



Riding the Tiger: China's Rise and the Liberal World Order

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Will China overthrow the existing world order or become part of it? The rise of China has already brought fundamental change to Chinese domestic society, and major change looks set to take place in the international order. The question is, what kind of change will the rise of China bring to the international stage? Might the international order change to accommodate China?

The re-emergence of China as a key political and economic actor since the liberalization of the late 1970s may well turn out to be one of the most important developments in recent world history. China's economic impact is already felt worldwide, cemented by China's new status as the world's second largest economy, after it overtook Germany in 2009 and Japan in 2010. The question now is what impact China's increasing economic and political power will have on the existing international system and established institutional order, built largely on Western principles and liberal values that are not shared by China.

The American scholar G. John Ikenberry has asked: "Will China overthrow the existing order or become part of it?" The question reflects a dominant view in the West, which sees China's rise as a challenge to American hegemony, and as the source of crisis in the liberal world order. This view assumes that crisis is always bad and that the existing liberal world order is unable to undertake change. Yet, an alternative reading of both China's rise and the crisis in the liberal world order makes possible other outcomes to the drama currently unfolding on the international stage. This reading suggests that both China and the liberal world order are more flexible and more pragmatic than is generally assumed. The questions to ask are therefore not if China will overthrow the liberal world order or become part of it, but rather how China will be able to adapt to the liberal world order and how the liberal world order will be able to change to enable the inclusion (and possibly the inevitable leadership) of China.

RECOMMENDATIONS

Major change and looming crisis necessitates new thinking and the political will to seize new opportunities. With this in mind, western policy-makers should work towards:

- 1. accepting that change in the global power structure is inevitable and will lead to both domestic and international change – fighting it is pointless, and complaining about it a waste of time**
- 2. knowing that times of change bring great opportunities for those who understand the sources of change and the emerging power; – understanding the potential for change in the liberal world order and the restrictions imposed by Chinese culture is the key to maximizing influence and affecting positive change**
- 3. understanding that moralizing and "better-knowing" policies are for the powerful – as western power decreases, value-based foreign policy must therefore be replaced with pragmatic interest-based policies.**
- 4. consolidating liberal order practices, institutions and rule of law – because what matters is "what states do" (conventions) rather than "what they say they believe" (convictions)**



MEASURING SUCCESS IN THE LIBERAL WORLD ORDER

Success in the liberal world order has traditionally been measured against an articulated commitment to liberal values among the order's principal participants and the extent to which domestic politics and international cooperation could be said to be following a liberal value agenda. In other words, the liberal world order has traditionally been associated with what might be termed "conviction" or "value" politics". It is therefore not surprising that the rise of China is viewed as a challenge to that order. However, success can also be measured against the many deeply ingrained, but largely unquestioned practices and conventions which not only sustain liberal world order, but which are largely followed by all states, regardless of how much they articulate a commitment to liberal values.

The conventions underpinning some of the key principles of the liberal world order are found in every diplomatic dispatch and ambassadorial handshake in countless diplomatic activities by actors both liberal and non-liberal. By reorienting the focus of liberal world order from verbally stated commitments to liberal values to the many unque-

stioned conventions, social institutions and customs of liberal practices, the liberal world order can be understood and evaluated in terms of "conventions" rather than "convictions". Such a move holds a much greater potential for a shared understanding of ordering in the international system between the present principal states and emerging principal states such as China.

CHANGE AS A PERMANENT CONDITION IN THE LIBERAL WORLD ORDER

The existing liberal world order builds on the principles of liberal internationalism formulated in the late 18th century by Immanuel Kant and by a large number of liberal thinkers in the 19th century such as John Stuart Mill, Richard Cobden and Norman Angell. A first attempt at establishing a liberal world order was made (but ultimately failed) after the First World War with President Woodrow Wilson's famous fourteen points, which emphasized democracy, self-determination and institutional cooperation and diplomacy. The current, and much more successful liberal world order was established under American leadership in the 1940s, and was famously declared to have been triumphant by Francis Fukuyama following the end of the Cold War. Despite the proclaimed "end of history", however, the liberal world order has increasingly been said to be in crisis, and its future is doubted by many.

