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Introduction to the Special Issue

Contesting Liberal Internationalism: China's Renegotiation of World Order

The notion that we are experiencing fundamental changes to the liberal world order, built and promoted by the U.S., has gathered momentum amongst scholars, policymakers, and practitioners. In particular, there is a growing perception that its liberal character is weakening, and may even give way to a different global arrangement. Indeed, contestation of the liberal world order, in both ideological and geopolitical terms, has been constant since its inception at the end of World War II. Led by the Soviet Union and China, a communist ideology offered an alternative world view for over forty years during the Cold War. While the liberal order has managed to overcome many challenges in the past, the pervading sense is that today's challenges presented by the economically vibrant (re-)emerging powers are much more daunting.

American liberal hegemony, as a particular form of liberal international order, according to Acharya (2017, 272-274), Ikenberry (2018, 15-17), and Sørensen (2011, 66-87), rests on a couple of pillars: commitments to open multilateralism in trade and international institutions, and to a 'managed' open economy in which economic and social security of the working class is given protection ('embedded liberalism') (Ruggie 1982); the values of liberal democracy, including equality and the rule of law; and a special relationship among Western liberal democratic countries. The implementation and spread of Pax Americana across the globe is uneven, and liberal internationalism itself has undergone several transformations since 1945 (Ikenberry 2009). More recently, a, albeit not *the*, key challenge to liberal world order stems from increasing demand for a greater voice from, and the leadership aspirations of, non-Western, non-liberal states, notably China under the current leadership of Xi Jinping. Such challenges suggest that a power transition from the West (the US, Western Europe and Japan) to non-Western states is under way. Hence, the special issue is constructed as a debate around the alleged challenges posed by China in both political and economic spheres of the liberal international order.

1. An Introduction to the Special Issue

In the early twenty-first century, Alastair Iain Johnston (2003) questioned whether authoritarian China could be socialised into a rules-based international community led by the United States. China-engagers posit that despite disagreements in the political realm, China is being socialised especially in the economic domain. On the contrary, sceptics, reinforced by power transition arguments, claim that China, as a rising power with its own national interests and world view, is dissatisfied with the international order established and maintained by the US and the west.

This special issue focuses on the character and direction of China's different order-building projects, examining potential areas of contestation, cooperation, and re-interpretation within

the existing arrangements of the American-led order. Hence, this special issue will reflect on these developments and provide an opportunity to evaluate (and potentially rethink) the contemporary international order. Consequently, this issue will deliberate the effects of Chinese political values and policies in shaping these contemporary transformations in various issue-areas and in different regions.

Conceptually, we define an international order as a political formation in which *settled* rules, arrangements and practices, produced by a social compact among member states, exist to guide and govern their interaction (emphasis added) (Ikenberry 2011, 36, Ikenberry 2016, Goh 2013, 6, 202). Various dynamics of order-building are examined in this special issue: Who can create the rules and arrangements, why do they create those rules and arrangements, how can those rules and arrangements be negotiated and settled (or unsettled and renegotiated), and what assurances and responsibilities do the rule-making states need to provide for other states in order to make the social compact intact and legitimate?

As John Ikenberry (2016, 539) argues, the character of any international order is shaped by the 'character of the state that finds itself with the opportunities to build order'. Since international order has almost always been created and settled by leading state(s) in the wake of 'ordering moments' of major wars (Ikenberry 2001, 3), it can be more precisely conceptualised as comprising hierarchical governing rules and arrangements where leading states' norms and rules are accepted by secondary and weaker states – and then settled – within the international system (Slobodchikoff 2014, 3, Stewart-Ingersoll and Frazier 2012, 8). An international order can be created by leading state(s) principally through three means (known as logics of order): a balance of power based on great-power restraint and accommodation, command, or consent (Ikenberry 2001, 23-27, Ikenberry 2011, 28, 47-66). However, a stable, durable and binding international order does not just arise from hierarchy (Kupchan 2014, 221). The dominant norms and rules of that particular order are broadly mutually acceptable to both leading and secondary states; they are designed not only to preserve the unrivalled interests of the leading state(s) but also to facilitate cooperation between states within the order, and to create stability, durability and predictability in their interactions (Ikenberry 2001, 3-20, 22-23, Stewart-Ingersoll and Frazier 2012, 18). A successful international order is manifested in the absence of major inter-state wars, in the management – and ideally the successful resolution – of major disputes short of wars, and in the accommodation of non-violent international change (Mastanduno 2002, Bull 2002, 16-19). Due to power asymmetries between leading and other states, these primary goals, albeit mutually beneficial to all parties, are not decided upon naturally in practice. Two normative and social contestation and (re)negotiation processes are involved in an order-building project. The first concerns the legitimacy of the unequal power or hierarchy and social purposes manifest in the existing rules and arrangements and the (in)justice of them. The second involves how a new order is created (on the part of the potential hegemonic challenger) and how the existing order is preserved (on the part of the incumbent hegemon) via real practices (Goh 2013, 202-226, Ikenberry 2018, 19-21). Throughout the bargaining processes, the established leading and rising states set off on a quest to garner political support from secondary and other non-great power states, with the goal of defending and unsettling the prevailing rules, arrangements and practices respectively.

