International Liberal Order: Competing Trends and Narratives

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Abstract

China’s foreign policy under the leadership of Xi Jinping took a shift from conservative to more liberal political and economic strategies. This change in policy evidently shows the intention of China of being proactive in international politics at strategic level in general and economically in particular. This study addresses a key question that focuses on China’s new liberal role in international politics and economics. It also addresses the US perception about re-emergence of China as an economic power and the US reaction to its growing influence. It describes the US both potential economic as well as defence that is unmatched and still largest in the world but China has come up with its own kind of potential like enormous economic growth and optimum utilisation of human resource.

Keywords: China, Liberalism, Multipolarity, Unipolarity, US, World Order, Rise of China.

Introduction

The end of World War II (WWII) was the start of a new liberal world order dominated by the United States (US) and its established institutions to bring the world on one platform. The Soviet Union as another superpower was also influencing the other half of the world but its demise ensured the credibility of the US led liberal world order.¹ Since then successful 30 years of the US as the sole leader of liberalism are now under threat of losing hegemony. China has always been blamed as a conservative closed society due to pervasive communism like state owned possessions and no freedom

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of speech and action since long time. On contrary, the US came up with various liberal ideas like the creation of the United Nations (UN), democratic norms and capitalism and had successfully been advocated up till now. But every rise has a fall. History is evident that transformations of ideologies in the world order are inevitable if orders are not maintained by effective statecraft, decisive actions and suitable policies. These transformations are sometimes thematic (e.g. ideologically) or sometimes practical in nature (e.g. changing actors). Either of the two brings a change in the world order. In the case of prevailing US led liberal world order rise of China is being considered by the West as a threat to liberalism. The rise of China is not a threat to liberalism itself as the West claims but it is a counterbalance to the US-led monopolistic liberal world order instead. It solidifies Ikenberry’s idea that “international liberalism still has a future.”

This paper argues that unipolarity seems to be mutating into multipolarity as new powerhouses are emerging around the globe, with their own pace, internal makeup and strategies that are not in contrast to liberal principles at all. The study rather deals with the explanation of the nature of changing actors (China and the US) but with the same ideology.

Since the emergence of a unipolar world, the liberal democratic government has become the universal and ultimate destination of every state. The demise of the USSR and the consequent decline of the communist regime marked the “End of history” and emerged as a victory for the liberal democracies. The world saw the optimist predictions about the future of the democracy with the fall of “Iron curtain” and there was a popular opinion that democracy would stay unchallenged and eventually it would prevail in the whole world. However, these assumptions proved to be short-lived. The realist analysis of today’s democratic systems admits that the democracies are facing numerous challenges in the 21st century. It appears as a cyclical

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process as liberalism generated during the WWI, suffered a decline with the failure of the League of Nations, and the consequent eruption of the WWII and Realism, then again it revived, re-emerged and become outward in the post-cold war era. Now again it has been facing pressures from systemic as well as domestic sources. On one hand, parallel contenders like Socialism and Communism are re-emerging with the resurgence of Russia and the rise of China as a global power to shape new world order. Apart from these, the liberal democracies are also facing the indigenous challenges from within. The US and other western liberal countries facing internal turmoil have become inward and have slackened off their grip over the postwar international liberal world order. Against this background, this paper has been built upon the investigation of the following principal questions: i. How the US and China rose to eminence? ii. Are they real contenders to the liberal world order? iii. What are the real factors responsible for the crisis that the liberal international order is facing today?

To answer these questions, the paper proceeds as follows: firstly, it explains liberalism; its merits and flaws. Then, it expounds over China’s rise by analysing its system of governance, policy mechanisms, global activism and economic policies, followed by a debate about the domestic factors and policy blunders of the western world and mainly the US that have contributed towards the rotting of liberal world order. This study further argues that in addition to the emergence of China, double standards and inconsistencies in the US conduct is waning and vanquishing the liberal world order. Lastly, this study stresses the urgency of immediate measures that the US can undertake to prevent the fall of the western liberal order for maintaining the status quo.

