

Article

China as a Rising Power Versus the US-led World Order

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Abstract

Although a rising China is not a status quo power content to preserve and emplace the US-led world order, it is not yet a revolutionary power discontented with and willing to undermine the existing order. Not only is China far from the position to overtake the US power, it has not articulated distinctive values to underwrite the world order. China is a reformist/revisionist power, dissatisfied not with the current order but its position in the order.

Keywords

World order, Great Powers, China as a Reformist/Revisionist Power, China-US Relations, Asia Infrastructure Investment Bank, Westphalian Principles

Introduction

World order refers to dominant values, rules, and norms that define the terms of global governance and give shape and substance to international society at any given time. Historically, great powers have been the rule-makers of world order to reflect their values and interests, weak states the takers, and dissatisfied emerging powers the breakers, pursuing alternative principles to conform to their distinctive preferences.

After the end of WWII, the US as the rising hegemon was in a unique position to construct the rules and institutions that have had a profound impact upon the development of the world order. While the US has benefited immensely, its allies blossomed economically and continue to enjoy the benefits of the post-1945 order. China is also a beneficiary after Deng Xiaoping started reform and open-up in the late 1970s.

Rising as a great power in the 21st century, China has to decide whether it can live with the US-led order or creates a new order to sit alongside or even overtake

it. China's rise, therefore, has led to the debate if China will become a stakeholder or a dissatisfied-revolutionary power. While the liberal view assured that "the rise of China does not have to trigger a wrenching hegemonic transition" because the world order built under the US leadership is based on rules and norms of nondiscrimination and market openness, creating conditions for rising states to advance their expanding economic and political goals within it (G. John Ikenberry, 2008), many in the US have increasingly worried that a rising China may want to challenge the US leadership and overhaul the underlying rules of the existing world order.

This article argues that although China is not a status quo power to preserve and enmesh the US-led order, it is not yet a revolutionary power discontented with and willing to undermine the existing order. Not only is China far from the position to overtake the US power, it has not articulated distinctive values to underwrite the world order. With a historical identity as an East Asian empire, China's visions of a Sino-centered hierarchical order or *tianxia* (all under heaven) system can hardly appeal to most of its neighbors. Embracing the Westphalian principles of the state sovereignty while adapting to the emerging transnational norms, China is a reformist/revisionist power, dissatisfied not with the current order but its position in the order. If China's demands can be accommodated through negotiations with the US and other powers to increase China's voice and weight in the existing institutions and adjustment to tweaking of some rules, China would not necessarily become a revolutionary power.

The China Challenge

Benefiting from the post-WWII world order established under the US leadership and rising to the second largest economy in the world, China, nevertheless, has regarded the existing world order in favor of the US and its allies at the expenses of China's power aspiration because China is deeply concerned over the so-called structural conflict between China as a rising power and the US as the sole superpower. Believing that America's ultimate strategic objective was world hegemony and, seeing China as a potential threat to its hegemony, the US would not want to see China rising as peer power, many in China have worried that the United States has a hidden agenda of making use of the US-led international institutions and pressing on the issues of human rights and democracy to prevent China from rising to the "rightful place." Therefore, China has become a challenger to the US-led world order in many aspects.

First, rising as a regional power in the Asia-Pacific, Chinese scholars have debated if China should adopt its own "Monroe Doctrine" to establish a sphere of influence and De-Americanization in the region. In the meantime, China has tried to build regional security institutions without the US participation to better

accord with its interests and preferences. The Shanghai Cooperation Organization (SCO) is the first regional organization launched by China without the US participation. Although the SCO claims that it is not against any third country, China played a leadership role obviously with the goal of balancing the US influence in the region. President Xi demonstrated the clear intention to exclude the US from the regional organizations when he announced Asian security to be “maintained by Asians” at the 2014 Shanghai Summit of the Conference of Interaction and Confidence-Building in Asia (CICA). He invigorated this little-known regional summit that had languished for years because its membership did not include the US and most American allies and partners, such as Japan, the Philippines, and Singapore.

Second, Beijing has demanded capital share and voting power rights in the global institutions at its weight level. Criticizing the global economy’s dependence upon a dollar-based single currency system as one cause of the global financial crisis in 2009, People’s Bank of China Governor Zhou Xiaochuan proposed China’s RMB be included in the basket of key international currencies on which the value of the IMF’s Special Drawing Rights (SDR) is based. Gaining the status in 2015 paved the way for Beijing to flex its muscle more in the global economy, a key step in boosting its global role and breaking the dominance of the U.S. dollar, the stronghold of American power. China also proposed to rebalance voting shares of the IMF in accordance with the growing economic strength of emerging economies at the Group of 20 meeting in 2010. IMF moved to increase China’s voting shares from less than 4 percent to over 6 percent and the reforms were ratified by all other members but stuck in the US Congress until 2015. In frustration, China worked with other four emerging economies and co-founded the BRICS Bank in 2014, a symbolic gesture to create a sort of IMF clone writ small.

