
TRANSITION OF POWER ON THE EXAMPLE OF USA AND CHINA: ESTABLISHMENT OF BIPOLAR WORLD ORDER OR NEW AMERICAN CYCLE

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Abstract: Large number of political scientists, especially from Asia, speak about transition of global power and the shift to multipolar or bipolar world in which BRICS countries or People's Republic China, as the second largest economy at the moment, will take the position of the most serious challenger or the counterweight to the hegemony of the United States. However, economic turbulences have shown that most of BRICS countries do not have enough capacity to compete with the United States. On the other side, it is evident that China, as the most significant emerging power nowadays, gets more important role in the process of building a new world order. The World Economic Crisis, which is recognized as a milestone in power transition, brought to the surface all the anomalies of the American economy and raised the questions about sustainability of unipolar world order and the hegemonic status of the United States. At the same time, constant good economic performance, rise of China and its resistance to global crisis are evident. This paper considers comparative analysis of power transition on the example of United States and China in the period from 2008 until nowadays. Special focus is on analyzing and comparing the influence of the global recession to the power dimensions of these two countries. In that context, focus is not only on the potential establishment the bipolar world order, but also on the power transition process: from emerging to declining power.

Therefore, the objective of the subject matter is to try to answer the following questions: How did the global economic crisis in 2008 affect China's power changes in correlation to the USA?; at what level is the power of these countries today?; and whether China as a rising power has enough capacity to support the hegemonic transition and lead to the creation of a bipolar world order? We conclude the United States is a force that is still dominant in the international context, and none of the "rising powers", including China are individually still not strong enough to be counterweigh.

Although academic and political public worldwide are afraid of strengthening of Chinese power, it is unrealistic to expect from the point of view of neoliberalism and modernization theory that countries of authoritarian political regimes, such as China, will have the same chances to reach the peak of smart power, that is, to gain enviable resources of power in all its structures.

Keywords: power transition, World Economic Crisis, hegemony, emerging powers, declining power

1. INTRODUCTION

The period to which the article relates is very important stage in the study of global relations when there are numerous turbulences on the international stage. In this period, more specifically in 2008, at the very beginning of Barack Obama's presidential mandate, US financial corporation Lehman Brothers came to the bankruptcy, which not only marked the collapse of the mortgage and financial sector in America, but also the beginning of a global recession, and the question of the decline in the power of the United States. The mentioned period is especially important because in this period was recorded huge economic climbing of the so-called "fast-growing economies", that is, the countries which have been gathered around a multilateral forum known as BRICS, led by China, which for its expansive economic growth, can thank, first of all, on its trading. The world economic crisis, as well as the growth of the People's Republic of China, have shaken the confidence in the then innocuous US power that many describe as a hegemonic, and announced the possibility of switching from a unipolar to a bipolar world order.

It is often the case that America is perceived as a world "cop" because of the specificity of its foreign policy, and, because of it the question of potential stagnation of American power is an interest not only for American but also the world expert public. Of course, as changes in the level of power of a country potentially influence its stability and attractiveness, research on this problem can be very interesting both to potential investors and people from the business sphere.

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2. THE CONCEPT OF POWER IN INTERNATIONAL RELATIONS

That the concept of power in international relations is difficult to define precisely witnesses the existence and absence of a uniquely universally accepted formulation involving all factors of power, but also the constant attempts of international relations theorists to identify a "formula" that would precisely measure and define power, including, in addition to all its material and intangible elements which provide give it a usable value.