**Liberalism**

Liberalism is a popular political ideology and a significant approach to international relations. The states following liberalism as a political ideology follow the rule of law, free and fair elections and protect civil liberties. Liberalism has a strong belief ensuring the right of an individual to life, all liberties and property is the highest goal and responsibility of the government. Therefore, liberalism advocates democracy that ensures all

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8 “Introducing Liberalism in International Relations Theory,”
these rights of the individuals of any state. They advocate liberal democracy as a political ideology not only within a state for individuals but at the state level and systemic level of analysis.

**Components of Liberalism as a Political Ideology**

*a) Individualism*

The concept of individualism under liberalism means that the rights and welfare of the individuals should be given priority over all the other principles. It believes that the individual is the basic element of any political ideology and concept therefore, it should be given priority and primacy. Every individual has equal rights of equal value. The basic rationale of liberalism is equality and justice for every individual. According to the concept, the prime responsibility of the state is to support and defend these rights.

*b) An Optimistic View of Human Nature*

Liberalism believes in the optimistic view of human nature. They have a perception that liberal ideas about human nature are universal in nature. According to the concept, human beings act and think rationally. Therefore, the rationality and reason ensure the progress for the individuals, society, and state. However, they denied any justification to abuse human rights by reference to the culture, economic development and form of government.

*c) Belief in Republics*

Liberals believe that the constitution of every state should be the republican. According to them, this is the only form of constitution that belief in the liberty of humans and accepts them as the free members of

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11 Ibid.
society.\textsuperscript{12} They believe that to form the government in any republic, the consent of the people is important because consent is the basis of the legitimacy of any republic state. The representatives of the government must be accountable to the people.\textsuperscript{13} In this way, the government would serve the interests of all the population and not just interests of the few who belong to elite class.

In addition to it, they believe the republics are naturally inclined towards peace. Therefore, when there would be a greater number of the republic states in the world, the world would become more peaceful.\textsuperscript{14}

d) \textit{Liberal Political Economy}

The economic assumptions of liberalism are based on private property and the market economy. The liberal scholar, Adam Smith criticised the concept of mercantilism that believe in the strongest protectionist policies to safeguard the national wealth.\textsuperscript{15} In contrast to it, liberalism proposed free trade principles based on the demand and supply rule. According to them, there is an invisible hand in the market that sets the mechanism of the market. Smith proposed the minimum role of the government in the private business. However, the government should play its role to break the monopolies and to encourage competition among different firms.

e) \textit{Commitment of Internationalism}

This is the least discussed yet most important assumption of liberalism. The concept of free trade, the universal nature of human beings and the belief in republics are based on the liberal’s commitment to internationalism.\textsuperscript{16} The concept of collective security (an act of aggression against one would be considered an act of aggression against all) and the creation of the League of Nation was also based on the concept of internationalism. Even after the failure of the League of Nation and outbreak of the World War II, the

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\textsuperscript{12} Staphanie Lawson, \textit{Theories of International Relations; Contending Approaches to World Politics} (Cambridge: Polity Press, 2015).
\textsuperscript{13} “Lawson, Theories of International Relations.”
\textsuperscript{14} Ibid.
\textsuperscript{15} Ibid.
\end{flushright}
liberal’s commitment to internationalism did not die and they supported the foundation of the United Nations (UN) in 1945.

**Salient Features of Liberalism**

*a) Ensures the Human Rights*

Liberalism attaches great importance to human rights. Liberals believe that the legitimacy of any government depends upon the rule of law and its value and respect for human rights. The states not only respect these human rights but also created different laws and institutions to protect these human rights. The period of post-WWII could be regarded as a period of achievement in this regard. Some of the most important instruments in this regard are the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966) and the International Court of Justice. These institutions are universal in nature and play an important role in the protection of human rights. All the states have accepted the jurisdiction of such institutions. The states who violate human rights do not deny their existence but try to justify their behaviour according to the law.

