

The Rise of China and the Future of the International Political System

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Introduction

The current international political system was born out of centuries of war in Europe, extended to the rest of the world during the colonial and imperial eras, and inherited by the United States following the conclusion of World War II. Using its economic and military influence, the United States made a variety of commitments to its allies around the world, creating an institutionalized structure for international relations known as the global liberal order. The end of the Cold War reinforced the United States' role as the world's dominant political, economic, and military power. For many observers, the Cold War's conclusion solidified the credibility of the American vision of global order. As a result, theories of a unipolar world centered on U.S interests and upheld by the hegemony of the United States have become more popular since the fall of the Soviet Union. In 2004, Charles Krauthammer, an influential American conservative, stated that "on December 26, 1991, the Soviet Union died and something new was born... a unipolar world dominated by a single superpower unchecked by any rival and with decisive reach in every corner of the world. This is a staggering development in history, not seen since the fall of Rome".¹ Just one year after Krauthammer's exclamation of U.S. unipolarity, a survey from the Economist titled "the New Titans" reported that the developing

¹ Charles Krauthammer, "An American Foreign Policy for a Unipolar World," Speech, Irving Kristol Lecture, American Enterprise Institute Dinner, Washington Hilton Hotel, Washington, D.C., February 10, 2004.

countries made up more than half of the world's total GDP.² The rise of international actors that are not traditional stakeholders in the international political system constructed by the United States has called into question what this development will mean for the future of global politics. The emerging economies of developing nations suggest that the world, in economic terms, is heading towards multipolarity, despite assumptions that the post-Cold War era is singularly defined by American hegemony.

One of the major rising countries of the developing world is China. Before the 21st century, onlookers in the field of international relations were unsure of how much China would matter in the future given the emphasis on American unipolarity. This is no longer the case. China's rise as a great power within the international system began with various economic reforms aimed at modernizing the country starting in 1978. Adopting a strategy of rapid economic modernization called for China to integrate itself in the framework of the international economic system created by the United States. By adapting to the prevailing norm of Western-capitalist principles of exchange and joining core institutions of the global economic order like the World Trade Organization, China's strategy over the past four decades has greatly enhanced its position in the international political system through its acquired economic power. Nowadays, universal recognition of the familiar slogan, "Made in China", by virtually all consumers speaks to China's growing presence in the world.

China's ascent as a great power within the international system has garnered the most attention out of all the major headlines of the millennium.³ Given the prominence of the topic among scholars, pundits, analysts and policy makers in the West, the rise of China as a major

² Pam Woodall, "The New Titans," *The Economist*, September 14th, 2006, <http://www.economist.com/node/7877959>.

³ Michael Beckley, "Chinas Century? Why America's Edge Will Endure," *International Security*, 36, 3 (2012): 41

player in global politics has become seemingly conventional wisdom.⁴ Now, the debate revolves around how China's newfound capabilities and national power will affect the international political system. While China's growth is a direct result of its integration into the U.S-led economic order, there is no consensus among IR scholars as to what this will mean for the future of Sino-American relations and the structure of the global liberal order.

A country's economic strength underlies its political and military influence in international relations. In *The Rise and Fall of Great Powers*, Paul Kennedy argues that the ability of modern nations to exercise and sustain global hegemony lies in their productive capacity.⁵ China continues to sustain impressive economic growth and is projected to double the size of the American economy by 2025, while the United States and other status quo market economies recover from the shock of the Western Financial Crisis of 2008.⁶ In this environment, some authors cite evidence of friction between China and the United States increasing in the future. From the perspective of these authors, China is a revisionist power that will dramatically alter the dynamic of global affairs as its economic development increases its power to a hegemonic level. On this side of the debate, authors' concerns vary from generic assumptions based on China's communist leadership to more serious fears of great power conflict that stem from the Chinese behavior in the aftermath of the Western Financial Crisis. On the other side of the debate, authors counter the conclusions of the "China threat theory" by offering historical and/or strategic analysis of China's relationship with the international system. For a variety of reasons, these authors believe China favors the economic benefits of status quo stability and is a

⁴ Xiaoming Zhang, "China in the Conception of International Society: the English School's engagements with China," *Review of International Studies*, 37 (2011): 777

⁵ Paul Kennedy, *The Rise and Fall of Great Powers: Economic Change and Military Conflict from 1500 to 2000* (London, Fontana Press, 1988): 472-480

⁶ Dominic Wilson and Anna Stupnytska, "The N-11: More than An Acronym," *Goldman Sachs Global Economic Papers*, 153 (2007): 8-9

power that will support the foundations of the global order constructed by the United States.

My thesis on the rise of China and the future of the global liberal order is organized into four chapters. The first chapter is a review of the literature. The review presents three potential scenarios on China's future role in international politics. Taken together, the arguments of each scenario provide a foundation for interpreting the evidence that is presented in the next chapters.

The second chapter is a case study on China's relationship with the World Trade Organization (WTO). The World Trade Organization deals with the global rules of trade between nations and is a core institution of the global liberal order. This chapter looks at alternative interpretations of China's membership in the WTO. The evidence presented by each school of thought identifies developments for assessing China's future impact on the international economic system.

The third chapter is a case study on China's behavior in the South China Sea (SCS). The South China Sea is a smaller body of water within the Pacific Ocean, where territorial disputes between China and several other nations have the potential to disrupt peace and stability within the region. The case study in Chapter Three follows the same methodological approach of the second chapter by utilizing alternative interpretations on China's activity in the South China Sea. The evidence presented by the two schools of thought provides a framework for assessing China's future impact on status quo peace and stability of the international political system.

