2 The Rise of China and the International Order

The thesis will analyse the foreign policy behaviour of a rising power and furthermore its impact on the international order. (Western) International order is a term often at the centre of discussions regarding China’s rise, though sometimes ambiguously used. It is necessary first to explain what is meant by such the term “international order” in this particular thesis. With this in mind, the chapter is divided into two parts. The first briefly explains the concept of international order, including what it means for the international order to be stable. Based upon these understandings, explicate the literature concerning the rise of China and its impact from both the Western and the Chinese viewpoint.

2.1 International Order

International order in the narrowest sense can be understood to mean the present Western international order, which started taking shape during the Cold War and has attained greater significance in the post-Cold War era. This order is based on values and norms dating back to the 18th and 19th century, which are reflected in contemporary institutions and regimes, for example the human rights regime, non-proliferation regime, or the free trade regime. The present international order, often referred to as US centred/dominated world order, underlies global political interaction through a system of political, economic, military, and other institutions and institutional practices, which are strengthened by the forces of globalization.

On a conceptual level, the thesis analyses the role major powers play as makers and challengers of the international order and more importantly, whether rising major powers can be integrated into the existing international order without conflict. For the purposes of answering these questions in relation to China’s impact vis-à-vis the Western international order, it is necessary to identify areas where the impact of major actors’ policies, actions, and interactions (in this case China’s) on the international order can be distinctly observed. In other words, there is a need to employ a lucid theoretical framework in order to evaluate the impact of China’s foreign policy on the Western liberal international order. However, in order to design an appropriate framework, it is first essential to understand the broader concept of international order.
Both neoliberals and realists agree that in its most basic form, the international system of states is anarchic and lacks unified norms and values. International order has to be created for the system of states to manage the consequences of anarchy or to transcend them, depending on the theoretical viewpoint. In general terms, international order can be understood as “routinized arrangements through which world affairs are conducted.” This general definition is a good starting point, and raises questions as to what these “routinized arrangements” are and, more importantly for the present thesis, how they function and change.

For the purposes of this thesis, two central theoretical perspectives in international relations inform the main assessable variables, that is, it is important how they gauge the importance of these variables with relation to the stability and change of international order. The importance of the abovementioned institutions to the stability and security of the international order is naturally assessed in a different light by the competing theoretical schools of thought, resulting in diverging viewpoints concerning the future of China’s rise and its impact on the international order. The theoretical differences take root already at their contradictory understandings of anarchy. Whereas realists see international order as a way to cope with anarchy, neorealists believe that anarchy can be overcome through an international order based on cooperation, institutions and interdependence.

Modern realist schools of international relations theory are divided roughly into two, neo-realism (also called structural realism) and traditional realism (also sometimes called offensive realism) but are united in the belief that the nature of the international system has not changed significantly since the Peace of Westphalia- characterised by the dominance of sovereign states that exist in a condition of anarchy, and underlined by power politics. However, while traditional realism argues that the self interested behaviour of states stems from human nature and its tendencies toward selfish, rational, and power-hungry behaviour, neo-realism places its emphasis on the structure of the international system to explain the impact of power on state behaviour. Neorealists stress that the structure forces states to be wary of any changes in the power of other states, and point out that the goal of any state is to prevent others from

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achieving advances in their relative capabilities to them. Sovereign states are not
equal in terms of capabilities such as economic and military strength, territory, or
natural resource endowment. International order can thus take a multilateral, bilateral,
or unilateral shape, according to the power polarity, changes in which alter the
behaviour of states and this may seriously affect the stability of the international order.

Stability and order in the international system, according to both schools of realists,
can be maintained through three institutions –a bipolar balance of power, concert of
great powers, and hegemonic stability. Balance of power works when equilibrium of
power is achieved among both regional and global powers, so that the strong would
not feel tempted to attack the weak. The two strands of realism however disagree over
the ability of countries to play a role in power balancing. Neorealists assume that
balance comes about naturally through the structure, while traditional realists believe
states can have a hand in constructing a balance of power. A concert of powers, or
what Buzan has called great power management, is the second mechanism upholding
the security and stability of international order. This foresees great powers assuming a
leading role in maintaining international order, for example through the UN Security
Council. Within the concert of powers, no great power should be humiliated nor have
its vital interests challenged.7 The third mechanism, hegemonic stability, works on the
assumption that a hegemonic power can provide the whole system with collective
security and forums for cooperation. As the hegemon declines, the international order
will face disorder and instability.