*b) Collective Security*

According to liberalism, global peace could be maintained through cooperation of different states. They have the following interpretations of global security.

i. Prevention (International Organizations could prevent the wars by stopping the aggressor).

ii. Blocking (International Organizations could block the aggressor from taking the act of aggression).

iii. Annihilation (The aggressors are a threat to peace; therefore, they must be annihilated).  

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17 Scott Burchill et al., Theories of International Relations, 3rd edition (New York: Palgrave Macmillan, 2005).

18 Ibid.

19 Oana-Andrea PIRNUTA, Dragos Nicolae Secarea, “Defining the Liberal Concept of Security:”
The role of international organisations is important in this regard. The concept was embedded in the establishment of NATO. NATO played a prominent role in the cold war era. Besides NATO, the UN operates on a collective security premise which states when any state violates its principles it would have to pay its costs, and the aggressor would have to face collective action. The repute of the US suffered a serious decline when it acted unilaterally and attacked Iraq. Furthermore, liberals seek political solutions to maintain peace and to avoid the war. Therefore, international law is there that binds all the states to work for peace. The idea is to put the sword into plowshares to avoid disasters and destruction.

c) Free Market and Liberal Economy

The expansion of free trade and capitalism around the globe can be taken as a strength of liberalism. The concepts of free trade and the market economy have been institutionalised by the creation of different organisations like the IMF, World Bank and World Trade Organisation. It is based on the premise that the integration of the world economy is advantageous for trade and would render the wars less likely as the outbreak of war would damage the states’ economic interests.

Weaknesses of Liberalism

The realist school of thought does not characterise human nature as, immoral, evil or malicious but according to the realist school of thought man is selfish by nature and everyone wants to maximise one’s powers. As Thomas Hobbes states that the natural state of man is “war of every man against every man... Bellum omnium contra omnes” 20 According to Freud, human beings are descended from the Apes and hence they are aggressive and antisocial.21 The apes like behaviour became prominent during the WWII and Hitler was a prime example in this regard.

Liberalism and Its Impact on Security Systems,”
http://www.afahc.ro/ro/revista/Nr_1_2012/Articol_Pirnuta_Secarea.pdf
21 Ibid.
In the post-cold war epoch, a widespread belief in global politics was that the only road that takes states to modernity and development is routed through the Liberal Democracy. Liberal democracy promoted liberal ideas such as free market, trade liberalisation, open borders and multilateralism. However, over time these ideas of liberal democracy are not only challenged by different states but indigenously as well. China and Russia have emerged as two important players in global politics.\textsuperscript{22} Besides the ascendency of Russia and China, revival of populist politics within the western democracies has also become a challenge to the liberal idea as they have been adopting the policies of unilateralism, close borders and reviving their policies of internationalism and giving preferences to the national interest.

Liberalism advocates free trade and market economy. Since its primary stages, free market and liberal economies have been viewed as a source of welfare for all the societies and states. However, the liberalist turned a blind eye towards the emergence of dependency in the state relations and the dependency leads to the unequal relations between the different states.\textsuperscript{23} The western liberal economies continue to develop, but the developing world remained in the struggling phase. However, the emerging economies of China and Russia with their close internal economic system took benefits from the market economy. During the 1990s, it was believed by the liberals that China and Russia would gravitate towards the liberal ideology because there is no alternative ideology for them but this did not happen.\textsuperscript{24} On the one hand, they are getting benefits from the market economies, as China has started the BRI project and on the other hand, indigenously they still work according to their ideology. Therefore, the West is now facing the challenges by China and Russia with their strong and assertive economies.

**Rise of China**

The upsurge of China as an important political, economic and security competitor in the international arena has made its system of governance and foreign policy — a core interest area for global analysts. History of

\textsuperscript{22} “Out of Illusion, Weakness: Liberalism and Its Blind Spots,”
\textsuperscript{23} Ibid. 
\textsuperscript{24} Ibid.
China is captivating and composite. In the course of time, they saw both: the time of peace and the time of chaos. China has worked hard to get to where it is today. When the whole world was busy debating whether to recognise China or not at that time China focused on reforming itself. It first built its economy then combined its economic influence with political influence by joining international institutions.