The first three chapters lay out the crucial arguments for thinking about the future trajectory of Chinese foreign policy. The fourth chapter draws conclusions on the research presented in the prior chapters. In this chapter, I offer an overall analysis of the evidence

presented in the second and third chapters. In closing, I present my own conclusion on the rise of China and the future of the international political system.

Chapter 1: Review of the Literature

This chapter outlines the architecture of the international political system and introduces the debate on the rise of China. There is no consensus in the literature over how China's rise as a great power will affect the status quo of the global liberal order, the international political system created by the United States. Disagreement over the nature of China's behavior contributes to why authors foresee China's rise manifesting itself in different ways. The review of the literature in this chapter offers a brief summary of the global liberal order and the two dominant schools of thought on China's behavior in the post-2008 era before outlining three scenarios related to China's future impact on global politics (China as a spoiler, supporter, or shirker).

There are two dominant schools of thought on China's behavior in the post-2008 era. The first school of thought believes China favors a strategy of noncompliance in regards to established international norms. The second school of thought believes China still favors an approach of working within the multilateral structure of the international political system. The two dominant schools of thought offer evidence for evaluating three future scenarios concerning China's behavior.

Next, the chapter describes the spoiler, supporter, and shirker scenarios. These scenarios illustrate possible future roles for China in the international political system. After outlining the relevant literature, the thesis conducts a case study of China's behavior in the World Trade Organization in Chapter 2, and a second case study of its actions in the South China Sea in Chapter 3. Framing each case study through alternative interpretations of China's actions

highlights the important points for considering scenarios of China's future impact on the international political system.

The Two Schools of Thought on China's Behavior in the Global Liberal Order

The global liberal order is characterized by American global hegemony and an emphasis on Western rules, norms, and institutions. After the conclusion of World War II, using its “newfound power and authority” the United States built a range of regional and global institutions as a way of shaping the international system to its preferences. The collapse of the Soviet Union in 1991 enhanced the United States’ pre-eminent position in the world, as the main challenger to U.S. dominance was defeated and the legitimacy of American-constructed institutions solidified.⁷ As the world’s largest economy and strongest military power, the United States used its global power to shape the international political system to American values and interests.⁸ As a result, the international political system reflects a Western oriented global order. Its rules and institutions are rooted in the concepts of democracy and capitalism. When evaluating the character of the global liberal order, John Ikenberry, an influential scholar within the debate, concludes that the system is integrative and expansive, and provides a strategic framework for state security and cooperation under the umbrella of American political, economic, and military influence.⁹ While the United States has faced a significant amount of challenges in the 21st century, from a massive budget deficit and the impact of the Western Financial Crisis in 2008-2009 to the economic costs of sustaining wars in the Middle East, it

⁷ Martin Jacques, *When China Rules the World: The End of the Western World and the Birth of a New Global Order* (New York: Penguin, 2009), 1.

⁸ *Ibid.*, 498-99.

⁹ G. John Ikenberry, “The Rise of China: Power, Institutions, and the Western Order,” From Ross, Robert S. and Zhu Feng, eds., *China's Ascent: Power, Security, and the Future of International Politics*, (New York: Cornell University Press, 2008):114.

remains the world's most preponderant power and the model for global governance it constructed is uncontested. The question is how China will affect the global system created and led by the United States.

The two dominant schools of thought on China's strategy in the post-2008 era are important to forming conclusions on its future behavior in the global liberal order. The two dominant schools of thought within the scholarly literature are informed by core assumptions about China's strategy in the post-2008 era. On the one hand, author Michael Yahuda and many writers for Western media sources perceive a new assertiveness in China's foreign policy that signals a departure from abiding by the status quo and norms championed by the U.S. order.¹⁰ On the other hand, Ning Liao claims "today's China is not only a participant but also a proactive actor shaping the regional security multilateralism".¹¹ The evidence that can be cited in favor of these assertions provides a framework for anticipating China's role in the future. The first school of thought believes that China has adopted a more "aggressive" policy, citing China's actions in the post-2008 period that suggest the Chinese government has abandoned Deng Xiaoping's longtime axiom not to treat the United States as an adversary and to shelve sovereignty disputes in favor of joint development. This view promotes the belief that China is seeking to challenge the U.S. and the global liberal order. The second school of thought believes China has not dramatically changed or abandoned Deng's strategic approach. China still follows a strategy of

¹⁰ Michael Yahuda, "China's New Assertiveness in the South China Sea," *Journal of Contemporary China* 22, No. 81 (2013): 446.

¹¹ Ning Liao, "China's Regional Diplomacy toward Southeast Asia: Calculations and Constraints of Beijing's Engagement in Security Multilateralism," *American Journal of Chinese Studies* 19, no. 101 (2012):105.

peaceful development, working within the framework of multilateralism to avoid disrupting peace and stability in the international political system.¹²

The perspective of the author influences how they look at the evidence and the theories they offer on China's behavior. Michael Swaine notes that commentators interpret the relative assertiveness of China's activism in different ways. When taken together, characterizations of China's foreign policy approach appear "somewhat vague and ambiguous, potentially encompassing everything from attempts to play a more active role in a wide variety of international regimes, to deliberate efforts to alter basic international norms and challenge the fundamental national interests or policies of the United States".¹³ The debate over what strategy informs China's policy influences the formation of divergent scenarios concerning the country's future intentions.