The crux of the neoliberal perspective is the belief that anarchy can be transcended
and international order maintained through cooperation. Robert Keohane, one of the
most prominent contemporary IR theorists, constructed the neoliberal theory in order
to explain the increasing cooperation evolving within what realists depict as an
anarchic international system. For neoliberals, the central determinant of international
order is interdependence between states arising through economic cooperation, which
increases the costs of war and produces a state-level vulnerability that inspires
cautious and considered foreign policy. Within neoliberal theory, institutions are the
‘glue’ or facilitators of interdependence, providing a venue for cooperation and

Politics, Vol. 28: 159-174.
helping to establish norms of conduct, which in turn limit nationalist policies and create more confidence between actors. Keohane has also proposed that when a great power creates a hegemonic regime, the regime can continue its existence once the hegemony declines, because shared norms and institutions can often acquire a life of their own through the socialization of rules and regulatory mechanisms.8

While neoliberals accept that there is no overarching democratically accountable authority in the international system, they find that states still agree to cooperate, because cooperation and compromise is more beneficial to their interests in the long run than competition or rule-breaking. When neoliberals consider the rise of a new power, or a change in the balance of power within the system they do not see it as a destabilizing factor, so long as the power is able to rise into the existing international regime. States, large and small, turn to international organizations because they offer a set of rules and norms, which help solve the sources of friction that inevitably occur to varying degrees. In neoliberal theory, the notion of power loses currency, while material goals are emphasized, assuming that states seek to maximise various forms of soft power-economic, cultural, diplomatic, etc., and that such goals are most efficiently fulfilled through deeper cooperation and integration between countries. Through cooperation, states recognize common interests and thus reduce the uncertainty existent in the anarchic realm of IR, as well as mitigating the cost of making international deals. All of the above factors lessen the likelihood of power politics and conflicts.

Both theories contribute to a richer understanding of trends and developments in international relations, and this thesis will take both theories outlined above into consideration when analysing China’s foreign policy and its impact on the international order. The emphasis realists place on the importance of power balance and great power management of world order necessitates an evaluation of the impact of China’s foreign policy influenced by energy dependence on its relations with the current hegemon. Both realists and neoliberals have incorporated international institutions into their theory. While realists see institutions as ways for a hegemon to support its global power position, neoliberal theory in contrast stresses the importance

of cooperation and interdependence, acceptance of existing norms and values and integration into existing international organizations. The research on China and international order will thus pay close attention to China’s role with and within international organization and assess whether China has chosen collective means for ensuring energy security, using international organizations and cooperative measures to achieve its energy security goals.

Following an analysis of China’s energy foreign policy and its perception of threat in the following chapters, the thesis can move on to assess to what extent the variables stressed by neorealists and neoliberals are influenced by China’s energy foreign policy. However, before moving on to analyse China’s energy security and the accompanying foreign policy, it is necessary to get an overview of the topic’s existing realist and neoliberal literature.

2.2 The Rise of China and the International Order: A Review

As was already mentioned earlier, debate over the possible foreign policy behaviour of a rising China has generally involved two opposing theoretical viewpoints, one arguing from the realist standpoint and the other from the neoliberal one. Theoretical discussion chiefly revolves around the role a state with an increased capacity to project power would play in world politics – is it bound to challenge the existing international order, its power relations, and its institutional framework, and should it thus be seen as a threat to regional and global security and stability; or whether the rising power is likely to integrate peacefully into the already existing order, and as a result, develop it into a cooperative member of the existing international community?

During the first years of China’s economic growth, realist anxiety over China’s rise dominated the academic debate, especially after the events that took place in Tiananmen Square in 1989. Realists naturally see China in power dimensions, whereby relative capabilities of actors within the structure of the system determine how power is distributed between states within the international system. Accordingly, a country’s capabilities vis-à-vis other countries’ gives the state its position within the structure. As the neorealists believe the most capable countries come to shape the international order and set the stage in which other states must act, China’s rise is especially worrying to the superpower status of the United States.
While there are a number of other regional centres of power, it is thought that China is a far greater source of more concern than for example India’s or Russia’s because China’s nationalist and authoritarian character coupled with its rapid rise in capabilities, provide it alone with the means and intent to reshape the existing international rules, norms, and institutions. As China grows there is thus a possibility of destabilising the international system by the ignition of fierce competition of power and resources between China and the other great powers; or through simply challenging the existing international order and its institutions.