a) Historical Background

Following the communist victory in 1949, Mao Zedong endeavoured to rebuild China. In 1958 Mao Zedong embarked upon the ‘Great Leap Forward’ policy in which communism was adopted with the importance of agriculture, decentralisation and communes. With the cultural revolution in 1966-1999, Mao Zedong by crushing opposing and kept China developing under Marxist-Leninist ideology. In 1981, Deng Xiaoping emerged as a leader after Mao’s demise in 1976. Deng in his comparatively less conservative approach than Mao brought about some important policy changes, modernised communism, and turned towards Japan and western capitalist states. Deng’s reformation was hindered because Maoist supporters protested Deng’s inclination to capitalism and pro-democracy protests in April 1989. However, communists regained control with successive leaders Deng Xiaoping, Li Peng, and Jiang Zemin committed to Economic pragmatism. In 1992, the former chief economist of the World Bank believed that in terms of purchasing power parity(PPP), China’s economy was already 45 per cent of the total US economy. On November 15, 2012, Xi Jinping assumed the leadership of China. Xi Jinping in his policies aimed to consolidate the rule of the Communist Party of China by tightening ideological control and re-embedding traditional principles of Maoism and Marxism within China. In 2013, China unveiled its ambitious US$960 billion Belt and Road initiative and since then it is a signature foreign policy project for Xi Jinping. Belt and Road Initiative explains China’s potential shift from a hide and bide to liberal foreign policy

26 Ibid.
29 “Road Initiative in the Global Trade, Investment and Finance Landscape.” (2018)
approach. China claimed that the project will benefit over 150 countries and two billion people. China has introduced many infrastructure and investment programs under the umbrella of this project. The initiative is a cross-continental project and it would stretch from the East Asia to Europe.\textsuperscript{30} China used its soft power to broaden its influence globally. In 2017, Chinese government stated that China’s modernisation ‘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 the problems facing mankind.’\textsuperscript{31}

\textbf{b) Domestic Governance Structure}

An overview of China’s economic and political history suggests that three ideologies: i. Marxism, ii. Economic Pragmatism and iii. Traditionalism dominate China’s domestic and foreign policies.\textsuperscript{32} With the leading role of the Communist Party of China in administering state affairs, the standing committee of politburo is the apex decision making body of the Communist Party of China. It has seven members. It also has served as a general secretary of the communist party who is the president, head of state and commander in chief of the military. Members from the standing committee are also selected as prime minister and General Secretary of the National People’s Congress.\textsuperscript{33} Below the standing committee lies Politburo and oversees electing members of the standing committee. Then lies the central committee who is responsible for electing the general secretary of the party. National people’s congress lies at the end of archy which is comprised of all members of the Communist Party of China. China can be termed as a ‘federation in unitary state’ as the National People’s Congress (NPC), the only legislature in makes it a unitary state and the existence of local people

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\item[{\textsuperscript{31}}] Xi Jinping, ‘Jueshengquanmianjianchengxiaokangshehui, duoquxinshidaiZhongguotesheshehuizhuixiweidashengli’ (‘Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era’), \textit{Renminribao (People’s Daily)}, 28 October, 2017, 2.
\end{thebibliography}
congresses at the administrative level makes it a federation.\textsuperscript{34} The political leadership of China grows from the party and ordinary people do not have a say in who will rule the country. China’s hybrid administrative model that comprises of government and party working side by side works under distinct hierarchies to ensure robust administration. The Communist Party makes decisions and governments work for the implementation of the decisions.

c) \textit{Contemporary Economic Policies and Global Activism}

During the year 2018, China’s GDP was US$13.4 trillion\textsuperscript{35} that was 65.3 percent of the US economy.\textsuperscript{36} Based on China’s rapid growth, many analysts predicted that China’s economy would soon overtake the economy of the US and it will become the largest economic power of the world. China’s Belt Road Initiative is one of the paramount developments in the world of Trade and global politics.\textsuperscript{37} It was proclaimed by President Xi Jinping in November 2013.\textsuperscript{38}

