

Geopolitics of the Rise of China and the emerging new World Order

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Abstract

In the past more than three decades, People's Republic of China has transformed itself from a closed-off Asian nation stuck in poverty to an emerging superpower that rivals the United States. In that three decade old, economic maneuverability, surprisingly China has been able to transform itself into the factory of the world. This successful economic planning and its execution has helped China to establish itself into a successful trading nation having surplus trade with 124 nations (including USA) thus, making it the most important significant geo-economic nation having deeper influence on Asia-Pacific region in particular and around the globe in general. In the past, no big country (other than China) has been able to bring such big transformation within such short period of time with such global ramifications. This has given China much sought economic, diplomatic and military thrust to change the status quo in Asia Pacific region. Illuminating the rise of China and its worldwide repercussions are the actual major stimulus behind publishing this study.

Keywords: Geopolitics, Geo-economics, Rise of China, Asia-Pacific, East Asia, USA, South China Sea, East China Sea

Introduction

China's more than three decade old economic reforms have led China to emerge as a second major geo-economic power in the world next to the United States of America, with the capability to bring significant changes at the regional or even may be at global level. Contradictory to the Cold War period, when it wrongly implemented the 'concept of containment' developed by George Kennan to keep the Soviet Union in check, at the present era of globalization, US and China are more strongly attached to each other. And at the same time China is also well attached with the US allies in Asia Pacific and European region. Thus, China has potential to rebound rather than to surrender to the US pressure. Thus in this milieu US is unlikely to alter the balance of power and contain China without hurting itself. At the same time the similar logic applies to the China too (Muzalevsky 2015: 42).

Here, based on the ideological and geo-economic differences, the 'rising China' stands as a major obstacle for USA's century old maintained global economic hegemony especially in Asia Pacific region. While in other words, it can be said that US has never faced such powerful economic power in its history since the Second World War. In the past, US successfully overwhelmed USSR during Cold War period because the latter was not economically strong, while today US is facing new (different from USSR) and more powerful opponent in the form of 'rising China' (which has geo-economic advantage) than it ever had in the past seven decade.

China's accelerated regional economic strength has changed the trading patterns in the Asia Pacific region. Over the last one or two decades a new geo-economic landscape of economic relationship has begun to take shape in Asian and Asia Pacific region. China has become a Factory of the World, since it opened up in the late 1970's. China's military

growth and maneuver, as well as diplomatic regional investment and vast global economic expansion reflect this well (Committee on Foreign Affairs 2015: 1).

It is clear now that current China is sitting at huge wealth and thus by virtue of that it has started taking advantage of it at various levels -diplomatic, economic and military. Based on this it can be said that it is difficult to exclude China, when international affairs are discussed. Indeed, questions about China are on the top of everyone's minds. How does China's response in the South China Sea and East China Sea affect prospects for peace or conflict? Does China's activity reflect its growing global ambition or is it driven by domestic concerns for stability and security? What are the consequences of a China's economic slowdown on the world economy?

Geopolitics and Geo-economics of the Rise of China

According to authors like Cohen's (2003), who predicted long before in the beginning of the twentieth century itself that China's exceptional economic growth has led the East Asia to emerge as the separate geostrategic realm, which was until the end of Cold War, was part of the Eurasian geostrategic realm under the influence of Soviet Union. While the other important geostrategic realm- the trans-Atlantic realm is led by the United States, which now has become less attractive under the current changing geo-economic scenario. After Richard Nixon's visit and eventually Deng Xiaoping's economic reform, this set the goal for China's modernization and economic growth.

In the last three decades China fully capitalized on the conducive security and economic environment, and thus ultimately emerging as a most powerful geo-economic factor in the region while, the second most in the world. It should be noted that during the free- trade era, the US is currently the only country that has exceeded and substituted the preceding economic superpower. China's economic growth comes at a different time and under different circumstances, when the current economic superpower still holding the ground. It is no surprise that the United States is in a state of economic decline and China is on the rise (Zummo, 2014: 33-34).

This rise of China is one of the key factors that accelerated the geopolitical shift from the trans-Atlantic region to the Asia Pacific region. As a response, and in order to balance this shift, US administration during the tenure of Obama propounded the strategic vision of 'Pivot to Asia' in 2011. Prior to this there was the concept of 'Pacific century' among the scholars which also pointed out for the greater role of Asian Pacific region in the global affairs. The consensus behind the notion of a Pacific Century is "that the center of gravity of the global economy is shifting towards the Pacific Region, and that because of China, an increasingly integrated Pacific Region is emerging (Melillo, and Wilkins, 2007). Why the rise of China has become so important to international relations these years. The reason is hidden in economic, political and strategic factors.