Furthermore, according to realist hegemonic stability theory the hegemonic/unipolar system survives and maintains its stability as long as it continues to serve the interests of the hegemonic power or until the decline of the hegemony, which both lead to system destabilization. The latter possibility provides much concern to many (mostly American) realist academics and politicians. Realists stress that as a new power rises to its main discontent is that the rules of the international system favour the preservation of existing hegemony and power relationships, and thus as the rising state acquires sufficient power and authority it will try attempt challenge this status quo.9 While the emerging state seeks to translate its newly increasing capabilities into greater authority in the global system, the previously dominant power fears loss of control and worries about the security implications of its weakened position.10 The tension between these two fundamentally contradictory positions gives rise to instability, raising the likelihood of tension, regional conflicts, and significant changes in the international system.

John J. Mearsheimer, a prominent American offensive realist, warns that the rise of China cannot be peaceful and that if China’s economic growth continues, the simultaneous power projection of both the US and China will inevitably lead to clashes. He suggests that following China’s consolidation of regional hegemony in Asia, it will move on to challenge the Western world order- seeking to spread its sphere of influence as well as to ensure it is not controlled by another great power. Based on realist assumption, this situation will arise because the ultimate goal of

every great power is to maximize its share of world power and eventually dominate the world system.\textsuperscript{11}

Offensive realist literature, such as Mearsheimer’s, often mobilize historical evidence to strengthen the argument for adopting containment approaches to deal with China’s rise. They point out that a great number of conflicts in history have occurred as a rising great power challenges an old dominant one for its position, and that energy resources could be a spark for such a conflict. Thus the policies of Japan and Germany at the beginning of the 20\textsuperscript{th} century are often used to illustrate how rising powers, often nationalistic and seeking to redress past grievances, aggressively challenge the existing dominant state as they strive to claim a dominant position within the international system.\textsuperscript{12}

This highly suspicious position towards China has been most assertively voiced within the advocates of the so-called ‘China threat’ school. According to Herbert Yee and Ian Storey, who have written a comprehensive book on the matter, the origin of the China threat theory is complex. The chief reasons they provide are related to: anxiety over China’s astonishing and often frighteningly rapid economic growth, which could be translated into military power; the unpredictable and aggressive authoritarian nature of its domestic political system, which seems to be resistant to change; the modernization and enlargement of military capabilities in concert with intensifying regional territorial disputes; the consequences of a possible political or economic collapse resulting in a civil war and internal strife, accompanied by huge numbers of refugees; as well as hostile nationalism (especially anti-Americanism).\textsuperscript{13}

The advocates of the realist ideas are good at explaining why conflict and competition would take place as a great power rises, but are more defeatist on how to avoid the instability created by it, since they see conflict and competition over power as constant variables, and structure of the international system, as the intervening


variable. The public promulgation of the ‘China threat’ concept has in fact been rather counterproductive, as the idea of constraining China seems to insult the Chinese government, rendering them less conducive to cooperation, while also bolstering anti-Western nationalism among its populace. At present, the realist viewpoint is most strongly voiced by military strategists and neoconservatives in policy circles and think-tanks, whereas the academic debate takes a broader account of developments in China’s foreign policy.

Events that have transpired since the second half of the 90s have presented new developments that seemingly counter many of the tenets underlying core realist arguments. It can be argued that China have integrated into the regional as well as international economic frameworks, accepting the existing rules and norms or at least trying to support its own interests from within the existing system not from the outside. China thus started actively participating in organizations such as ASEAN through ASEAN+1, ASEAN+3, ASEAN Regional Forum, East Asia Summit, the Shanghai Five (later the Shanghai Cooperation Organization, SCO), and APEC. Most of the integration has taken place on a regional level and although mainly economic, some of the organizations have a security dimension. Further, in an effort to polish its image and show itself as a peacefully developing power, China shelved or resolved many of its territorial disputes with neighbours and steered clear of any controversial security disputes (with Taiwan a notable exception).