It was always the intention that the liberal world order would be an integrative and expansive global system, and that the barriers to economic participation would be low. At one level therefore, the liberal world order has always been characterized as an open, rule- and institution-based international system emphasizing rules and norms of non-discrimination and market openness. However, the order has also increasingly become associated with a more specific liberal agenda, emphasizing a commitment to liberal democracy and human rights and a changing understanding of sovereignty, conceptualized in the West as "responsible sovereignty", which expects humanitarian intervention to take place in case of gross human rights violations. It is in relation to these latter elements of the liberal world order that friction between the West and China can be anticipated.

However, the liberal world order was not always based on rigid value politics. The long tradition of constructive and pragmatic relationships between liberal and decidedly non-liberal states suggests that the emphasis on values, democracy and human rights is a new one. Moreover, although the current state of crisis in the liberal world order sounds worrying, a historical investigation of it suggests that crisis followed by significant change is a permanent condition of it. Liberal world orders of the past have been based on very different idea sets and principles, incorporating principles such as a racist ideology, colonialism and rigid non-intervention, which are all now seen as incompatible with the notion. Indeed, the recurrence of crises in the liberal world

THE CRISIS IN THE LIBERAL WORLD ORDER

The liberal world order is said to be in crisis on at least four different counts:

- 1. Multilateral cooperation seems harder to achieve and sustain than liberals had anticipated, suggesting that the liberal world order is in a "crisis of functionality"**
- 2. Whilst multilateral cooperation is difficult, there is a growing need for multilateralism to meet an ever-expanding set of new challenges in an increasingly globalized world, suggesting that the liberal world order is experiencing a "crisis of scope"**
- 3. The uneven record of liberal foreign policies in delivering a more secure and just world order has challenged key liberal values and prevented the liberal world order from living up to expectations. As a result, it is experiencing a "crisis of legitimacy"**
- 4. Major shifts are taking place in the global power balance, shifting power from the United States and Europe to emerging new powers such as Brazil, Russia, India and China (BRIC). As a result, the liberal world order is experiencing a "crisis of authority".**



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order has so far not led to the latter's demise, but rather to continuous and significant renewal and transformation.

It is, of course, not suggested that the liberal order should return to its rather dark past. Its past is merely brought up here to point to its often overlooked potential for transformative change. The current danger is that the existing liberal world order will not renew itself to reflect change in the international system, but like many "change-resistant" orders before it, "limps on" but is unable to deal with the multiple tasks and challenges in the international system. It should be remembered that crisis also contains the opportunity for undertaking positive change, in which the liberal world order transforms itself so that it is able to accommodate the ongoing changes in the international system. However, such a moment of opportunity requires a clear understanding of the kind of transformation needed to accommodate the new challenges and a clear picture of the shifts in the distribution of power in the system. Perhaps the main challenge for the West is to understand what changes are necessary to accommodate a rising China and not to "waste this crisis".

"RIDING THE TIGER" CHALLENGES, DILEMMAS AND PRIORITIES IN CHINA'S TRANSFORMATION

The post-Mao open-door policy initiated in the late 1970s, which emphasized economics and trade over politics and ideology, meant that the Chinese leadership effectively "hitched a ride on a tiger". Since then China has been "riding the tiger", becoming a key global political and economic actor and fundamentally changing relations with the liberal world order. However, how to dismantle the

