

China's Quest for Global Leadership

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There is little doubt that the world is undergoing multiple transitions generating complex and unfamiliar challenges for countries big and small. There are at least three transitions in terms of geopolitical impact.

First, there is the continuing and irresistible trend towards globalization driven by technological change and this is accelerating. Societies and polities may try to retard and even reverse globalization because of concern over loss of national control, economic inequalities laid at the door of globalization and the perceived destabilising impact of the expanding use of social media. The election of Trump in the U.S. and Brexit are examples of this reaction against globalization but this is harking back to a world which no longer exists. However, since globalization is technology-driven and people across the world are not likely to give up the use of their smart phones or the internet, this transition is here to stay and will intensify.

Second, there is a shift in the locus of economic and increasingly military power from the trans-Atlantic to the trans-Pacific. The emergence of China as a major power with significant and still expanding economic and security capabilities is both a cause and

manifestation of this shift. But the trans-Pacific is also now home to other substantial existing as well as emerging major powers. This cluster includes India, Japan, Australia, South Korea and the U.S. itself which continues to deploy formidable military power in the region. There are middle powers on the way to becoming substantial powers in their own right and this category includes Indonesia and Vietnam. This geopolitical shift is likely to persist and will impact on the regional order in Asia. This regional order is likely to be multipolar precisely because there are several major powers whose interests must be reconciled. A multipolar Asian order will become the guarantee of a multipolar global order.

A third important and intensifying transition relates to the rising salience of cross-cutting issues which transcend national borders such as global warming, international terrorism, proliferation of weapons of mass destruction, global pandemics, energy, water and food security to name just a few. The line dividing domestic from external is becoming increasingly blurred. In dealing with such challenges, responses need to be local as well as global; they need to be collaborative. Coercive approaches cannot work even if there are powerful countries seeking to impose their will upon others. The emerging global order

will need to be aligned with this transition in order to deal with these challenges. It is China's handling of these seminal challenges which will determine the prospects of its quest for global leadership.

Chinese Aspirations

China's aspiration for global leadership came out loud and clear at the 19th Congress of the Communist Party of China that concluded in October 2017. In his Report to the Congress, General Secretary Xi Jinping extolled the achievements made by China through the application of what he called, "socialism with Chinese characteristics". He then went on to add,

"It means that the path, the theory, the system, and the culture of socialism with Chinese characteristics have kept developing, blazing a new trail for other developing countries to achieve modernization. It offers a new option for other countries and nations who want to speed up their development while preserving their independence; and it offers Chinese wisdom and a Chinese approach to solving problems facing mankind."

There is no doubt that China's development experience holds lessons for other countries, developed as well as developing. What Xi is stating here goes beyond such sharing of experience. It claims that the whole package of "system, theory and culture" of socialism as interpreted by China has an applicability across nations.

This is different from the familiar Chinese formulation that each country had the right to determine its own social system and its path of development. This has been repeated in Xi's speech but contradicts the more expansive assertion that the rest of the world should adopt the Chinese model including its ideological underpinning. How does China expect other countries to adopt or even be capable of

adopting what are characteristics unique to China? Or for that matter, are other countries likely to be attracted to the Chinese model of political authoritarianism and state directed capitalism? Would the one-party system of China and the over-riding leadership of the ruling party be replicable in other countries? Chinese exceptionalism as expressed in the term "socialism with Chinese characteristics" cannot be regarded as a model with universal application. No claim to global leadership can be based on this score. A more globalized world made of very diverse countries with their own political, social and cultural particularities needs leadership which displays a cosmopolitan spirit, an ability to engage with different cultures and accommodate different ways of thinking rather than insist on the superiority of its own model.

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At the end of the Cold War, the West insisted that its formula of free markets and liberal democracy represented the only valid template for development. Within less than 25 years this universal model came crashing dawn ignominiously. There is a lesson to be learnt here. It may be more credibly argued by China that the sheer weight of its economic and increasingly security profile entitles it to play a more influential role in regional and global affairs.

One may go even further and acknowledge that China is also making impressive strides in strategic technologies such as aerospace, artificial intelligence, advanced materials, quantum computing and renewable energy. These are powerful levers in aspiring to a global leadership role. But the question is what objectives are sought to be achieved through these instruments of power? All major powers are guilty of using their power to advance their

interests, political, economic and security. China cannot be held to a different standard here. However, the exercise of power exclusively in pursuit of national objectives does not entitle a country to global leadership. A country must stand for something more than itself. For example, is China ready to contribute to the strengthening of institutions of global governance? It has shown its readiness to participate in the shaping of multilateral institutions such as the Asian Infrastructure Investment Bank or the BRICS Development Bank with other partner countries such as India.

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This is a positive contribution to the global commons. But it has also tried to get global endorsement of its Belt and Road Initiative which is exclusively Chinese-designed and to be executed mainly by Chinese companies and with Chinese financing. Its naval forces cooperated closely with the navies of other powers to eliminate the threat of piracy in the western India Ocean region. However, in the South China Sea it has unilaterally asserted its expansive territorial claims threatening the security of other states. China has a legitimate interest in ensuring the security of sea lines of communication traversing the Indian Ocean and the Western Pacific. A large proportion of its overseas trade and much of its energy supplies traverse this ocean space. But this is equally true of other countries who share this ocean space or who use it to carry out mutually beneficial trade.

The issue here is whether China will seek its security through unilateral measures as has been the case so far or if it is willing to use its power and influence to help construct a multilateral security architecture that offers mutual assurance to all stakeholders. China has

emerged as a major source of capital and technology for other developing countries helping develop much needed infrastructure and industry. This is a positive contribution.