China's Future Role as a Spoiler, Supporter, or Shirker

Both Western and Chinese scholars have made a wide variety of assertions on how the rise of China will manifest itself in the post-Cold War system. The debate circulates around whether China will conform to the order created by the United States or if it will use its increasing power capabilities to shape international order much like the United States did at the end of World War II.¹⁴ In their article, "After Unipolarity: China's Visions of International Order in an Era of U.S. Decline", Randall Schweller and Xiaoyu Pu identify three dominant scenarios on how the rise of China may take shape. In its future relationship with the

¹² Sarah Raine, "Beijing's South China Sea Debate," *Survival: Global Politics and Strategy* 53, no.5 (2011), 77; Yahuda, 446.

¹³ Michael D. Swaine, "China's Assertive Behavior, Part One: On Core Interests". *China Leadership Monitor*, no. 34 (2010):1-2

¹⁴ Ikenberry, 90.

international political system and American hegemony, China will choose to act as a spoiler, a supporter, or a shirker in relation to the global liberal order.¹⁵ In reviewing the literature relevant to the discussion, this chapter outlines the three dominant scenarios on China's future role in the international political system. The first scenario foresees China behaving as a "spoiler", challenging or disrupting international norms upheld by the status quo actors in the global liberal order. The second scenario sees China as a "supporter" of the global liberal order. This scenario understands China as a responsible stakeholder in the international community and foresees continuity in China's strategy of integrating within established standards and practices of the global liberal order. The third scenario predicts China will behave as a "shirker". The shirker scenario predicts China's foreign policy is inward looking. In this scenario, China will not disrupt status quo stability, but it will refuse to accept obligations of the global liberal order, instead focusing on challenges the Chinese government faces in the domestic realm. These three scenarios are informed by different assumptions and provide a theoretical framework for thinking about what the evidence in Chapter 2 and Chapter 3 indicate about China's future role in the world.

The Spoiler Scenario

The dissolution of the Soviet Union has led China to assume the role of the United States' default adversary.¹⁶ China is a primary strategic consideration to the United States and the great power by which the United States measures itself militarily. Before September 11, 2001 the Bush Administration labeled China as a strategic competitor and America's prime threat.¹⁷ While

¹⁵ Randall L. Schweller and Xiaoyu Pu, "After Unipolarity: China's Visions of International Order in an Era of U.S. Decline," *International Security* 36, no. 1 (2011): 42.

¹⁶ James Dobbins, "War with China," *Survival: Global Politics and Strategy* 54, no. 4 (2012): 7.

¹⁷ *Ibid.*

China was seen as a strategic partner to America in the war on terror, the Obama Administration announced a “national security pivot to Asia” in 2012, revealing an enduring American concern for China’s rise and its future intentions.¹⁸ The pivot is in response to growing concern over the willingness of the Chinese government to act as a responsible stakeholder in the post-2008 era and American suspicion over China’s intentions in the South China Sea.

Political differences in the relationship between China and the United States contribute to a gap in political trust between the two countries. China is not a democracy, has no active civil society, and has not yet fully liberalized its economy. China “has fiercely contested the normative changes in post-Cold War international society that have seen human rights and democratisation become part of the daily round of political practice”.¹⁹ China’s continued growth within the global system without conforming to Western values such as democracy, capitalism, and human rights championed by American hegemony has led commentators in the West to speculate on the possibility of the Sino-U.S. rivalry intensifying. Aaron Friedberg contemplates that if China “grows richer and stronger without also becoming a liberal democracy, the present muted rivalry with the United States is likely to blossom into something more open and dangerous”.²⁰ If the two countries cannot manage their differences, economic or military conflict may erupt and disturb the status quo of the global liberal order. Political and economic differences aside, as an authoritarian regime, the Chinese government lacks the transparency to assure other states in the international community of the nature, scope, and intended goals of its military buildup. The double digit spending increases in the Chinese defense budget since the 1990’s to fuel its military modernization exacerbate fears that China will seek to

¹⁸ *Ibid.*

¹⁹ Xiaoming Zhang, “A Rising China and Normative Changes in International Society,” *East Asia* 28, (2011): 242.

²⁰ Aaron L. Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New York: W.W. Norton, 2011), 2.

challenge the United States and establish its own hegemony in East Asia as its power capabilities continue to expand.²¹ With its defense spending and military capabilities growing, China has also shown an interest in shaping emerging regional political-institutional contours in East Asia that seek to exclude the United States.²²

The spoiler scenario has also gained credibility due to various interpretations of Chinese actions in the South China Sea and World Trade Organization. Is China's policy aggressive, assertive, or simply more active? Each term implies different qualities and emphasizes how an author views China's behavior. Authors from both the scholarly literature and Western media sources typically describe China as being more assertive or aggressive. These terms typically contribute to the spoiler scenario. Aggressive has a confrontational connotation while assertiveness implies confidence. Activeness indicates a higher frequency of participation in the international sphere and has a more neutral or positive meaning.

The debate over the character of China's diplomacy in the international realm emphasizes the divide in the discussion over China's future intentions. In recent years, Alastair Johnston has noted a trend in Western literature and media to cite evidence of a "newly assertive China", ranging from

China's allegedly more assertive diplomacy at the Copenhagen conference on climate change in December 2009; to its angry reaction to U.S. arms sales to Taiwan in January 2010 and to the Dalai Lama's visit in February 2010; to its apparently more expansive claims over the South China Sea in March 2010; to its diplomatic defense of violent actions by the Democratic People's Republic of Korea (DPRK) in March and November 2010; and to its tough response to the Japanese arrest of a Chinese fishing captain in

²¹ Robert Ross, "China's Naval Nationalism: Sources, Prospects, and the U.S. Response," *International Security* 34, no. 2 (2009): 45.