Economic Consequences

In the twenty-first century, the share of global GDP of G7 advanced economic countries has slipped from 72 percent to 53 percent (Hopewell, 2012: 1). Instead, few developing world have experienced incredible economic growth. Among them China is the most outstanding example of this transformation. Structural changes in the global economy have been accompanied by major changes in the international institutions charged with its governance, which earlier was largely dominated by the Western world. The emerging of China as an economic super power has led to the

cropping up of new global institutions. Rise of China is quite different from Japan, not in line with Western model. China tries to set the international order according to its own rule. This is very much evident in the recent establishment of New Development Bank, Asian Infrastructure Investment Bank (AIIB), 'One Belt One Road' policy under land based and maritime trade silk route.

Unlike in the past China is no more ready to be taught by those who once treated it as a pariah state. But now those developed states have started looking to China for bail out (Jonquière, 2012: 49). China's accomplishment in saving out US from Global financial crisis in 2008, Kurlantzick (2013), says that is why the "Beijing Consensus"¹ has attracted so many admirers in recent years. As beautifully pointed out by him in the World Economic Forum (WEF) in Davos, usually the Swiss resort used to be filled with various scholars, celebrity, politicians. But in January 2009, the Davos crowd had to listen to a blistering lecture from a most unlikely source- the first Chinese leader (Wen Jiabao) to attend the WEF. Beyond this Jiabao openly blamed the West for this financial crisis (Kurlantzick, 2013).

In the pre-2008 global meltdown, 'Washington Consensus' was almost unthinkable. However, after the global meltdown and its adverse impact on major western economies, world started recognising China on the basis of its superb economic growth as 'Beijing Consensus'. China's geo-economic weight has been accepted by leaders of the West like the one by the Prime Minister Gordon Brown in G-20 meeting soon after the GFC in April 2009 where he declared that "the Washington Consensus was dead"² (Mckay, 2013). Thus, we can see that China has been more firm in dealing with the rest of the world, in both bilateral and multilateral forums, from climate change dialogues to the global and regional multilateral forums (Jonquière, 2012).

From economic point of view it is seen that how China is spending unrestrainedly in several global projects like OBOR, thus building maritime and silk road which would help China to connect its mainland to far European heartland via south Asian and Central Asian mainland and maritime zone. Thus, such projects would help China to spread and further consolidate and build robust economic network to further its economic interest across the globe. China has the second largest national economy and is the second largest exporter. It has by far the world's largest current account surplus and foreign exchange reserves. This makes China far more profoundly integrated into the global economy than any other major big economy powers (Bergsten, 2008: 10).

Leaving US behind China has become the top trading partner of every other country in Asia. Despite of trust deficit factor, this has helped China to gain support of around 64 Asian countries have joined China's One Belt One Road (OBOR) infrastructure initiative, which was proclaimed in 2013 as a "New Silk Road" which, if succeeds, will significantly enlarge China's economic and diplomatic influence across the Asia and European region (Nathan: 2017).

In addition, China is spending massively in building infrastructure developments in and around the region. For instance, projects like CPEC (China-Pakistan economic corridor), connecting its western part with the warm water (Gwader

¹ Soon after the global meltdown in 2008, Scholars and thinkers across the globe started questioning the Western economic policies led by United States. And at the same time they started wondering if Beijing's economic rise especially its economic boom in a very short period of time has replaced the 'Washington Consensus'.

² This was in line with much commentary at the time, suggesting that the entire neoliberal economic system of which the Washington Consensus was symbolic- had been shown to be worthless or collapsed.

port) of Pakistan, which in turn would also make China resilient against vulnerability of US dominated strategic bottlenecks of maritime zones like Malacca straights.

Emerging World Political Order

Another key issue is the extent to which the international political order is being influenced by Chinese economic growth. Politically, China because of its huge economic size is able to do political bargaining and thus able to alter the international relation status quo at regional and in other parts of the world. Given the prevailing economic engagement, no country wants to anger China as most of the countries are more or less directly or indirectly, economically dependent on it. Such economic influence was felt since the 1997 Asian financial crisis, when the Beijing's influence was largely seen as a major political force in the region and an engine for economic recovery and future opportunity (Yuan, 2012: 4). In this financial crisis, China's strong and robust economic structure not only saved itself from falling into the economic trap, but also helped the regional states to fight the economic crisis. China's "good neighbour" policy toward Southeast Asia, as demonstrated in the aftermath of the 1997 crisis has further consolidated the bilateral relationship.

Henceforth, this brought positive image of China among Southeast Asian countries. Thus, a new geopolitical order begun to taking shape in Asia Pacific thereby challenging the traditional order dominated by US hegemony in the Asia Pacific region. In due course of time with the advantage of huge economic wealth, especially in the past decades, China's political aggressiveness has been evidently felt by its neighboring countries across the Asia Pacific region. Even the heat of China's rise is being seen in the Western countries. For instance, there has never in the past that any among the major western countries like Germany whose head of state visited China numerous times (more than eight) in a time period of just one year in 2016-17. Apart from this there are numerous examples where we can see the Chinese political pressure and its clear influence in international relation affairs.