In realist theory, alliance based cooperation forms to balance against the most powerful state in the system. This leaves weaker states within the system with the options of balancing against or bandwagoning with the great power. International organizations, forms of long-term cooperation based on rules, values, common purposes, etc., are seen by realists to be “shaped and limited by the states that found and sustain them.”\textsuperscript{14} They are “arrangements that formalize the involved states relative power positions at the time of the institution’s creation, which means, that the inequalities existent within international power relations are reflected within all institutions. Kenneth Waltz has gone so far as to describe the neoliberal idea of interdependence as an ideology used by the US to conceal its influence in world

Cooperation within the institutions created by the US or the West therefore implies bandwagoning, whereas seeking change within those institutions or creating new ones based on acceptable power relations or alternative norms and values, would constitute balancing against the Western ideas and values.

Wu Guoguang and Helen Lansdowne have written a book on China’s new internationalism which is an excellent example of the realist viewpoint on China’s use of multilateralism in its foreign policy. Firstly, the authors stress that China chooses to proactively participate only in organizations where it actually has the possibility to internally ensure or enlarge its freedom from the bindings of the organization. In addition, China prefers deeper integration in regional organizations, where China has the upper hand and US power is weaker and its direct participation often lacking. Both of these criteria suggest that China’s multilateralism is actually a hidden attempt to reduce Western power over China’s policies, as well as being an attempt to weaken US hegemony and strengthen multipolarity. As the authors state, while China is not yet powerful enough to exclude the US completely from regional affairs, ‘multilateralism provides China with a tool to curb, and at the same time to tap US in regional affairs. Authors see multilateralism as not a brand new way of thinking for China’s leadership, but a manifestation of Beijing’s continuing power politics.

Marc Lanteigne has written an insightful book about Chinese cooperation in international institutions where he explains how China is not directly challenging the international order but is using the existing international system to promote its development of global power status. At the same time Lanteigne presumes, on the basis of a number of case studies, that China gains great benefits from increased involvement in multilateral organizations, including ‘state security, regime security, information acquisition, economic benefits, an improved position vis-à-vis other great powers, and prestige,’ each of which promotes its development into a global power.

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15: Ibid.: 16
18 Ibid: 6-7
20 Ibid: 2
Both books indeed show how China’s growing multilateral cooperation can be viewed through a lens of ‘soft power balancing’, which is a form of balancing against a hegemonic power distinct from the traditional realist idea of power balancing by means of military alliances and domestic military build-up. Soft balancing entails pursuing limited, tacit, indirect balancing strategies, and ad hoc cooperative exercises largely through coalition building and diplomatic bargaining within regional or international institutions. The aim is to use non-military tools to delay, challenge, undermine, and/or raise the costs of US policies in order to withhold the fulfillment of the foreign policy goals of the most powerful country. A number of authors have identified soft power balancing as China’s choice for a foreign policy, an approach adopted in order to enable the rise of a multipolar international system that balances against US hegemony and the Western international order.

Whereas realists still maintain that the acquisition of power is the ultimate goal of a country, neoliberals offer an alternative viewpoint to ideas regarding competition and power balancing and consequently foresee China’s rise as an opportunity to spread and strengthen the existing liberal norms and values. Following this logic, economic growth has been the key economic goal of the Chinese government and has been enhanced by China’s international cooperation. China’s economic integration into the international economic system as well as continued cooperation on different levels is seen as a sign that China is accepting the existing international norms and institutional practices. More importantly to neoliberals, it has made China more interdependent vis-à-vis the rest of the world. A number of neoliberal scholars believe interdependence will eventually help reduce Chinese nationalist ideas and realist assumptions, and instead mould China into a more “responsible stakeholder” in international affairs. As states have continuous relationships, other kinds of accountability than a international democratic rule develop in time, which induce greater cooperation – accountability to a set of laws and regulations, reputation

accountability, accountability to a traditional way of doing things, etc.25 Because of
these benefits neoliberals believe China will have a positive role in the institutions of
the present international system.