The vision of BRI includes the construction of railways and roads, construction of different energy projects and establishment of different economic zones in the world. The western route of the project would pass through the Central Asian Republics (CARs) states and the southward route would pass through Pakistan and the rest of the East Asian states. In addition to the infrastructural programs, China wants to promote its currency in the world. Such an initiative of connecting the world would ultimately expand the Chinese currency, the Renminbi, across the world. Presently 60 countries are part of this BRI project. The cross-continental

\textsuperscript{34} Ibid.
\textsuperscript{38} Ibid.
connectivity project would ultimately increase the stature of the country among the international community. As the former editor of the *Far Eastern Economic Review* said, “BRI is an overt expression of China’s power ambitions in the 21st century.” China has also undergone technological advancements at par with countries like the US. China is once known as ‘imitators’ possess skills to that of Silicon Valley. China’s two companies Alibaba and Tencent Holdings are the best in e-commerce, online gaming and social media. It is projected that 80 per cent of China’s population will be using their phones for the payments by 2021 as compared to only 31 per cent of the US citizens.

Tandem with broadening its economic sphere of influence it undertook various actions to directly confront the US interests. Under Xi Jinping, China’s policies have turned out to be more assertive. China is weakening the US alliance system in Asia, China has supported South Korea’s softer tone towards North Korea, it backed Japan against American protectionist policies and China is militarising the South China Sea.

**Factors Exacerbating the Demise of the Western Liberalism**

After the WWII, the world saw the emergence of two orders. The first world order was dominated by the US and the Soviet Union’s bipolarity. Both powers had a rough military balance of power and nuclear deterrence. The second world order that dominated the world was a westernised liberal international order. And very soon emerged a liberal world dominated by democratic republics, Economies pursuing the policies of capitalism, engagement, and openness of the international economy, cooperation, and institutions to bring peace and stability. In liberal international order with the US as its sole hegemon. Economically this liberal world was characterised by trade development and efficient monetary institutions. Diplomatically, the UN was deemed as a principal institution to resolve international conflicts.

However, today’s westernised liberal international order seems to be decaying. New threats are looming. Unipolarity seems to be transformed

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39 Ibid.
40 “Is China the Next Superpower?” *The Perspective*, https://www.theperspective.com/debates/businessandtechnology/china-next-superpower/
into multipolarity as new powerhouses are emerging around the globe, with their own pace, internal makeup and strategies that are at times in contrast to liberal principles. Some major factors in this context are:

\textit{a) US Military and Economic Slip-Ups}

One major factor that led to apprehensions about the deterioration of the US-led cold war order is US military and economic blunders in its global conduct. Actions of the US have been contradictory, double-standard, and at times non-well-orchestrated that have caused a setback for the US policies. For example, two-decades-long costly war in Afghanistan which still shows no signs in sight to wind-up, the US invasion of Iraq in 2003 and attempts for regime change in Libya, the US intrusion, and then abrupt exit from the Syrian civil war that wreaked more havoc with the rise of ISIS. Besides, the US unilateral actions weakened institutionalism, undermining one of the core principles of liberalism. Global institutions and treaties have lost their legitimacy and effectiveness; WTO has proven to be ineffective in resolving the issues of tariffs and globalisation despite global trade. Resentment is fuelling worldwide regarding the US use of sanctions against various countries like Iran, North Korea and Venezuela. Nuclear Non-Proliferation Treaty (NPT) legitimises ownership of nuclear weapons for five countries, but now nine states are having nuclear weapons with many other states endeavouring to get nuclear weapons, too. Various events and wars have proved that the UN Security Council is becoming irrelevant to the various pressing conflicts of the world like genocides and human rights violations.

\textit{b) The US under Trump}

Donald Trump’s election in the US has ushered a new era into the US foreign policy by condemning all prior policies of the super power and retreat to 1930s America first rhetoric. This drastic shift preferred competition over cooperation, authoritarianism and totalitarianism over democracy, inwardness over openness, confrontation over diplomacy, pessimism over optimism, dissension over economic integration.