CHINA'S MULTIPLE TRANSFORMATIONS AND DESIRE FOR STABILITY

Radical change is alien to a Chinese culture that has a deep yearning for the harmonious society and a philosophy that values balance (yin and yang), stability and harmony. Yet despite a culturally determined yearning for harmony, China has transformed itself in less than a century from an imperial monarchy to a short-lived republic and from weak authoritarianism based on warlordism to a centralized revolutionary socialist state. Economically, China has been through state-led (at times forced) industrialization based on a planned economy and socialist egalitarianism to reliance on market mechanisms, leading to repeated shifts from crisis and failure to rapid growth and modernization. From a cultural and ideological perspective, the Chinese value system has been through transformations from feudalism to socialism, from collectivism to individualism, and from radical egalitarianism to gaping inequalities. Yet throughout the fundamental changes, the deep-felt desire has been to restore the "heavenly order and stability" and to regain the status of what is regarded as the "loss of historical and civilizational supremacy" and the return to the Middle Kingdom.



tiger safely is by no means clear. As a result, the country is now driven by market forces and has no other choice than to accept and follow the basic logic of the market – a logic that is shaped by western norms and values and that is leading to social relations that are alien to Chinese traditions. Many of China's concerns about the liberal world order are generated and driven by the contradictions between internal market forces and deep-rooted Chinese nationalism and cultural norms. China is therefore now faced with two conflicting priorities; benefiting from the capitalist world market while preserving its political and national identity.

There is no doubt that China has great-power interests that cannot always be reconciled with the interests of other principal states in the liberal order. However, on some issues where the West sees Chinese intransigence, the actual state of affairs may be a China that is itself severely restricted in its actions because of domestic considerations and a perceived need to sinicize China's internal political and economic structures. The current mixture of "neoliberalism" and "nationalism" has caused ambiguity in China's ideological consistency and policy planning, especially with regard to inequality, property rights and environmental concerns, all of which conflict with a priority for order, harmony and party rule. As a result, the "ride on the tiger" has created unintended consequences, ambiguities and dilemmas that China's leaders are constantly struggling to reconcile in its dual interaction with its domestic society and the liberal world order.

China wants the US-led liberal world order to acknowledge its "Chinese characteristics" because the leadership needs to pacify domestic dissatisfaction and build new bases of legitimization by exploiting the theme of "national uniqueness". At the same time, the Chinese leadership is not very clear about what to expect from the country's more complete integration into the liberal world order. During the Mao period the goal was to mobilize people to build China as a self-reliant *independent* country, but today it seems more likely to be to turn China into a "normal" great power with an *interdependent* relationship with the liberal world order.

TOWARDS A SHARED PRAGMATIST FUTURE?

The current picture is a murky one, with both China and the principal states of the liberal world order apparently unsure how to proceed. Resistance, suspicion and antagonism toward each other certainly exist, where both increasingly acknowledge being in a relationship of mutual dependence. The challenge for both is how to undertake controlled change that can facilitate a mutually constructive relationship.

The rhetoric following the end of the Cold War, which was claimed by some to be the "end of history", did not exactly lay the best foundations for China's entry into the liberal world order. Yet if the "end of history" was a result of the struggle of ideas in the 20th century, both sides have had their fair share of "history" in the violent disruptions of that century. As a result, the principal states of the liberal world order and China share a mutual constraint in their abhorrence (acknowledged openly in the West but only tacitly in China) of their own histories and deeds in the 20th century. Neither have any wish for a "return to history".

The time has therefore come for a changed approach, where the focus must be on conventions rather than convictions and on shared interests and concerns. In fact it is already possible to detect new "noises" from Western policy-makers emphasizing a turn to "idealist realism" and "strategic interests". Both China and the existing principal states of the liberal world order share an interest in a stable world order, and China certainly has an interest in a more harmonious society. For the time being it is important to recognize that China's inner transformation has contributed to reshaping the global order and that now the liberal world order has to adjust itself to the opportunities and constraints brought about by China's rise, but also to understand that once China started its "ride on the tiger", it was doomed either to "hold on and stay the course – or to fall off"! The latter is *not* in the interest of the West.

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FURTHER READING

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