of collapse and forcing Iran to adopt a more defensive strategic posture. Meanwhile, the Hayat Tahrir al-Sham has unexpectedly taken control of Syria. The future trajectory of Syria under HTS leadership remains highly uncertain.

Between the two warring blocs exists a third camp, led by Arab nations such as Egypt, Saudi Arabia, and the United Arab Emirates. While they support the Palestinian cause, they do not align with the resistance axis, maintaining a largely neutral stance. This camp represents a pragmatic and stable Middle East focused on economic development and industrial transformation. Despite facing the challenges of a turbulent Middle East, this bloc has largely maintained stability. Moreover, the stable camp is expanding, with countries such as Iraq, Tunisia, Algeria, and Libya witnessing improving political stability.

According to an October 2024 report by the International Monetary Fund, most of these Arab nations are sustaining economic growth. The UAE is projected to achieve a GDP growth rate of 4 percent, Saudi Arabia 1.5 percent, Algeria 3.8 percent, Tunisia 1.6 percent, and Qatar 1.5 percent in 2024. The Gulf Arab nations, in particular, are not only maintaining stability but also experiencing rapid economic development, increasingly positioning themselves as engines of growth in a stable Middle East. The international community is increasingly optimistic about the Gulf's economic prospects, with substantial foreign direct investment flowing into the region. Saudi Arabia, in particular, has attracted global investors' attention with sweeping reforms and large-scale investment projects. Standard Chartered Bank predicts that growing FDI inflows, along with public capital expenditures and private sector investments, will drive Saudi Arabia's economic growth, with FDI expected to reach \$24 billion in 2024.

The current state of the Middle East can be understood as “half is seawater, half is fire”. The year of 2024 has been a year of dramatic ups and downs for the region, with major conflicts continuing to erupt and the ripple effects of the new round of the Israel-Palestine conflict gradually unfolding over time. At the same time, there are glimpses of hope for stability amid the turbulence. Examples include the temporary ceasefire between Hezbollah and Israel, changes in Syria's political landscape, Iran's increasingly pragmatic foreign policy, and the ongoing ceasefire negotiations between Hamas and Israel.

It is anticipated that conflicts in the Middle East will likely persist into 2025, with turbulence and uncertainty continuing to plague the region. However, we hope that the scope of conflict gradually shrinks, the areas of stability continue to expand, and a peaceful, stable, and prosperous Middle East will emerge in the near future.

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Zhao Huirong

Russia-Ukraine conflict freeze may be on horizon

Although United States President-elect Donald Trump has not spelled out a road map on how to end the Russia-Ukraine conflict, some of his advisers have proposed putting off NATO membership for Ukraine and establishing a demilitarized zone or an autonomous region in Ukraine. All of these suggestions require Ukraine to accept territorial losses. The purpose of denying Ukraine NATO membership is to force a freeze in the conflict, rather than end it.

In its first term, the Trump administration provided Ukraine lethal weapons and slapped sanctions on Russia. So why has he changed his attitude toward Ukraine now?

If the 2004 Orange Revolution — when the National Endowment for Democracy in the US provided \$65 million to the then Ukrainian opposition — was the US' successful experiment to establish a pro-Western and anti-Russian government in Ukraine, the 2014 revolution was one to eliminate political forces in Ukraine that were soft toward Russia.

Since the outbreak of the conflict in Donbas in 2014, NATO has adopted a stance in support for Ukraine's sovereignty. After 2021, the Joe Biden administration began assisting Ukraine, relaxing restrictions on Ukraine's military operations. It also increased sanctions on Russia, which ultimately led Russia and Ukraine to get embroiled in a war which neither side seems able to win, negotiate or retreat from.



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Like Biden, even Trump sees in the Russia-Ukraine conflict as a chance for the US to maintain its global hegemony. But, unlike Biden, Trump prefers “freezing” the conflict by reducing strategic investment in Ukraine, thus shifting the responsibility and burden on its allies, and achieving the greatest benefits at the lowest cost.

In other words, Ukraine still has strategic value for

Trump. If he can “freeze” the Russia-Ukraine conflict, he will be able to raise the territorial dispute, NATO membership and European security framework issues at a later stage to exert pressure on Russia, Ukraine and even Europe.

However, Moscow is not satisfied with the plan and said it would continue its special military operation until it achieves all its goals. There are reasons for Russia's tough response. First, it has a relative advantage on the battlefield as it controls 18 percent of Ukraine and has accelerated its advance into eastern Ukraine, forcing the latter to withdraw from some areas.

Second, there is uncertainty regarding Western countries' assistance to Ukraine. The US and

Europe's monthly support to Ukraine in 2024 is less than what it was in the same period last year. And Germany has decided to curb military support to Ukraine from about 8 billion euros (\$8.32 billion) this year to 4 billion euros next year.

Third, Russia has not yet recaptured the Kursk region. And some areas of the four regions in eastern Ukraine are still under Ukrainian control. Last, Russia's special military operation has not yet achieved its goals of “demilitarizing” “denazifying” and “neutralizing” Ukraine.

Moscow has said that it is open to resuming Russia-Ukraine negotiations. The possible agreement should take into account Russia's security interests and, most importantly, address the root causes of the conflict. As such, Russia does not reject the deal, what it values is the terms of the deal.

Russia is not only facing Ukraine but also NATO. It does not have an overwhelming advantage on the battlefield; at the current rate, it will take more than 1,000 days to occupy the rest of the four regions in eastern Ukraine, which means more investment and greater losses. That could break down the “barrier” between external conflict and internal peace in Russia.

The Russia-Ukraine conflict is zero-sum, complicated and long-term, because it is not only about Ukraine's territory, but also a geopolitical confrontation between Russia and the West. After Trump takes office next year, one possible prospect is that Russia accepts the US'

proposals and reaches an agreement. As the US reduces its aid to Ukraine, Europe's assistance will not be enough to help the country reverse the unfavorable situation and Ukraine will be forced to accept the “freezing” plan.

Another possibility is that Russia rejects the US plan, causing negotiations to break down. In response, the Trump administration may urge Europe to take on a greater role in supporting Ukraine and to impose additional sanctions on Russia, thereby preventing the conflict from coming to an end.

Because of the opposing positions, lack of mutual trust and the fact that neither Russia nor Ukraine has completely lost its will and combat capability, it is unlikely they will arrive at a ceasefire agreement in the short term.

In the long run, the conflict could become less intense and finally be “frozen”, as the West is reducing its support to Ukraine and the two sides' losses are mounting. They will eventually reach a ceasefire agreement but may not sign a peace agreement that can completely resolve the territorial issues.

A ceasefire can “freeze” the conflict but will not completely end it. Sporadic conflicts will continue to erupt, while the US will use Ukraine as a “dagger” to control Europe and harass Russia. Even after the Russia-Ukraine conflict weakens, Trump's unilateral policy will have a significant impact on international politics.

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