Trump questioned the US military engagements in the Middle East and Asia and advocated for the US global retrenchment and minimum
security and military commitments. The various US conducts in Trump’s era that caused major blow-off for liberal international order mainly include: US withdrawal from various international treaties like the Iran Nuclear Deal, Paris Climate Accord, Trans-Pacific Partnership, threats of pull-out from NATO, and intensified the US-China trade war. This transition of questioning the role of a global policeman that it once assumed combined with the weakening of liberal institutions has created a void in global leadership.

c) Upsurge of Populism

The advent of populism from the West itself has now emerged as one of the biggest threats to the liberal order. The rise of populism ironically is itself is the demise of liberalism as democracies are deemed to make societies meritocratic. The rise of such an impulse from the West which is known to be the biggest proponent of democracy and liberalism is a setback from the liberal international order. Substantive manifestations of populism are evident in the form of Brexit and Trump’s election. Populists consider fading the western economic clout the failure of liberalism and democracies to protect their interests. Furthermore, the rise of electoral dictatorships and consequential upsurge of authoritarianism regimes like Russia and China has generated the admiration of authoritarian rule worldwide.

Rise of China

The rise of China as an economic contender and as an important stakeholder in global affairs is greatly contributing towards further erosion of the liberal world order and threats of bipolarity and multipolarity. China has made considerable economic progress and is all set to emerge as the world’s greatest economy in a decade with a considerable global political and economic clout to challenge the US hegemony.

China made this significant economic progress by liberal economic principles tandem with its traditional political norms to consolidate domestic rule. China with this traditional totalitarian governance approach is

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somewhat challenging universality of liberal values of democracy and civil and political rights of the population. China’s values are clashing with liberal values. Consequent US antagonistic posture to confront China is multiplying the complications between both the states which will have far-reaching implications for the future of liberal international order and global economy and peace. China also gains support from Russia. Russia under Putin’s authoritarian rule is also on high gear to exert its influence globally and re-emerge as an influential stakeholder. Russia has not been engaged in any military conflict with the NATO. However, its various actions globally are intended to undermine the US hegemony and a shift towards multilateralism. For example, the use of force in Georgia in 2008, the Ukraine fiasco since 2014, Russian intervention in the Syrian conflict, cybercrimes and alleged meddling in the US elections.

Conclusion

After surviving the great depression and 2008 recession, US led liberalism is in yet another existential crisis from where the survival of its hegemony looks bleak. The change of perception about liberalism cannot be blamed on one factor as the retrospect of the past provides multiple abasing factors.

The deviation of liberalism from its principles by supporting nationalism over internationalism provided China with an opportunity to expand its hold to international institutions and Russia to influence various conflict around the globe that together imperil the global hegemony of the US and liberalism. Moreover, the growing income disparity has undermined the role of capitalism as a global economic system and multilateralism may lead to the smooth replacement of the current economic system with either socialism or communism. These factors led the US to view China as a threat rather than an economic partner and to prefer competition over cooperation which is not in the vested interests of the US. These threats of the transition of world order have rung alarm bells into the various quarters of the US academia and policymakers. For now, this remains a question whether these prognoses about the demise of liberal order alongside economic and political fault lines are alarming that demand swift action, or mere hyperbole, and will they make the US fall into a “Thucydides trap?” Even if the apprehensions about demise are true it is still unclear that how post-

liberal world order will look like. Whether it will be Authoritarian or Liberal; Capitalist or Socialist; multipolar or bipolar; peaceful or mired in the continuous conflict between major powers.

Retrenchment of the US from the global role that it once embraced in the milieu when the world is witnessing the collapse of democracy globally, upsurge of economically influential authoritarian regimes, obstructed openness and accountability and human rights violations will further erode or diminish the liberal international order and spell more miseries. This is the need of an hour for the US to sagaciously strive to regain its lost image in world order by firstly setting its house in order, the US should learn from the warnings and should strengthen its agreements, alliances, and institutions. The US needs to reverse from the policies that it perused in the last few years if it intends to restrict any emerging global power to step into the vacuum it has created. Or else, the US should brace itself to witness the transition of this purgatory into a new normal.