Once the post-Cold War ‘unipolar moment’ (Krauthammer 1990-1991) began to subside in the wake of the global financial meltdown of 2007-2008, these contestation and renegotiation processes have gathered pace. The growth in attention of International Relations scholars on the ongoing competition between China and the US over the trajectory of international order has become more pronounced under Xi’s leadership. This is despite Chinese rhetoric about building a ‘community with a shared future for mankind’ (also known as a ‘community of common destiny’), introduced with Xi’s imprimatur (Xi 2017), suggesting a mutually beneficial and collaborative partnership between China and the rest of the world, in particular the West. As Christopher Layne (2018, abstract) argues, it ‘requires a huge leap of faith to believe that a risen China will continue to subordinate itself to the Pax Americana.’ This notion is also echoed by prominent Chinese scholar, Yan Xuetong (Yan 2018, 5), who claims that ‘the decline of liberalism as a mainstream global political value creates an opportunity for other ideologies to compete for influence’.

While the existing literature almost unequivocally points out the fresh challenges posted by a rising China, the character of the Chinese state and its likely impact on international order has been overlooked. Against this background, this special issue appraises Chinese discourse/narratives and practices that would collectively challenge American hegemony, and offers a multi-faceted perspective on, rather than a simple or single narrative about, the rise of Pax Sinica. This special issue seeks to expose some key facets of China’s order-shaping activities, and thus draws attention to (1) how China’s character is shaped by its own values; (2) how its political values, which are, in turn, derived from its national identity, historical legacies of encounter with the West since the nineteenth century, as well as ideologies such as Marxism-Leninism and economic pragmatism, are guiding its policies on order-building; and (3) more importantly, how the identity of China, as a non-Western liberal, re-emerging power intent on maximising the opportunities offered by the relative decline of the US, is beginning to shape the character of international order. Finally, this special issue addresses modalities of order-building, namely the ways in which China intends to express its authority and reshape the character of world order.

2. The Framework and Major Arguments of the Special Issue

To shed light on these questions concerning China’s distinct approaches to order-building and its resultant influence on international order, this special issue brings together some of the contributors to the “Whither Liberal World Order? Challenges from Russia, Eurasia, and Beyond” workshop held at the University of Kent, UK in November 2017.¹ The six papers in this special issue provide in-depth analysis into a wide range of issues that will collectively help identify the shape, direction, character and impact of Chinese order-building. The guest

¹ The workshop was funded by the UPTAKE H2020 project. UPTAKE is an H2020 Twinning research consortium that connects researchers from the universities of Uppsala, Tartu and Kent. The workshop brought together scholars working in Foreign Policy Analysis, International Relations, International Political Economy and International Law. The workshop invited researchers to explore contemporary order-building projects by major and rising powers across issues and regions.

editors introduce this special issue, first, by discussing the working definition of international order, and second, by putting forward a theory of international order-building that elaborates on the normative and social contestation, as well as the (re)negotiation processes involved in an order-building project. Specifically, the papers investigate the ability of China to challenge the legitimacy of the rules and arrangements in an asymmetric hierarchical order, and the bargaining processes of the challenging and incumbent powers to revise and preserve the existing order respectively. We conclude by summarising the main findings of the six papers forming this special issue.

The case studies are grouped into two core themes that deliberate China's alleged challenge to American hegemony from two different angles. Theme 1 considers the impact of China's state-led economic development model and practices on the liberal economic order and theme 2 ponders norm socialisation and contestation and international practices, including China's attempts to transform norms governing maritime disputes and international security.

The diversity of the issue-areas in our papers reflects the multi-layers of order transformation in the twenty-first century. Moreover, they emphasise that the growing importance of China in international economics, security, international law and norm development cannot be ignored. Collectively, they warn against pigeonholing China as either a status quo or revisionist power as Johnston (2003) did; and suggest instead that its influence is more nuanced. Given that the growing political, economic, and social implications of non-Western rising powers like China will only increase in the coming decades, our special issue, dedicated to Chinese order-building projects, will enrich the current research on the future of (liberal) international order.