Although there is no agreement between the realist and liberal discourses presented
above, what seems underlying both positions is a consensus on China’s undisputable
impact on the international order, at present, as well as in the future. Realists take a
more negative attitude and predict instability and competition, while neoliberals
believe that China can integrate into the existing international institutions and work
within the existing order to achieve its goals. While the realist and neoliberal
approaches offer plausible analysis, it has been suggested that explaining the true
nature of China’s foreign policy and international behaviour might be out of the grasp
of Western IR theories.26 Then it is worth taking a look at how the Chinese academics
and policy makers view China’s rise and relationship to the international order.

Chinese analysts seem to be certain that China will have a significant influence on the
development of the international order in the future however they do not outwardly
suggest that shaping the international order is its foremost priority.27 China presents
itself as a developing country and thus also stresses the need to help developing
countries through international cooperation. There is an apparent contradiction in
Chinese viewpoints. They stress international cooperation and dialogue, while at the
same time making it clear that China will not allow any other parties harm its interests.
Such contradictions predict future complications on issues where cooperating on
international peace and security may hurt Chinese national interests and have
contributed to the debate unveiled above.28

Two important concepts in Chinese foreign policy in recent times have been the
harmonious world and peaceful development. The Chinese government has declared
its commitment to pursuing a harmonious world internationally which foresees

281-292; Wu and Landsdowne, “International Multilateralism with Chinese Characteristics.”
28 Ibid.
pursuing peace and development globally and domestically. The idea is based on the belief that it is important to build a peaceful external environment to facilitate China’s development, and at the same time also promote world peace. From an international perspective, China’s peaceful development foresees “an independent foreign policy of peace and pursues long-term friendly coexistence with all other countries on the basis of five-principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence.”

The idea of peaceful development (once peaceful rise) refers to China’s outward promotion of non-confrontational development, which it perceives as fundamentally different to the rise of other great powers in the past. The Chinese leadership promises that “China will never seek hegemony, nor will it pose a threat to any other country,” and takes their bilateral relations with the US to be the key to international security and the focus of international attention. China values its relations with the United States and truly hopes to have long-term friendly coexistence with the United States and gradually forge a constructive partnership. As long as the United States does not treat China as its enemy, China will be a trustworthy friend and partner to the United States.”

China has watched worryingly as the US unilaterally invaded Iraq, disregarding international norms and bypassing the UN.

As a result, although China does not seek hegemony, it has become a fervent supporter of multilateralism and publicly advocates that the EU and Russia in concert with China would be able to offer a counter balance to US hegemony and uphold the authority of the UN. Multilateralism has become a cornerstone of China’s posturing on international order. Chinese foreign policy literature often refers to the current system as one of four great powers and one superpower – China, Japan, the EU, and Russia, plus the US as the superpower – which is seen as preferable to US hegemony. Multilateralism also takes the form of greater cooperation with international organizations regionally and globally. However, Chinese scholars are quick to point out that China does not seek to form permanent alliances to counter any

30 Ibid.
other power or block, ultimately stressing its foreign policy principles of independent policy and “opposition to hegemony and power politics as defined by the Five Principles of Peaceful Coexistence- peaceful settlement of international disputes; respect for the diversity of the world; advocacy for the democratization of international relations; support for a multi-polar world; opposition to unilateralism; and good-neighbourliness and friendliness.”

In conclusion, the Chinese perspectives of a fair international order include a system of multilateral management of international issues, which would avoid unilateral policies by any great power. In addition, Chinese analysts and policy makers stress sovereignty and non-intervention as two fundamental principles underlying international relations and any just international order should incorporate these principles. Finally, China sees itself having a powerful role as it continues to develop, however it emphasises its rise will be peaceful. The ideas well reflect both Chinese anti-hegemonic attitudes as well as its need for a peaceful environment for economic growth.

To get a better insight into how best to understand the relationship and future developments between China’s growing power, broadening foreign policy, and the international order, the proposed thesis conducts a research into foreign policy practice, more specifically Chinese energy foreign policy. Energy security issues expose countries to new threats and created new foreign policy interests, and thus analysing the impact of China’s energy security on its foreign policy could offer useful insights to enrich the debate regarding a rising China’s foreign policy. The analysis that follows strives to comprehend how and why China’s foreign policy has been influenced by energy security issues and what that tells us about its foreign policy behaviour as a great power. It also strives understand how the results fit into the Chinese as well as Western discourse over the rising China’s influence on the international order.