The concept of power has been through history a subject of reflection and analysis by many local and foreign theorists, "from Chinese thinkers Menya, Sun Cu the writer of the first" Science of Politics "(Arthasastra), Kautilya, Tucidid, to Hobbs and father of modern science of politics, Nicholas Machiavelli. "15The basic definition of power is one that implies material resources that make up the capacities of a state.16According to this view of power, countries that have better armament or the most powerful economy are considered more powerful than other weaker countries on the international stage.However, many theorists who refer to empirical facts in the context of the outcome of a situation reject such a definition as incomplete because it does not include power "in function", but only its potential.Their determination of power is defined as the ability of the state to directly or indirectly influence another state to change its behavior.17In any case, determining the scope of the notion of power begins with the observation of the state as a power reservoir, and from its capacity depends the conversion of the potential of power into the use power that will provide it with a favorable outcome.Such a perception of the power of a country that implies its capacity of superiority in comparison with its neighbors can be classified as mercantilism18which is explained more precisely by Paul Kennedy in the book Rise and Fall of Great Powers.Karl V. Deutsch, has given a powerful contribution to the theory, who also saw the power through several dimensions, its quantity as the ability of the actors to influence the course of the event and act on the behavior of others, through the space of power, then the scope of power and its scope.Economist John Kenneth Galbraith, who is considered a follower of Marx, "linked social and political power with control over productive factors and power over economic and productive initiatives"19, seeing her sources in person, property and organization.

Professor and Dean of the Faculty of Political Sciences Dragan R. Simic is also an author who made a significant contribution to the study of the theory of international relations and the concept of power in international relations.In addition to books such as Order of the World and Discussion of Order, of great importance the work which is devoted to the concept of power called the Power and the World Order after the Cold War, where theoretical power is seen through history, from ancient thinkers to the most recent research by American political scientists who is the famous political scientist Joseph Nye.Explaining the power as relations between international players, Simic draws attention to the increasingly smaller role of the state and the growing participation of non-state actors, but at the same time not neglecting the influence of traditional sources of power.The turbulence that modern times bring Simic explains into a conclusion that is metaphorically called the Period of Uncertainty - a flock of black swans behind the horizon, advising on cooperation as the most rational strategy for all actors in the field of global politics, as well as internal overlapping within countries with a declining position.He has also concluded that preserving American supremacy is a possible scenario if it skillfully combines resources and claims both soft power.

On the other hand, Charles Kindle Berger, one of the founders of the theory of hegemonic stability20analyzing the causes of the origin and the nature of the Great Depression of 1928, in the book The World and Depression: 1929-1939, has provided his opinion that the general stability of the international economy requires the leadership of a dominant force.However, today the notion of hegemony has a largely negative connotation, meaning not only a country with superior resources, but also a "tailor" of an international order which often uses the

¹⁵ Dragan R. Simić, Poredaksveta, Zavod za udzbenikeinastavnasredstva, Beograd, 1999, str .223.

¹⁶Videti: Mearsheimer, John J., "The Tragedy of Great Power Politics", W. W. Norton, New York, (2001), p. 57

¹⁷Opširnije videti: Treverton, Gregory; Jones, Seth G., „Measuring Power: How to Predict Future Balances“, Harvard International Review. (2005)

¹⁸Kenedi, Pol, "Uspon i pad velikih sila- ekonomska promena i ratovanje od 1500. do 2000. godine", JP Službeni list SRJ Beograd i CID Podgorica, (1999), str.17

¹⁹Vukašin Pavlović, Političkamoć, str.255.

²⁰Kindleberger, C., "The World in Depression: 1929–1939", University of California Press, (1973), p.45

method of coercion and leads to an unfair "manibol" policy.²¹ America's interference in the internal politics of other countries around the world has evidently labeled this state as such.

In the book *The Tragedy of Majority Policy*, author John Joseph Mearsheimer, dealing with the analysis of US policy, points out that "the only rule of the great powers today is to follow its right to use force." He sees efforts of the United States, as the only remaining great force in our century, to be a state with a moral mission in the world as an error, and suggests to the Americans to turn to internal issues, and the world is observing the way it really is. Calling the idealistic visions of the United States as meaningless, Mearsheimer believes that Americans should start to pursue a realistic policy, which is in accordance to today's time. As the only superpower of the present, the United States, as its foreign policy priority, has established a prevention the emergence of the second great power. Therefore, the author concludes that the US relationship towards China is inadequate because it is reflected in the intention of drawing China into international flows, forums and institutions, while insisting that China should accept Western norms of behavior. Similarly, as Zbigniew Kazimierz Brzezinski spoke about the US relationship with Iran and Iraq, considers as an important thing maintenance a balance in relations between China and Japan, in order to neutralize any unfavorable attitude of these far-eastern countries towards America.