²² Ikenberry, 89.

September 2010.²³

These instances provide grounds for observers to establish theories of competition between the United States and China in the global system that could “spoil” the norms of American hegemony. James Dobbins declares that a climate of mutual distrust and suspicion clouds the US–China relationship. This produces a potent security dilemma in the international political system.²⁴ Amitai Etzioni similarly perceives that increasing tensions between the United States and China have the potential to lead to a collision between the two powers, citing studies of “a cycle of distrust” with “deep roots in Sino-American history” that has been intensifying since 2008.²⁵ Could increasing friction in Sino-American foreign policy and strategic suspicion of the other’s intention bring an end to the stability of the current global system?

China as a spoiler is a “vision and strategy consistent with the traditional realist story of power transitions”.²⁶ In the spoiler scenario, China will pose a challenge to the existing order characterized by global American hegemony: economic and military capabilities will lead China to circumvent the liberal order and establish a parallel system much like the Soviet Union did in the years following World War II. Several observers have commented on the fact that while China sustains impressive economic growth, the economic preponderance of the United States wavers.²⁷ These dichotomous trends – the rise of China and decline of the United States – have led a number of scholars to theorize on the possibility of a power transition.

Aggressive behavior contributes to a theory of power transition consistent with the

23 Alastair Iain Johnston, “How New and Assertive is China’s New Assertiveness?” *International Security* 37, no. 4 (2013): 9.

24 Dobbins, 22.

25 Amitai Etzioni, “Accommodating China,” *Survival: Global Politics and Strategy* 55, no. 2 (2012): 47.

26 Schweller and Pu, 59.

27 Michael Beckley, “China’s Century? Why America’s Edge Will Endure,” *International Security* 36, No. 3 (2012): 41; Johnston, 7; Jacques, 499.

spoiler scenario. Power transition theory posits shifting relations between countries as a formula for system change and war.²⁸ The theoretical assumptions of power transition create a foundation for the spoiler scenario to present China as a challenger to global order. This scenario draws on past instances of hegemonic war to establish an argument for future conflict between the United States and China. Historically speaking, power transitions typically are accompanied by conflict, instability, and war.²⁹ For China, the risk of conflict with the United States will grow in consequence and in probability as Chinese strength increases.³⁰ The World Trade Organization and South China Sea are important focal points for identifying economic and military conflict between the United States and China.

Castel-Fodor notes that an increasing frequency in the disputes brought to the World Trade Organization has led many observers and media sources that fall under the spoiler scenario to cite evidence of a trade war materializing between China and the United States in the WTO.³¹ An increase in litigation signals that China's governance structure is incompatible with international norms of the global liberal economic order, and could lead to a deterioration of relations between China and its trading partners. These concerns are one way of understanding how China's rise could "spoil" the international economic system upheld by the architecture of the global liberal order.

Changes in the status of North Korea and Taiwan, Sino-American confrontation in cyberspace, and disputes arising from China's uneasy relationships with Japan and India create tension over China's rise. A number of flashpoints in China's relationship with the international

²⁸ Schweller and Pu, 65.

²⁹ Ikenberry, 90.

³⁰ Dobbins, 8.

³¹ Kennan J. Castel-Fodor, "Providing a Release Valve: The U.S.-China Experience with the WTO Dispute Settlement System," *Case Western Reserve Law Review* 64, no. 1 (2013): 237.

community increase alarm about future conflict, such as in the South China Sea. China has apparently been more aggressive in the South China Sea to demonstrate its jurisdiction over the area. This activity appears to be occurring in the whole area within the nine-dotted line, a map that illustrates China's sovereignty claim in the South China Sea. China's actions in the South China Sea appear to be at odds with the interests of the international community. In reference to the nine-dotted line, Denny Roy argues that China's claims in the South China Sea have no foundation in modern international law.³² Dobbins notes that the South China Sea has the potential to become a serious flashpoint in recent years as a result of China's assertion of its sovereignty over the region and its military modernization.³³ Whereas friction in the WTO is occurring in the economic realm, competing security objectives between China, its neighbors, and the United States in the South China Sea have considerable potential to erupt into military conflict.

Offensive realist John Mearsheimer believes that China and the United States are destined to be adversaries. According to Mearsheimer, the "mightiest states attempt to establish hegemony in their region of the world while making sure that no rival great power dominates another region".³⁴ As Mearsheimer sees it, "no amount of goodwill can ameliorate the intense security competition that sets in when an aspiring hegemon appears in Eurasia".³⁵ Chinese insecurities will increase as it continues its rise into a system dominated by US hegemony. If one is to evaluate Beijing's regional environment from a realist perspective, the United States' strategy in East Asia demonstrates "the key features of a cold-war strategy: a military posture stressing overwhelming superiority and effective deterrence, an ideological position that seeks to

³² Denny Roy, *Return of the Dragon: Rising China and Regional Security* (New York: Cornell, 2013): Ch. 4.

³³ Dobbins, 7-12.

³⁴ John J. Mearsheimer, "China's Unpeaceful Rise," *Current History* 105, no. 690 (2006): 160.