At the same time in several countries, Chinese capital has been used mainly in extractive industries providing raw materials to China's economy and Chinese labour teams have executed such projects rather than locally-recruited labour. This is most evident in Africa and closer home in Myanmar. There is something of a backlash in Africa to such Chinese practices.

The Bigger Picture

Structurally, the world is moving towards a multipolar order because the world is now made up of a cluster of major powers not only in Asia but in other parts of the world such as Europe, Latin America and even Africa. There are, of course, more powerful countries and less powerful ones but it would be fair to say that we are in the midst of an unprecedented diffusion of political and economic power. Even military power is more diffused and this is most apparent in the emergence of a world of multiple nuclear armed states, ten altogether if we count North Korea.

In addition to this diffusion of power, there is also the nature of contemporary global challenges which require collaborative responses. These cannot be delivered by a hegemonic order based on the coercive authority of a single ascendant power or an ascendant group of powers such as the G-7 of the past. Multipolarity with reliance on multilateral processes is the only way in which such challenges can be tackled successfully.

China was one of the strong advocates of a multipolar world order. Xi Jinping reiterated China's belief that the world was indeed moving towards a multipolar order. However, in reality, recent Chinese policies have sought to project a Chinese centrality both in Asia and the world, based on a carefully-crafted historical narrative of prolonged and uncontested Chinese economic and cultural dominance in Asia and its being the nodal point of ancient land and sea routes radiating

outwards from China, collectively known as the Silk Road.

The Belt and Road Initiative is presented as a revival of these connectivity arteries, in a modern setting. In the bargain, this reinforces aspects of China's historical narrative, much of it based on myth or selective readings of history, which then folds into the Chinese notion of harmony, based on the Confucian notion of a hierarchical order with everyone knowing their place and status in the pecking order.

Therefore, Chinese conceptions of peace and order become integrally linked to the maintenance of a hierarchical system in which Chinese dominance and leadership are an inevitability. Resistance to or rejection of such notions of self-entitled pre-eminence are seen as an impertinence. Therefore, the rhetoric of multipolarity sits at odds with the actual conduct of Chinese foreign policies which aim at inheriting U.S. dominance in the region as a kind of natural succession. This is the strategic opportunity that Xi may have been hinting at in his speech at the Congress.

If this reading is correct then there is little doubt that just as China may be driven to seek an unquestioned ascendancy in Asia and eventually in the world, it will confront resistance from those major powers which do not accept this self-entitled hegemonic role which China may aspire to. There will be a growing crystallisation of a countervailing coalition which will seek to deny China its ambition even as it keeps open the door to Chinese participation in a multipolar regional and global order. The recently revived Quadrilateral among India, Japan, Australia and the U.S. is one such response as is the currency of the term Indo-Pacific which acknowledges that India has interests in the Western Pacific and an expanding security profile there.

This is the strategic big picture but we should be mindful of the tendency for the big picture to fall through the cracks due to tactical compulsions of one or the other coalition partner. We are currently witnessing both the U.S. and Japan, for example, shifting their

stand on the Chinese Belt and Road Initiative in the mistaken expectation of Chinese cooperation in reigning in North Korea's nuclear programme. Hence, the need for caution on the part of India even as it strengthens its partnership with other major powers who are stakeholders in Indo-Pacific security.

Despite being a one-party system, China has achieved spectacular economic success over the past three decades and this must be acknowledged. China has also displayed a certain adaptability and resilience in adjusting to a changing domestic and international environment. Therefore, it is quite capable of trimming its sails as the winds of change blow around it. In any event, China's expanding economic and military capabilities are a reality and confront our region and the world with a challenge. China constitutes an economic opportunity which countries are eager to take advantage of.

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However, we sometimes neglect that our countries are also an economic opportunity for China. There is a real interdependence at work here but it is China which is using economic levers to gain political ends. It has done so in stopping the supply of rare earths to Japan a few years back. More recently, it has done the same to South Korea punishing it for allowing the U.S. deployment of THAAD on its territory.

There is rarely a willingness among China's trading partners to turn the interdependence around and impose costs on China. For any countervailing strategy to succeed it is necessary for those practising it to convey their willingness to impose economic costs on China if it undermines their interests. The Chinese perception quite justifiably is that such retaliation is unlikely.

India's Opportunity

It is also important for India to take the China challenge seriously and to use it as a powerful spur to efforts to expand its economic, security and technological capabilities. I remain convinced that if there is any country which has the prospect of not only catching up with China but overtaking it, it is only India.

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India is a civilizational state like China with a strong sense of its place in the world. It is as populous as China is but with a much better young age cohort than China. It has areas of technological excellence which could be scaled up to deliver significant growth. While China is investing heavily in industries of the future it

is still locked into a fossil fuel-based manufacturing growth pattern that will be difficult to deconstruct in a short time span. Much of India's infrastructure remains to be built and it has the opportunity to embark on a different strategy of growth than China more aligned with emerging technological trends.

Xi Jinping has thrown an ideological challenge denigrating liberal democracies as a failed system and presenting the Chinese model as the successful template for the future. Thanks to the global economic and financial crisis there is a crisis of faith in democracy in both the U.S. and Europe and in our own region. India is a living example of democracy delivering economic success even while upholding the fundamental rights of citizens.

It is therefore a credible alternative to the Chinese model and a factor contributing to the revival of faith in liberal democracy. The Chinese challenge should galvanise India into a much more focused and coherent development strategy and reinforce its inherent strengths as a diverse, democratic and cosmopolitan country.

The views expressed here are those of the author and not necessarily of the Institute of Chinese Studies.

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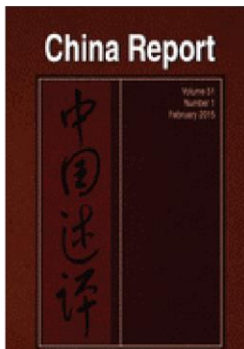


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