Third, China has competed with the US for the leadership of regional economic architecture. Negotiating the Regional Comprehensive Economic Partnership (RCEP) with ASEAN states as an alternative to the US-led TPP, China launched two major initiatives in 2015. One was the Silk Road Economic Belt and 21st Century Maritime Silk Road, known as One Belt One Road (OBOR), which is to bind together 65 countries and 4.4 billion people beyond China’s land and maritime borders to provide an outlet for excess industrial capacity, explore the resource access, and strengthen national security cooperation. Aligning with Xi’s “China Dream” of national rejuvenation, the ultimate objective of the OROB is perceived to reshape the international system and put China at the center of the world (Stokes, Jacob 2015). The second initiative was the AIIB, officially launched in June 2015 by China and joined by other 49 founding members. Headquartered in Beijing and headed by a Chinese citizen, the AIIB was perceived “as an alternative to the World Bank and other international development

institutions.”(Karabell, Zachary 2015) The US dissuaded its allies from joining the Beijing-inspired bank but was caught flat- when the United Kingdom, followed by other prominent U.S. allies, including France, Germany, Italy, Australia and South Korea, applied as founding members of the AIIB before the deadline of March 31, 2015. The accession of the UK and several European countries was regarded a powerful testament to China’s role in the reconstruction of the world order. A Chinese scholar held that although the Bretton Woods system led by the US made contribution in resolving global issues, this old vehicle was tired and needed reform. The US attempts to delay the reforms caused complaints from many countries. China, therefore, launched the AIIB to help reduce the tension in the existing system, provide international public goods, and participate in international rule-making. (Wang, Yiwei, 2015)

Fifth, China has become increasingly assertive in maritime territorial disputes with its neighbours, including the US allies of Japan and the Philippines. Submitting the “Nine-Dash Line” maritime boundary based on historical claims to the United Nations to legitimize its far-flung claims, China has refused to take part in an international court case brought by the Philippines under the UN Convention on the Law of the Sea (UNCLOS), which provides not only rules for determining conflicting maritime claims but also legal institutions for impartially applying those rules. Beijing is a signatory to UNCLOS but insists that the court has no jurisdiction, despite widespread consensus to the contrary, and has thus eroded existing maritime regimes and rules without either leaving UNCLOS or offering replacements (Fontaine, Richard, Rapp-Hooper, Mira, 2016). If China thumbs its nose at an adverse decision and a subsequent determination of the merits of the dispute, it will be in blatant violation of the UN convention obligations that it freely ratified after taking an active part in the long negotiations preceding the treaty. Rejecting peaceful settlement of maritime as well as territorial disputes through international arbitration, adjudication and other third-party procedures, China is plainly out of step with the practices of other Asian countries and the rest of the world (Cohen, Jerome A. 2015).

A Reformist/Revisionist Power

Challenging the US-led world order, China is not in the position to replace the existing order, only demanding reform of global governance and more influence as a rules-maker. Fu Ying, Chinese former vice foreign minister and a personal aide to President Xi Jinping, explained that “China has neither the intention nor ability to overturn the existing order.” (Fu, Ying, 2015) This is not modesty but a reflection of China’s awkward position in the international system.

First, China is far from the position to step into America’s shoes any time soon. The US remains the most powerful nation in the world, using not only its military

and economic might but also its soft power to shape the world order. A Chinese scholar admitted that China may one day overtake the US in the size of economy but may never overtake the influence and leadership role of the US in the world (Xue, Li, 2015). As for the causes, another Chinese scholar explained that China faced predicaments in devising an international discursive power (话语权): using Chinese discourse, people could not understand and would not accept it; using others' discourse, China would lose itself. The traditional Chinese system as a hierarchy was in contrast to the Westphalian principles and could not automatically transform into modern discursive power (Wang, Yiwei, 2015).

Unable to construct an alternative order, China has insisted on the Westphalian principles, which looked attractive to many countries in an era of intense interventionism by the US that often ended in chaos and chronic instability within those countries affected. But many of China's neighbors now worry that, as China's relative power rises, China's imperial past may produce an undue pressure on its leaders to regain its predominant position and restore the old Chinese hierarchical order. One reporter took a note that at the 60th anniversary of the Bandung Conference, the 1955 meeting that gave birth to the Five-Principles of non-intervention, only two notable leaders bothered to turn up. One was President Xi, who used the occasion to portray China as the well-meaning leader of the non-western world. The other was Prime Minister Shinzo Abe, who suggested that the threat to the sovereignty of smaller countries no longer came from the west (Bowring, Philip, 2015).

Second, even in the Asia Pacific region, achieving dominance cannot be a serious Chinese objective because of the presence and influence of the US, Japan, and other regional powers. While China is rising, many surrounding states are also on the rise. China's shift from espousing a peaceful rise to the far more assertive behavior has made its neighbors nervous, motivating not only US allies such as Japan and Australia but also countries such as Vietnam, India, Indonesia and the Philippines, which were once either enemies of or neutral towards America, to realign with the US and with each other to balance China's power aspiration. The 21st century has seen a multipolarity rather than Chinese hegemony in the region.