³⁵ *Ibid.*, 162.

delegitimise China; and a plan of building or reviving a regional diplomatic bloc or bilateral military alliances in China's neighbourhood".³⁶ For China, displacing US hegemonic power can only satisfy these insecurities, as being the only regional hegemon in the world is the "ideal situation".³⁷

Scholars who interpret China's rise through a lens of offensive realism find evidence for the spoiler scenario by asserting that the increasing aggression in Chinese foreign policy in the years following 2008's financial crisis is a conscious decision by the Chinese government to challenge American interests in East Asia.³⁸ Traditional realist perspectives of power transition that are consistent with the spoiler scenario assume that the international system is based in anarchy, that great power military capabilities breed further insecurity, and that no actors can be completely sure of other's intentions. This causes states to fear each other, as there is no omnipresent police force to ensure peaceful resolution of conflict. For China to protect its national interests, it must continue militarization to back a more assertive policy stance towards the United States.³⁹

Mearsheimer understands international relations through a lens that "war perpetuates international order". That is, in its bid for regional hegemony, China will have no other way to secure its national interests unless it displaces US global leadership, and the United States will have no other choice but to confront China if it wants to sustain its hegemony. In this scenario, power projection and a robust military to back assertions are the keys to states' security objectives. As China's power capabilities increase, it will have the resources to further resist

³⁶ Lanxin Xiang, "China and the 'Pivot'," *Survival: Global Politics and Strategy* 54, no. 5 (2012): 117.

³⁷ Mearsheimer, 161.

³⁸ Johnston, 7.

³⁹ Mearsheimer, 160.

Western norms and defend Chinese interests in the world. By acknowledging the logic of an offensive realist like John Mearsheimer, one may take into account how security issues in the Sino-American relationship may escalate and take a turn for the worst, leading to a manifestation of the spoiler scenario.

The Supporter Scenario

Authors that fall under the supporter scenario emphasize trends of conflict management and cooperation in both the World Trade Organization and South China Sea that mitigate the chances of a trade war or military conflict.⁴⁰ In the second scenario, China will become a supporter of the existing status quo, working within the existing rules of the game and contributing its fair share to global governance while assuring other participants of its commitment to Western norms.⁴¹ Amitai Etzioni notes Chinese congruence with the international community in his article, “Accommodating China”. As he writes, “China signed the Nuclear Non-Proliferation Treaty in 1992, joined the UN Security Council in unanimously condemning North Korea’s 2012 ballistic- missile test and January 2013 nuclear test, and conducted its first bilateral anti-piracy operation with the US Navy in the Horn of Africa at the end of last year”.⁴² These trends stand at odds with the spoiler scenario.

In “The Rise of China: Power, Institutions, and the Western Order”, John Ikenberry similarly notes Chinese integration within the current global system by citing various developments in the 21st century. He writes that “China is at the center of proliferating regional and bilateral trade agreements and the rapid rise of intra-Asian trade. Its capital reserves are a

⁴⁰ Castel-Fodor, 237.

⁴¹ Schweller and Pu, 58.

⁴² Etzioni, 47.

major source of American borrowing – indirectly financing Washington’s tax cuts and the Iraq War. China has a leading role in the Six Party nuclear talks on North Korea”. He also writes, “China’s commercial and energy ties are expanding around the world”. This point highlights that in order to sustain its modernization, China will have to rely on the global liberal economy for trade to secure the resources vital to domestic growth.⁴³

The supporter scenario challenges the theory of the rise and fall of great powers by informing its argument through historical developments in the international political system. Not all power transitions generate war or overturn the international order, such as when British hegemony was ceded to the United States peacefully after World War II.⁴⁴ China will continue to accommodate to the status quo of the order to maintain the benefits of trade and investment offered by the global capitalist system.⁴⁵ When state actors see an incentive to participate in global order, there is less of a chance for friction between the rising power and the hegemon and more of a chance the rising power will adopt the practices of international society to become a “normal” actor in the system.

China, for the most part, largely works within the economic constraints of the international system created by the United States and has utilized the framework of the international economic system to sustain overwhelming growth for over 30 years. In addition, China has joined the international community in a number of institutions, which seems to suggest that the rising power can be socialized into the “status quo”. The theory of socialization asserts that “by involving new powers in the current structures and making them responsible

⁴³ Ikenberry, 89.

⁴⁴ G. John Ikenberry, “The Rise of China and the Future of the West: Can the Liberal System Survive?,” *Foreign Affairs*, January 2008, <http://www.foreignaffairs.com/articles/63042/g-john-ikenberry/the-rise-of-china-and-the-future-of-the-west>.

⁴⁵ Ikenberry, 107.

stakeholders, the US can bind those new powers into the current architecture, thus securing its own influence”.⁴⁶

The socialization hypothesis resonates heavily with the supporter scenario, asserting that the foundation of the American constructed liberal order satisfies the security interests of rising powers to guarantee the durability of the status quo. As international actors rise, the incentives gained from participation are attractive enough to ensure responsible behavior and a stake in upholding the current system. The supporter scenario relies on the theory of a fundamental shift in the principles of the international system following the establishment of the liberal order. Power politics and the utility of war have been replaced by economic thinking, and globalization has led actors to become increasingly dependent on each other. While changing attitudes towards war have downplayed the importance of power policy, its increasing irrelevance as a tool for countries’ to utilize largely stems from the success of the United States in creating a global economy that has since become institutionalized in the international system. The incentives offered by the global economy have enhanced cooperation between state actors through the opening of domestic markets and have delegitimized protectionist policies like those that brought about the Great Depression in the U.S. and the collapsing market in Germany. In the global liberal order, there is a stress on economic thinking. Liberalized trade and avoiding armed conflict – in contrast to pouring money into military expenses and retaining closed markets – acts as the crux of international stability. If China is indeed a supporter, this rationale influenced Deng Xiaoping to adopt the economic reforms, which has increased Chinese dependence on the global system since 1978 and will bind China’s rise to the structure of the international political system.