The power transition theory explains the international system as a hierarchical one, dominated by one which is the strongest and most powerful states in the system, and according mentioned theory "the most unstable periods in international relations are those in which the dominant power loses significance while the other gets".²² "The peak of instability is, of course, at a point where equalization of their power comes to an end."²³ what John Ikenberry, a professor at Princeton University, calls "transitional anxiety"²⁴, where he deals primarily with the example of China, which is considered the main "challenger" of the United States. John Ikenberry argues that China, or in general a rising force, may wish to turn its power into an impact, that is, an effective strategy that will set new frameworks and rules in the international system in order to protect its own interests, while on the other hand, the descending forces have fear of losing control and the problems in which they can entangle themselves by allowing domination by their rivals. Strengthening China, or potentially some of the rising powers and alignment of power with the United States, could, in the opinion of many, cause an imbalance in power and conflict.²⁵ Does it will be the case with China, or perhaps with some other "rising force" remains to be seen, although taking into account their insufficient development and the criteria they are still far behind the US, and the current slowdown in their economic growth which has "pulled them out of anonymity" and made allies in the establishment of counterbalancing American power, it seems increasingly difficult for achieving.

3. TRANSITION OF POWER

The recession of 2008 is often perceived as a turning point in the distribution of power and the beginning of its transition. The rise of the emerging economies, or BRICS countries, many experts in international relations perceived as a contribution to relative decline, and potentially to the erosion of American power. A large number of political scientists, predominantly from the Asian continent, are talking about the convergence of the power and the emergence of a multipolar world where BRICS countries, as well as more and more countries of the global South, are gaining a significant role in building the world order.²⁶ However, the optimism is currently not on the side of the BRICS countries, and it seems that their power is making a turn backwards. Due to the fall in energy and raw materials prices, Brazil and Russia are currently in a deep recession, and as the price of oil is getting lower, it seems that it will take a long time before these countries of undiversified economic portfolios get rid of the severity of the economic crisis. India has a lot of potential, but it is still an underdeveloped country with a lot of poor and illiterate and one of the worst living standards in the world. The Republic of South Africa, becoming a member of

²¹Bremmer, Ian, "Superpower: Three Choices for America's Role in the World", Portfolio, (2015), p.93 Opširnije o "manibol" (Moneyball) strateškom pristupu zasnovanom na interesu: Lewis, Michael, "Moneyball-The art of winning an unfair game", (2003)

²²Ikenberry, G. John, "The Rise of China and the Future of the West", (2008), p.26; Opširnije: Živojinović, Dragan, "Šestrazlogazbog kojih Kina neće bitis ledećasvetskasupersila", Godišnjak Fakulteta političkih nauka, vol. 3, br. 3, (2009), str. 437-475

²³Isto, p.26

²⁴Isto, p.27

²⁵Opširnije videti: Carpenter, Ted Galen, "America's Coming War with China: A Collision Course over Taiwan", Palgrave, Macmillan, New York, (2006)

²⁶Mahbubani, K., *The Great Convergence: Asia, the West, and the Logic of One World*, Public Affairs, 2014.

multilateral organizations, and particularly in the alliance of the BRICS countries, succeeded in “raising its power” to a higher ladder, but its position in this alliance is primarily for strategic reasons, and according to the power dimensions, it hasn’t got the opportunity to impose the rules in the near future. Also, despite the intensification of their cooperation, there are significant differences in demographic, economic, military and political importance among the BRICS countries, as well as in terms of their political and economic systems and regional and global ambitions, so it is hard to accept the idea of the emergence of a multipolar world order in the near future.