For instance, China's recent launch of RCEP (Regional Comprehensive Economic Partnership), which is seen as the counterweight against US's TPP (Trans Pacific Partnership). Though the idea of TPP has been withheld under the current the Trump government, but the RCEP along with OBOR is supposed to be the new economic hegemony of the rising China, which in turn put the trade pattern further in China's favor. It shows the intention of the rising China to undermine the hegemony of the US led World economic and political system.

Given the current ongoing political and economic changes largely linked to the Chinese policy, it's difficult to imagine the new emerging world Order, what shape the world political structure would take if we consider the world largely influenced by China. As Martin Jacques, puts it in his book 'A New world order: The Rise of China and the decline of West' that as China becomes the bearer and driver of the new world it will not follow the concept and norms of western policy. He supports his view based on the logic that China has been the product of history and culture which has little or nothing in common as compared to west (Cho, 2009).

Strategic implication of Rising China

China's economic growth has also helped it to significantly enhance its defense budget. As recently Roggeveen (2018) citing the International Institute for Strategic Studies report of 2018 edition of 'The Military Balance', highlighted the China's naval development:

“Since the dawn of twentieth Century, China has built more subs, destroyers, frigates and corvettes than Japan, South Korea, and India combined, Total tonnage of new warships and auxiliaries launched by China in last 4 years exceeds entire French navy”

Though the above cited China’s current capability is not even a close match to that of US navy, but it can be considered as a serious threat to the regional security balance. China's military build-up - and projection of naval power in the region- has definitely caused a concern among various other stakeholders in the region, where it has taken an increasingly assertive stance in territorial disputes. As Europe was the geopolitical hotspot of the 19th century, so could be the Asian Pacific region for 21st century, as it involves many major and minor players with conflicting interests over maritime territorial issues.

Further, there are few major geopolitical strategic hotspots in Asia Pacific which has the potential to create political instability in the region which in turn may have global impact. For instance, among many, some of the important spatial conflicted zones in Asia-Pacific region are the South China Sea (SCS) and East China Sea. China considers SCS in the Eastern Hemisphere as its strategic point, just like as was the Caribbean Sea in the Western Hemisphere for US in the 19th century.

Geographically, South China Sea is a marginal Sea, encompassing an area from the Singapore and Malacca Straits to the Strait of Taiwan of around 3,500,000 square kilometres. It’s about the size of Greater Caribbean. Robert Kaplan in his book ‘Asia's Cauldron: The South China Sea and the End of a Stable Pacific’, calls “the SCS as the Asian Mediterranean in terms of its centrality to Asia and the SCS is the anti-chamber to Indian Ocean”.

Its importance lays in Sea lanes of communication (SLOC), its strategic aspect and related claims by number of nearby sovereign countries, hidden mineral resources, rich fishing resources etc. SCS in Asia Pacific owes its significance due to its geostrategic location which affects countries both- directly and indirectly. It is surrounded by Southeast Asian (SEA) countries, Strait of Malacca in south West, Southern China and Taiwan (because of its strategic location in SCS and its strong security alliance with US) in north it is considered by Robert Kaplan (2014) as like a ‘cork’ in the bottle for South China Sea.

Figure: Geographic location of South China Sea



Source: <http://www.southchinasea.org/maps/environmental-and-oceanographic-maps/>.

Many argue that unlike Second World War, the 21st Century modern war would not be fought on the land but on the seas. The twenty-first century East Sea (also known as Sea of Japan) and South China Sea is about post modernism in a sense of warship, nuclear submarine ballistic missile, fifth generation fighter craft, cyber warfare etc. SCS is maritime climate and central Europe was land climate where army came into contact was involved face to face but SCS conflict

will show complicated war but not necessary military. They are not fighting for territory but for geographic feature of bare rocks in any cases with no human population (Kaplan, 2014).

The conflict over SCS which involves China, as the major and other serious countries like Vietnam, Philippine and Malaysia and other major powers like USA. China's current force structure provides effective defense against any effort to invade and seize Chinese territory. Since China considers the South China Sea as 'China lake' overriding other countries sovereign claim over the Sea. This endangers Vietnam's national and economic security. Further China's strategic assertiveness over the high seas of SCS like as it did through the sudden announcement Air Defense Identification Zone (ADIZ) over East Sea leading to criticism from Japan, US, Australia and other countries. Such Chinese assertiveness can be expected in future over SCS too.

Conclusion

China's re-emergence as major player on the regional and global stage is of special significance for the twenty-first century. No doubt in the past few decades China reformed its economy, focusing on economic development as one of its major goal. Now China is the second largest economy in the world after United States. China is considered as the 'factory of the world' which has integrated the East Asian economy, eventually transforming it into economic hub of the global economy.

As a consequence the importance of East Asia in particular and Asia-Pacific has assumed pre-eminence in the world affairs. With the role of China as economic power house, and as a major geo-economic factor of the twenty-first century scholars has started confirming about the long talked 'geopolitical shift' from Trans-Atlantic to Asia-Pacific. The rise of China seems to have once again initiated the logic of geo-economic vs geopolitics at least in Asia Pacific region.

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