⁴⁶ Sevasti-Eleni Vezirgiannidou, “U.S. and rising powers in a post-hegemonic global order,” *International Affairs* 89, no. 3 (2013): 635.

Understanding the functions of the liberal order may lead one to believe that China will continue its integration into the established international system. John Ikenberry argues that China will accommodate itself to the global system, becoming a supporter of the order established by the United States. First, he claims that “the more institutionalized and encompassing the existing order is, the more difficult it is for a newly rising state to overturn it”.⁴⁷ Bearing this in mind, the US emerged from World War II understanding the importance of restricting war to allow economic productivity as the key to securing its own interests while meeting the needs of everyone else. The United States gave guarantees to participants in the system through the formation of a variety of multilateral institutions that encompassed political, economic, and military issues. Providing concrete incentives to allies offered an alternative means of security by investing in a globalized order where actors have common interests as opposed to their own national interests. As economic rationale developed, liberalized trade acted as the staple of global security. Commenting on the structure of the global liberal order, Ikenberry writes that the array of multilateral institutions and security pacts in the global liberal order are elements of a political architecture that allows for states within the hegemonic order to do business with each other, reducing surprises while allowing states to build long-term, mutually beneficial relations.⁴⁸ Chinese foreign policy seems to suggest that it has been working within this framework. Since 1978, China has become a member of various regional and multilateral institutions like the World Trade Organization and the Association of South East Nations Plus Three (China, Japan, South Korea). China has also signed legally binding agreements that come with WTO membership, and agreed to the 2002 China-ASEAN Declaration on the Conduct of Parties. Furthermore, China has shown a pattern of participating

⁴⁷ Ikenberry, 92.

⁴⁸ *Ibid.*, 102.

in constructive diplomatic dialogues with trading partners to manage relations over economic and security matters. All of these efforts suggest continuity in China's integrationist strategy.

As Ikenberry sees it, the institutional depth and scope of the Western order will force China to accommodate the system, regardless of any grievances it may have, even current U.S. dominance. This is because China will not just be facing the hegemon if it tries to overturn the system, but also the numerous "allies" the US has who benefit from the liberal characteristics of the order. In contrast to realist views, Ikenberry states, "this larger complex of democracies is not simply an aggregation of GNP and defense spending, but more or less an institutionalized political order".⁴⁹ The supporter scenario offers an evaluation of China's ascent to power by considering the nature of the international system, a key element that frames how great powers rise in the present day.

In the aftermath of World War II, the international system has become characterized by democratic principles that act as a check on hegemony. Ikenberry argues that the global liberal "is led by the United States in important respects but in a more profound sense it is an order that has its own features and laws of motion".⁵⁰ He describes this relationship as the system's "democratic complex", which is an alliance of democracies that operate in a way that makes it hard for the lead state, the United States, to pursue a hardline policy against other great powers like China.⁵¹ While the United States is the current hegemon, it is still a democracy that is institutionally bound to other great powers and must restrain itself from asserting its hegemony in ways that contradict democratic principles. Even though the most powerful actors define the rules of international relations, the institutionalization of the liberal system has created

⁴⁹ *Ibid.*, 111.

⁵⁰ *Ibid.*

⁵¹ *Ibid.*, 110.

boundaries in relation to what the international community deems acceptable behavior. China is not a democracy, but it has accepted Western capitalist principles of exchange, and as a result has institutional ties to both the United States and other democracies that it does business with. The process of Chinese integration is reflected in the two-way economic relationship fostered between the state and international community since becoming a part of the global economy. As a member of the global liberal order, China will be inclined to further bind itself to the status quo in order to sustain its benefits.

The supporter scenario notes that “the more institutionalized and encompassing the existing order is, the more difficult it is for a newly rising state to overturn it”.⁵² Given the increasingly intertwined bond between China and international society, the supporter scenario believes that China would be hard-pressed to establish an alternative order or resist conforming to the global liberal order under the United States. A world characterized by the supporter vision accepts the legitimacy of American ideological staples, such as democracy, human rights, and capitalism in international society. The mainstream, Western attitude maintained by the supporter scenario is that China will inevitably become a Western-style country. When it comes to the prospect of democratization during China’s rise in the supporter vision, it is important to consider the democratic complex of the system outlined by Ikenberry. The continuation of the American global liberal order accepts “the notion that democracy is not only a universally valid norm but also one that could be helpful in overcoming many political problems”.⁵³ The plausibility of the supporter scenario manifesting itself is suggested by Chinese scholar Xiaoming Zhang, who concludes that “China has to continue to change itself in order to influence the world in its own way” and “it is not wise for China to challenge those values, such

⁵² *Ibid.*, 92.

⁵³ Schweller and Pu, 64.

as democracy and human rights, otherwise China is sure to be isolated in the Western dominated international society”.⁵⁴

Evidence that Western values have percolated into Chinese society and will influence the future transformation of the country can be found in Chinese scholarship. Scholars Yu Keping and Yan Jian argue that “democracy is a good thing”, and Yu Xintian asserts her belief that human rights is a “universal value”.⁵⁵ For the more Western liberal-minded defenders of the supporter scenario, the question is not whether China will become a democracy, but rather how that transition will happen.⁵⁶ China may challenge the United States’ hegemony, but this will be a peaceful and diplomatic process that engages the “democratic complex of the system” where China has already accepted globalized Western norms of democracy and economic liberalization.

