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# Davos 2026 Signals a Shift: China, Soft Power and Stable Global Order

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For decades, “soft power” has proved its worth and credibility in the international politics. Economic interdependence, freedom of expression, diplomacy and economic liberalism were key instruments of the major world economies in the Post-Cold War era.

The term “soft power” by Joseph Nye has once again proved valid and credible. but with a new approach as “smart power”. The World Economic forum in Davos proved this reality after a coercive speech of Pr. Donald Trump for exerting power through trade tariffs, coercive diplomacy and economic sanctions.

This way of manipulating the geo-politics through force met with resistance from the premiers of world economies including Canada, China and EU. Mark Carney, Canadian Prime Minister’s speech was a firm response in rejecting the notion of Donald Trump for using trade as foreign policy tool. In his assertive style, he called for collective spirit, respect for sovereignty and shared values to be the new dynamics of interdependence. China’s Vice Premier, He Lifeng’s message for defending interdependence and multilateralism also underscored a broader shift toward cooperation-based interdependence rather than dominance-driven globalization.

This shift in narrative at Davos 2026 offers chance not only to the big economies to counter, but emerging economies from Global South to engage collectively. The forum opened up for more integration and strategic alignment rather than relying solely on US-led model of interdependence. Within this evolving landscape, China’s role comes up with more relevance through smart power over coercive calls.

China’s BRI model has got strong appeal among developing countries in Africa and the broader Global South highlighting how infrastructure, connectivity and development discourse can exert influence beyond traditional military power. This does not mean a complete replacement of the Western order, but its reconfiguration, where multiple models of development and cooperation have shown success and global acceptance. This is with great confidence that China is moving ahead and leading its way towards establishing a more stable world order that the world need more than ever.



For Pakistan, there is an opportunity to position itself as an emerging economy in Central Asia, South Asia and Middle East through CPEC. However, Pakistan's ability to attract long-term investment and partnerships will be shaped by regional perceptions of reliability, internal security and transparency. Within this reconfigured scenario, Pakistan must act prudently on the rewired global order rather than being at the risk of losing its competitive advantage for its internal dynamics.

This is a gradual movement toward a new phase of interdependence where smart power would shape the global outcomes. There is little room for over reliance on one country in the current model; Davos 2026 has underscored this reality. Pakistan and other emerging economies must realign their strategies to the growing reality of a stable and inclusive world order.