

## THE US AND CHINA IN THE NEW GLOBAL ORDER

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# 607

JANUARY  
2020

*A geoeconomic power shift has occurred. The emerging global landscape represents the end of an era dominated by the US. Five hundred years of “Western” dominance is ending. Xi Jinping is now the strongest defender of free trade on a global scale and of action to combat climate change, and his “China Model” envisages his country’s return to the pre-eminent position it held in the world before succumbing to Western aggression in the 19th century.*

The Berlin Wall fell thirty years ago. The USSR disappeared two years later. In “*The End of History*” published in 1992, Francis Fukuyama (in)famously celebrated the close of an ideology-driven bipolar world order –the inevitable and conclusive Hegelian victory of liberal democracy and free market economics over autocracies and planned economies in a world organised by Westphalian nation-states. History soon returned and Fukuyama recanted –he now warns of the fragility of liberal democracy. China was still a slowly awakening giant, stunned by its own events of 1989.

As **Joseph Stiglitz** affirms today, the simultaneous waning of confidence in neoliberalism and in democracy “is no coincidence or mere correlation” since the triumphant neoliberalist policies that claimed the fall of the Wall as a victory have been undermining democracy for 40 years. They have spawned populist and neo-nationalist movements that react against the damage caused by unfettered global markets which concentrate wealth in the hands of the few at the cost of the many. A geoeconomic power shift has occurred and a concomitant geopolitical power shift is occurring, but the paradigms that dominate Euroamerican political theory have not shifted. The *West* runs the risk of falling prey to a Maginot Line Syndrome, preparing obsolete defences of political systems and paradigms based on Westphalian nation-states for a supranational post-Bretton Woods world order that has moved the *Rest* into uncharted territory. The G7 has ceded relevance to the G20. The dynamic economic growth of the BRICS and MINT countries and Africa’s new rising centrality are supplanting the economic hegemony of the former metropolises. South-South cooperation offsets asymmetrical North-South relations. Five hundred years of “Western” dominance is ending. The largest part of the world’s population and trade are now centred in Asia.

In order to shift the paradigms that currently dominate geostrategic thinking in this context, emerging alternative paradigms must compete with established theoretical models developed by and for the West. Paradigms can generate path dependent models. Therefore, if the paradigm employed is flawed, a strategy based on that paradigm will be flawed as well. A paradigm that defines another country as a rival will model a zero-sum competition and prepare a strategy for conflict –and perhaps provoke it. A paradigm that defines another country as a partner will model a win-win cooperation and prepare a strategy for harmonious relations –and perhaps ensure them. The emerging shift in geopolitical power that corresponds to this change in geoeconomic and demographic power calls for adequate paradigms, but these new paradigms are still emergent as well. The latest *Global Trends Report* of the US National Intelligence Council describes the shifting nature of the world order as an ever-widening range of states, organizations, and empowered individuals that will shape geopolitics. It concludes that the emerging global landscape represents the end of an era dominated by the US, and that any US attempt to impose order would fail. The report acknowledges the obsolescence of Cold War and Westphalian paradigms and tries to imagine new models for a changing world order.

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Failed attempts to deal with non-state terrorism in the Middle East and North Africa on the basis of conventional security-based foreign policy are further symptoms of the obsolescence of conventional paradigms. So too are the tendencies towards economic regionalisation and political regionalism that emerge as a response to the inability of the individual nation-state to control the dynamics of a supranational market economy. The proliferation of Bretton Woods-style international organisations that legislate on a supranational basis is one more symptom of the obsolescence of the Westphalian world order. Strategy based on Cold War nostalgia that posits China as the inevitable rival in an inevitable conflict could become a self-fulfilling prophecy. So too could a post-Cold War pragmatism that sees China as a partner in a new world order inclusive of the *Rest*. The same is true for Chinese strategists as they plot their course through a globalised capitalist market economy in which the *Rest* have begun an accumulation of capital at the cost of –or thanks to– the decline of the western world.

Donald Trump’s “America First” policy and neo-isolationism have eliminated the moral authority of the US in world affairs. His courtship of autocratic rulers subverts traditional liberal democratic allies. His trade wars reverse the trend toward a world-wide free market. His boycott of any attempt to deal with the climate crisis puts the US at odds with the rest of the world in combatting the greatest existential threat the world

order now faces –a process already under way that is worse than the potentially mutual assured destruction by nuclear warfare that the Cold War threatened. US obsession with the Middle East facilitated China’s rise as a regional power in Asia and as a major source of investment and foreign aid to Africa and Latin America, displacing the US and the EU. More in tune with the wider world, Xi Jinping is now the strongest defender of free trade on a global scale and of action to combat climate change.

Xi proposes a “China Model” that would return China to the pre-eminent position it held in the world before succumbing to Western aggression in the 19th century. It would improve the people’s standard of living and allow China to take centre stage in world affairs, all under Party control of the political system. Xi offers this model as an alternative to neo-liberalism in the emerging world order. It is clearly an alternative to Stiglitz’s “of the 1%, by the 1%, for the 1%”. It also offers a political alternative to liberal democracy. China’s successful development model resists the neoliberal Washington Consensus, and both the success and the resistance lend China soft power in the eyes of the Rest. For the time being, China advocates a diverse and multipolar world as an alternative to US/NATO hegemony –a balance of power among large regional blocks that would prevent any single one of them from dominating the emerging world order.

China has its own set of paradigms that may also impede a more accurate assessment of the changing world order. Ironically, chief among these is a belief in the primacy of Leninist revolutionary political control of a post-revolutionary period of governance –the antinomy Leninism-Liberal Democracy having defined the ideology of the Cold War they wish to leave behind. Even so, a debate on governance is under way in China. One of the leading thinkers is 王绍光 *Wáng Shàoguāng*, who argues that the “China model” offers four advantages over liberal democracy’s “veto players” –political parties, lobbies, interest groups– in promoting social equity: a stable political center, a problem-solving mentality, diversity in terms of policy implementation, and responsiveness to popular needs. In an emerging world order with liberal democracy in crisis due to its failure to guarantee equality, China’s technocratic efficiency in promoting social equity, as well as China’s defense of multipolarity, may gain ground as competitive alternative paradigms –seriously challenging the premise that liberal representative democracy is necessarily the final step in the evolution of the governance of complex societies on a global scale.