The Shirker Scenario

The third scenario can be labeled the shirker scenario and identifies how China is unwilling to participate in all aspects of the global liberal order. As the supporter scenario suggests, the rise of China has led to the expectation that the Chinese will take on a more proactive role in the world.⁵⁷ However, a substantial amount of analytical literature on China’s approach to global governance cites a strong disposition towards the principles of noninterference and self-governance.⁵⁸ Fundamental political and cultural divisions between China and the international community cause the country to resist all out acceptance of dominant, Western oriented international norms. Deborah Larson and Alexei Shevchenko point

⁵⁴ Zhang, 244.

⁵⁵ *Ibid.*, 246.

⁵⁶ Schweller and Pu, 64.

⁵⁷ Chih-Yu Shih and Chiung-Chiu Huang, “Preaching Self-Responsibility: the Chinese style of global governance,” *Journal of Contemporary China* 22, no. 80 (2012): 352.

⁵⁸ *Ibid.*

out that “Beijing adheres to traditional norms of sovereignty and nonintervention in other states’ internal affairs”.⁵⁹ Following the Tiananmen Incident of 1989, Xiaoming Zhang notes that governments and civil societies in the West have been pressuring China to liberalize its domestic system in relation to the Western criteria, calling China’s sovereignty into question.⁶⁰ Despite facing greater external pressures, China shows a reluctance to act as a “responsible stakeholder” in the global liberal order by resisting prevailing Western norms. The Chinese government “does not subscribe to the prevailing Western norms of individualism, human rights, transparency, democracy promotion, or humanitarian intervention”.⁶¹ In addition, policymakers in China continuously reiterate that foreign policy serves domestic goals of reform and development.⁶² These overlapping observations about China’s strategic approach to the global system create a persuasive platform for the scenario that sees China resisting proclaimed international norms in the Western-centric global order.

China’s priority for domestic concerns allows for some interesting parallels to be drawn on the consistency of Chinese shirking behavior and its foreign policy. There are several citations within the literature that highlight China’s unwillingness to cooperate as a responsible stakeholder. For example, Foot and Walker observe that China has adopted a minimalist approach to climate protection, highlighted by the defensive response of the Chinese to emission restrictions at the Copenhagen Climate Conference in 2009.⁶³ China articulated its stance as a developing country, which prioritizes rapid economic growth over binding international

⁵⁹ Deborah Welch Larson and Alexei Shevchenko, “Status Seekers: Chinese and Russian Responses to U.S. Primacy,” *International Security* 34, no. 4 (2010): 84.

⁶⁰ Zhang, 242.

⁶¹ Larson and Shevchenko, 84.

⁶² Evan S. Medeiros, “Is Beijing Ready for Global Leadership?,” *Current History* 108, no. 719 (2009): 250.

⁶³ Rosemary Foot and Andrew Walter, “Global norms and major state behaviour: The cases of China and the United States,” *European Journal of International Relations* 19, no. 329 (2012): 339.

agreements that it sees as an encroachment upon state sovereignty.⁶⁴ Adopting a similar policy approach to its stance on arms control negotiations, China stated it would participate in the fight against international climate change “only *after* the major powers responsible for originally creating these problems have made binding and costly commitments”.⁶⁵ The Chinese approach to issues of international concern acts as evidence that suggests China’s preoccupation with problems within its region and borders will cause it to neglect participating in solving challenges with global dimensions. Maintaining stability and legitimacy in the domestic realm are crucial concerns of the Chinese government, and addressing security challenges related to these matter will always be prioritized over accepting international standards that China does not see as critical to its national interest. Freeriding on the progress of the global liberal order without making the seemingly necessary contributions to maintain its survival will heavily impact the orientation of the global system.

Rising powers are not eager to assume the responsibilities of managing the global system.⁶⁶ By depicting China as a self-concerned actor preoccupied with modernization and domestic issues that will see its interests best met by resisting the burdens of leadership while continuing its participation in the global system, the shirker scenario refutes the logic of power transition theory, which predicts that China will be a spoiler to the current foundation for order. At the same time, the vision of an order presents a second path to China’s peaceful rise, different from the rationale that underpins the socialization hypothesis of the supporter scenario, which sees China adopting Westerns norms and becoming a responsible stakeholder. The shirker scenario sees China as an inward looking state that prioritizes the mounting domestic challenges

⁶⁴ Jacques, 211.

⁶⁵ Medeiros, 252-253.

⁶⁶ Schweller and Pu, 265.

it will face in the future, unconcerned with the maintenance of the global commons as according to the American criterion. The shirker scenario raises the importance of Chinese sovereignty and the question of how the country applies the principle of noninterference to global order.

The spoiler and supporter scenarios cite important findings that shape the contours of the China debate, but are “half blind in ignoring the contingent nature of China’s future intentions”.⁶⁷ The global system brought about by the shirker scenario is legitimized by a theory that counters core assumptions of the spoiler and supporter scenarios. It “is one more consistent with a power diffusion process of system change than with one based on the transition of power”.⁶⁸ Whereas the challenger scenario interprets coming poles in power capabilities between China and the United States as recipes for war and system reconfiguration, the third scenario where China acts as a shirker acknowledges that the core characteristics of global liberal order can endure without retaining an emphasis on upholding international norms associated with American hegemony. A diffusion of power that results in a transformation of the Western oriented international political system to a negotiated liberal order is likely in a world of rising non-Western actors and changing power relations. This vision challenges both realist fascinations with tales of power transition emphasized by the spoiler scenario as well as the overly optimistic predictions of China as a “gung-ho” promoter of American order based on the supremacy of Western values and Chinese indebtedness to the economic structure of the global liberal order seen in the supporter scenario. The shirker scenario argues that a rising great power like China will act rationally rather than trying to overturn the structure or accept too many obligations under the American model that could divert attention from domestic interests or drain

⁶⁷ Jeffrey W. Legro, “What China Will Want: The Future Intentions of a Rising Power,” *Perspectives on Politics* 5, no. 3 (2007): 518.