It is important to note that speculation on the leadership and character of the next international order is *not* the primary goal of this special issue. The contributors to this special issue provide a range of case studies that deepen our understanding of whether China is able to build a wider coalition of like-minded states, akin to US achievements after World War II. Nor is it our intention to predict whether China will be able, or will want, to provide a viable alternative to the American-led liberal international order. There is, however, broad consensus among the contributors that the advance of a new international order would run parallel to, and would continue to contain elements of, the American-led liberal international order. A hybrid or fusion of order-building norms and practices is more likely to co-exist alongside, rather than replace, the prevailing liberal international order. Our conclusions, therefore, lend support to a growing body of work that views the impending transition as leading to a 'multiplex' or 'multi-order' rather than multipolar world. In other words, different/multiple orders will coexist, with no single power in control, and with a greater role for lesser and regional powers, along with transnational and international organisations and networks (Acharya 2018, Flockhart 2016, Kupchan 2012).

Papers in the first theme review China's growing prominence in the global economy, primarily as it undertakes bargaining processes that challenge the existing liberal framework for global economic governance. Since this structure largely benefits Western preferences, China's practices, which seek to revise the existing liberal economic order, draws strong reactions from Western liberal states as they seek to preserve their relative positions within the existing

hierarchy. The broad consensus amongst these papers is that China is unlikely to undertake transition into a Western-style liberal market economy in the future. In this way, China is stamping its own state-capitalist values and identity on the speed and shape of its development processes and strives to offer a viable, non-Western model for other developing states. China makes use of its state-owned enterprises (SOEs) to drive changes and to exert influence over existing rules and arrangements. **Ufimitseva** explores the dilemma for liberal economies as they respond to the growing role and presence of Chinese SOEs in domestic markets. In examining the impact of Chinese SOE investment in the Canadian hydrocarbon sector, a sector of strategic importance, she argues that through the opaque SOEs, the Chinese government is seeking to influence Canadian domestic governance and ultimately, to challenge liberal economic practices. She draws our attention to the Canadian government's 'protectionist' policy to restrict Chinese foreign direct investment (FDI) in nationally sensitive sectors like energy. It was initially aimed to support liberal economic practices by levelling the playing field, however such 'protectionist' measures may in the longer term unintentionally but detrimentally undermine liberal economic practices.

In a similar vein, **Malkin** considers how China's SOE investments in Russia are based on their mutual goals, such as the reduction of their dependence on the West and their mutual dissatisfaction with aspects of the liberal order that is leading China towards developing alternative arrangements which reflect the Chinese way of doing things. Whereas much focus on Sino-Russian relations has examined the oil and gas sectors, he underscores their increasing commercial linkages in the aerospace sector and through the extension of China's alternative payment system, UnionPay, into Russian markets. He concludes that the convergence of the Sino-Russian sentiment enables China to exploit Russian vulnerability to Western sanctions and cements the Sino-Russian challenge to the liberal economic order by offering developing and excluded nations an alternative to Western-dominated aspects of the liberal economic order such as the global payments network, SWIFT.

As China's shifts from being a rule-taker to rule-maker infused with its own character, **Chan's** paper theorises a potentially new model of Chinese state-led development, which he calls 'geo-developmentalism', combining aspects of European developmental processes with features of Chinese culture. Chan notes that a hybrid system 'challenge[s] yet complement[s] the existing neoliberal order of the west.' Drawing on China's Belt and Road Initiative (BRI), he asks whether geo-developmentalism explains China's BRI as a burgeoning network of relationships and connectivity through infrastructure projects with the goal of building a Sino-centric hub-and-spokes structure in global trade with a uniquely Chinese twist. The BRI is expected to be a loose network driven by functional needs and commercial gains rather than 'politico-strategic controls' preferred by the liberal economic order. In sum, all three papers examine China's embryonic blueprint for becoming a rule-maker within, whilst simultaneously revising, the framework of global economic governance.