China, as the country with the best perspective of this group, predicted by the prognosticators from around the whole world to soon take over the place of the world's first economy, slowed its economic growth below the expected 7%. This not only caused panic among investors, but many of them suggested investing in more stable investment destinations, such as, for example, The United States of America, whose Central Bank (FED), raised the referent interest rate at the end of 2015, marking the US withdrawal from the recession. Unlike America, China has a very low GDP per capita, which shows a huge inequality and underdevelopment within the country. A sinologist from the University of Beijing, a few years ago, raised the thesis about the inevitability of slowing down Chinese economic growth, but maintaining the opinion that China, despite all the problems, will continue to “grow faster than the rest of the world”.²⁷ Today is marked by the slowdown of the China's economic growth so the current phase of its economic weakness, and bearing in mind that China nowadays is the world's largest exporter, threatens to become the world's biggest impediment to the world economy and to cause the turbulence in world markets, primarily due to trade interdependence. Demographic problems due to the consequences of the policy measure of one child per couple can slow down the progression of China's power. We should not ignore the internal problems that impede China, such as the autonomous areas of Sinkiang and Tibet, but also Taiwan's question. Some theorists, like Barry Buzan, believe that China can end up as a former Soviet Union, which was “a strong force, but a weak state”.²⁸

Although China differs from the rest of the countries in this group of “emerging powers” by rising the strength of its economy, and bearing in mind that for further progress and the growth of the economy is of paramount importance and its competitiveness, by consulting the World Economic Forum's Global Competitiveness Report, we can notice that this country is at the 28th position²⁹. By the time and constant devaluation of the Chinese yuan, as an artificial measure of achieving a competitive advantage with the goal of stimulating exports, it failed to prevent the lowest recorded percentage of China's economic growth over the past twenty-five years³⁰, which made China insecure for investors who drag their money searching for the safer investment destinations.

On the basis of all of the foregoing, the precise conclusion of many theorists of international relations is that the countries of the BRICS group, as the rising forces and potential “challengers” of the USA, as well as the PR of China as the most promising among them, have no great chances, in terms of capacity and will to threaten, in the near future, the primacy of the United States in international flows. The German expert in this area, Josef Joffe, believes that, regardless of the further outbreak of events, the United States will remain “a force by default.”³¹

4. CONCLUSION

Political Scientist John Ikenberry suggests that the United States' superiority is “limited in its power and duration”. He pointed out that the United States are “superior but not omnipotent” and that “the military adventures of the Bush administration have had inadvertently shortened the duration of a unipolar moment and too quickly brought American hegemony to its end”. Nevertheless, he notes that the request for the USA to prepare and enforce its exit from the domain of global superiority is almost impossible because “great powers very hard are accepting their mortality.” It is almost impossible to expect the hegemonic force to enter into bipolarity graciously. The required role of the United States as an undisputed leader and unilateral actor no longer corresponds to the distribution of potential power.

²⁷Pettis, M., China Has Been Misread by Bulls and Bears Alike, Financial Times, 2010.

²⁸Buzan, B., People, States and Fear-An Agenda for International Security Studies in the Post-Cold war Era, Pearson, Longman, New York, Second Edition, p. 96., 1991.

²⁹World Economic Forum, internet source: <http://www.weforum.org/reports/global-competitiveness-report-2014-2015>

³⁰Economist, internet source: <http://www.economist.com/blogs/economist-explains/2015/03/economist-explains-8>

³¹Joffe, J., The Default Power: The False Prophecy of America’s Decline, Foreign Affairs, 88, 5, 2009.

Also, it is unrealistic to expect from the point of view of neoliberalism and modernization theory that countries of authoritarian political regimes, such as China, to have the same chances to reach the peak of smart power, that is, to gain enviable resources of power in all its structures. It is evident that the developing powers can not have the same development path that the more developed countries had, because they have become rich at the expense of the poor countries through a long history of colonialism, imperialism and neo-colonialism. The United States is a force that is still dominant in the international context, and none of the "rising powers", including China are individually still not strong enough to be counterweight. Although there is an evident change in the distribution of economic power and the countries which are gathered around the multilateral focus BRICS and China are increasingly connected and have a higher level of cooperation, ultimately, they are still deeply dependent on the US and far behind the US in terms of development, and probably so be still for many years.

On the other hand, the sustainability of China's peaceful and harmonious growth is questionable. Economic strengthening and awakening national consciousness creates a fertile ground for military strengthening and the spread of political influence. For the greatest rising force, and for many, the greatest drivers of global economic growth, we can say that today it has the most military men in the world, and in addition, enviable military technology. The worldwide, scientific and political public are afraid of strengthening of Chinese power, its nationalism and tectonic changes that can provoke by its actions.

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