⁶⁸ Schweller and Pu, 64.

China's crucial national resources.⁶⁹ China will seek to maximize its gains in the system that its rise is embedded in, where, as Schweller writes, "security is plentiful, territory is devalued, and a robust liberal consensus exists".⁷⁰

As Sevasti-Eleni Vezirgiannidou suggests, rising powers are different from typical stakeholders in the American-led order. She writes, "they do not share Western values as traditional US allies have done" and "their political and economic systems are not similar to that of the US".⁷¹ China has maintained a successful path to development without fully subscribing to the promulgated principles of the Washington Consensus. China sees "virtue in a strong state, a disciplined society, stable economic growth, and national security over 'imported' notions of human rights, democracy, and unregulated markets".⁷² The third scenario questions the legitimacy of the socialization hypothesis by acknowledging the divergent interests of great powers like China that are less concerned with supporting a system built around American standards. While the supporter scenario predicts that China will adopt proper Western economic liberalization and democratic governance along with allocating its resources towards the well being of the 'global commons', the vision of a negotiated order argues that China can maintain its integration into the global liberal order without complying with Western demands.

China will exhibit freeriding behavior, reaping the benefits of the global economy while resisting conforming to international standards enunciated by organizations like the WTO that China see as less crucial than its domestic interests.⁷³ The coming of what Schweller and Pu coin

⁶⁹ Medeiros, 252.

⁷⁰ Schweller and Pu, 66.

⁷¹ Vezirgiannidou, 638.

⁷² Gregory Chin and Ramesh Thakur, "Will China Change the Rules of Global Order?," *The Washington Quarterly* 33, no. 4 (2010): 112.

⁷³ Schweller and Pu, 64-65.

as “nonpolarity” will be influenced by the United States’ reaction to this trend. Frustrated over the costs of sustaining order without the support of rising powers like China, the United States will withdraw from obligations to manage security in the global liberal order that it does not see as crucial to its national interest. Without hegemonic enforcement, global order as constituted by the United States will come to an end, leading to a de-emphasis on cooperation between states to uphold international norms, specifically Western liberal norms that have become the rule of thumb in global society. If order does persist, it will be without a primary organizer.⁷⁴ With this in mind, Chinese refusal of the United States’ call for a “G-2” alliance – where China acts as a “co-managing partner on issues such as trade and currency reform, climate change, food safety, peace and stability in East Asia, the proliferation of weapons of mass destruction, and perhaps even the Israeli- Palestinian conflict”⁷⁵ – is a crucial indicator of how China’s approach according to the shirker scenario will lead to the deterioration of American world order and the birth of an international political environment characterized by attitudes of *laissez faire* and international strategies being coordinated at the national level.

When looking at arguments within the spoiler and supporter scenarios on their own, each scenario offers significant evidence to justify their theoretical foundations of power transition or socialization, two radically different conclusions. These two scenarios are largely formed by the aggressive and integrative schools of thought that have emerged in the post-2008 era as a response to Chinese policies. As the shirker scenario seems to suggest, the stark dichotomy posited by the spoiler scenario and supporter scenario on China’s future role in the world simplifies a complex reality. However, while the shirker scenario identifies how the sacrosanct issue of sovereignty influences China’s integration into the global liberal order, its conclusions

⁷⁴ *Ibid.*

⁷⁵ *Ibid.*, 66.

on nonpolarity are challenged by the evidence of China moving away from principles of noninterference in certain aspects of its policy and cooperating with the international community. China contributes to peacekeeping missions, accept resolutions from the WTO dispute settlement body in areas where its policy has not met international standards, and in 2014 signed an agreement with the United States on limiting global carbon emissions.⁷⁶ This suggests that China's prioritization of national interest does not explicitly call for the country to apply principles of noninterference in every case of its relations with the international system. While the shirker scenario also identifies key themes for assessing China's strategy on the global stage and how the world may move towards a negotiated liberal order, its argument is countered by developments that suggest China's activity may influence a multipolar order, rather than nonpolar order, to develop.

China's Activity in the World Trade Organization and South China Sea

The debate surrounding China's future foreign policy strategy provides this thesis with a foundation for conducting two case studies that focus on China's behavior in the World Trade Organization, Chapter 2, and in the South China Sea, Chapter 3. These two arenas are critical focal points when considering the effect that China's rise will have on global economic and security norms. Chapter 2 and Chapter 3 utilize alternative interpretations of China's behavior in the WTO and SCS to frame the debate on its overall strategy. While the first school of thought emphasizes conflict, the second school of thought emphasizes conflict management. Both schools of thought on China's policy offer relevant evidence for understanding the future trajectory of China's relationship with the international political system, but they need to be

⁷⁶ Lenore Taylor, "China and U.S. Make Carbon Pledge," *The Guardian*, November 12, 2014, <http://www.theguardian.com/environment/2014/nov/12/china-and-us-make-carbon-pledge>.

interpreted collectively. When taken together, the debate on China's strategy and the role that the country will play in the future raises three important questions. First, as it continues to rise, what approach will China take in its relationship with the international political system? Second, can the challenges to China's relationship with the United States and the international community be resolved to retain status quo stability? Third, if China can accomplish a peaceful rise, will there be a reconfiguration of prevalent norms in the global liberal order? While only time will tell how China's rise will actually manifest itself, conducting case studies on the WTO and SCS may help to bring about a better understanding of Chinese policy and inform conclusions on its role in the future.