While many Chinese blamed the US inciting China's neighbors against China, one cold headed Chinese scholar wrote that the difficulties in China's relations with its neighbors were not caused by the US stirring up trouble but because the great majority of East Asian countries were worried about China. In East Asia, the old rule that economics determines politics lost effectiveness because nearly all these countries closely worked with China economically but aligned with the US in security and politics and welcomed and even invited the US to balance the growth of Chinese power (Yang, Zhizhen, 2014).

China's institutional initiatives will not play a critical role in China's rise but are the consequences of its rise. Historically, to bandwagon with a rising power is common practice due to potentially great relative gains. The most successful rising powers have been precisely the ones that have attracted the greatest number of bandwagoners (Schweller, Randall, 1999). It doesn't serve China's interests to have tensions with many neighbors simultaneously. China cannot rise successfully without winning the support of its neighbors or at least preempt their balancing motives. China's long-term interests depend on relationships with its neighbors as well as the US.

Third, China has benefited and continues benefiting from the Post-WWII order underpinning stability and economic growth in the world and the region. As one Chinese commentator admitted, "China became the largest beneficiary by taking maximum advantage of globalization... A large part of the world has prospered under such an arrangement (American global leadership)... These nations are essentially free riders, of which China is the biggest and most successful one." (Li, Eric X., 2014) Although China is uncomfortable with the United States militarily and strategically engaged in its home region, it benefited from the security role that the US played in the Asia-Pacific. Residing in a neighborhood with complicated power competition and historical animosities, Chinese leaders have to be measured and judicious. "The corollary of the decline of the West is not the rise of Asia. It is the erosion of Asia, at least as an idea, as rivalries within geographic Asia overtake the notion of regional cohesion that once bound these countries together." (Bowring, Philip, 2015)

Beijing's interests will be served best by working with the US and its neighbors to maintain the rule-based regional order. China often expresses concern over the US-Japan alliance. Yet the alliance is part of the regional security architecture that has underpinned the stability in East Asia and prevented a potential remilitarization of Japan. "Imagine what the regional security picture would look like to China if Japan were strategically independent from the United States." (Manning, Robert A., 2013) Without the US nuclear umbrella, Japan would have developed nuclear weapons a long time ago, prompting South Korea and even Taiwan to develop their own nuclear weapons. From this perspective, one Chinese scholar suggested that "Chinese policymakers and analysts should not believe their own jingoistic rhetoric about a US in decline. Even if it's true, a weak America isn't good news for China." (Zha, Daojiong, 2014)

Fourth, facing immense internal huddles in its rise, China is a fragile rising power with profound internal causes of concerns that have the potential to derail its rise. The internal challenge "is a far bigger issue for China's leaders than sovereignty over some barren rocks in nearby seas." (Mahbubani, Kishore, 2014) No economy keeps growing at the same pace forever. The era of superior Chinese economic

performance is over, exacerbated by the environmental destruction, rampant corruption, a growing gulf between rich and poor, huge local government debt, and looming demographic challenges that are worsened by the fact that it would be the first country to get old before it gets rich. A slowing down economy has placed huge pressure on the Chinese leaders as resentment among China's have-nots has the potential to evolve into a concerted challenge to the Communist Party's legitimacy and authority. China's rise ultimately depends on its own domestic development and much less on what others do. To ensure its further rise, China must put its own house in order first.

Conclusion

Although China's rising power and the initiatives such as the AIIB and OBOR may give China more leverage as a rising power, it is still difficult for Beijing to rival the US-led world order before China achieves the level of power comparable to that of the United States in the 1940s-1950s and can present alternative values. Still a stakeholder, China's initiatives represent an assumption of responsibility as much as a declaration of privilege. As a result, although the rise of China has caused concerns in the US and other parts of the world that China is to assert itself in its region and further afield and become a revolutionary power to undermine the existing world order, China is still abided largely by the established rules of the world order, engaging in reforms to revise rather than rewrite the norms and principles. The differences between China and the US are not primarily over the principles of the world order but whether China has obtained the prestige and position of authority commemorating with its rising power status. China and may remain so if it is given more room as a rule-maker, in conjunction with the other powers, to reform the existing order, better reflecting its enhanced power and interests.

Bio

Suisheng Zhao is a professor of Chinese politics and foreign policy at the University of Denver's Josef Korbel School of International Studies. He serves as director of the school's Center for China-US Cooperation, and is the founding editor and the editor-in-chief of the multidisciplinary *Journal of Contemporary China*. Prior to arriving at the University of Denver, Zhao was an associate professor of political science at Washington College and an associate professor of East Asian politics at Colby College. He received both a bachelor's and master's degree in economics from Beijing University, and subsequently completed a second master's degree in sociology from the University of Missouri. Zhao earned his PhD in political science from the University of California, San Diego.

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