China's growing challenge to the settled rules and norms governing existing international arrangements is the second theme of this special issue. Each reflects upon China's ability to shape and/or renegotiate international order embedded within international institutions and international law. There is no doubt among the contributors that China has become increasing

active in (re-)shaping international norms. In all three cases studies, however, we can see China's exploitation (or unique interpretation) of blurred lines in international rules and norms potentially undermines the liberal order. They also highlight China's struggle of rising within an order it did not create and whilst wanting to rise in line with its own preferences based on its own historic legacies and character. Both **Mao and Bode** and **Jones** emphasise this challenge through their individual considerations of Sino-North Korean relations. They emphasise China's role as a member of the UN Security Council (UNSC), which requires an obligation to work within the framework of existing international practices such as the implementation of UNSC-endorsed sanctions, and the legacy of its contradictory relations with North Korea – a 'rogue' state which acts outside of the international normative framework. They arrive at a similar conclusion that paradoxically China simultaneously supports and presents a challenge to the international order that imposes multilateral sanctions against North Korea for its violation of the non-proliferation regime. China has been willing to comply with the sanctions that would directly curtail Pyongyang's capability to develop its nuclear weapons programme but reluctantly to carry out the measures that would cripple North Korean economy or coerce individual North Korean senior leaders. However, they reach the shared conclusion via different routes of analysis.

Mao and Bode ponder China's commitment to core international norms, while its compliance to these norms remains selective. They conclude that China is increasingly a norm-maker, which by its nature means it is challenging the legitimacy of existing norms. Advancing on the existing critical norm research, they put forward a two-pronged argument based on the inherent ambiguity of international norms. They argue that China's selective approach to norm compliance is the outcome of divergent domestic dynamics and reflects China's plural identities. Second, they argue that these identities formation processes expose China's internal processes with consequences for its shaping of normative content in the international context. To highlight these processes, Bode and Mao apply their framework to China's engagement with the norm of nuclear non-proliferation and North Korea. Using interviews and an interpretivist approach to events and UN Security Council documents, they determine that norm compliance is an intersubjective process and the extent to which understandings of norms is shared, contested and understood surfaces through state practice.

Jones proceeds here analysis from the angles of international practices and the varying degrees of China's socialisation into pluralist and solidarist norms. She argues that China has been successfully socialised into the practices of international institutions and therefore to pluralist liberal global norms about appropriate state behaviour but has broadly rejected socialisation into solidarist liberal norms that would attach significance to human rights protection. Using interviews conducted at the UN, Jones offers insight into China's relationship with the UN, considering China's involvement with the bureaucratic process of drawing up UN sanctions, as well as the practice of enforcement. She draws a complicated picture of China's normative preferences through her case study of China's pattern of behaviour in its (re-)interpretation of 'luxury goods' relating to UNSC resolution 1718 whilst also highlighting how China's (re-)interpretation undermines the norm of strict compliance with sanctions. Their analyses indicate that the international rules governing the applications of sanctions to manage nuclear weapons proliferation are not settled and stable. The

emergence of China would likely unleash a normative contestation over what types of behaviour would be considered unacceptable or inappropriate by the members of the international community.

Finally, **Heritage and Lee** explore China's direct contestation of the post-World War II maritime order in the South China Sea, which emerged and has evolved under US leadership, and China's attempts to undermine the legitimacy of the US-led rules-based order in the South China Sea. They argue that the intractability of the South China Sea disputes is due to a clash between American and Chinese order-building projects. Consent to a mutually acceptable order via social bargains is non-existent. China's contestation of the US rules-based maritime order is derived from two major sources and consequently has two fronts. First, China has been aggrieved that the maritime order already widely accepted by world powers in both Cairo and Potsdam Declarations in 1943 and 1945 was subsequently unsettled by the US in the conclusion of the San Francisco Peace Treaty with Japan in 1951. China is attempting to revert to the historical maritime order of 1943-45 which it perceives to be 'legitimate'. Second, it concerns the existing international maritime law, namely the UN Convention on the Law of the Sea (UNCLOS), and the norms and practices that have developed within the framework of UNCLOS. Using an under-theorised international order approach to the South China Sea disputes, Heritage and Lee focus, first, on China's efforts to rectify the 'illegitimate' post-San Francisco regional maritime order and, second, on its re-interpretation of the norm and practice of Freedom of Navigation (FON) and of the permissibility of external military activities in Exclusive Economic Zones (EEZs). Demonstrating its own dual characters as both a post-colonial state and a historical regional hegemon, China's commitment to international rules and norms are invalidated by its post-colonial concerns for sovereignty as well as its eagerness to project its historic rights, to which UNCLOS makes no reference, to the disputed islands in the South China Sea. They, however, conclude that since neither China nor the US are able to co-opt the other into their vision of regional order, the disputes will remain unsettled and intractable in the foreseeable future, with China continuing to use force to present the US and other regional states with a *fait accompli* and to undermine both FON practices and UNCLOS which arguably permits such activity.

We hope that our scholarly contributions in this special issue, which give specific emphasis on China's alleged challenges in the economic and normative realms, will further stimulate related studies on this important topic and encourage us to obtain a better understanding of the alleged challenge by a rising China.

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