

China's Evolving Response to the US-Led International Order and its Impact on Global Governance



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Abstract

China's rise as an emerging power challenges the US-led international order through the counter-institutionalisation approach. Eventually, the existing global governance is fragmented by China's counter-institutional approach. Global governance and international order are closely related and interconnected concepts that play a crucial role in addressing global challenges by establishing global norms and maintaining stability in the international system. China's approach to global governance is two-pronged: one is active engagement in existing global governance institutions and the second is establishing new institutions such as the New Development Bank formerly referred to as the BRICS Development Bank, the proposed Regional Comprehensive Economic Partnership trade agreement and most prominently the Asian Infrastructure Investment Bank (AIIB). This research utilises Michael Zurn's Global Governance Theory to trace China's response to existing global governance institutions and its implications on global governance. This theory explains that the existing global institutions' lack of legitimacy by not representing the interest of all states has created space for states to open new counter-institutions. This response involves states seeking alternative institutions that better serve

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their interests. World politics is now embedded in a normative and institutional structure that contains hierarchies and power inequalities and thus endogenously produces contestation, resistance, and distributional struggles. In the end, Pakistan's strategic partnership with China, particularly through the China-Pakistan Economic Corridor (CPEC), which aligns with China's multipolar world order vision, challenges the US-led governance model. It highlights the increasing role of regional partnerships in reshaping international systems.

Keywords: Global Governance, World Order, Counter-Institutionalism, Post-Colonial Perspective, Global Governance.

Introduction

By encouraging the creation of new institutions such as the Belt and Road Initiative (BRI), Asian Infrastructure Investment Bank (AIIB), and BRICS, China's rise as an emerging power is counterbalancing the US-led international order. China's increasing role in the UN and other international organisations further solidifies its influence. For instance, according to Feltman, China's increasing power within the UN system has been progressively growing in the last few years. This covers monetary donations, hiring of staff, and its expanding involvement in the UN Security Council, development aid, and peacekeeping missions. According to Chinese President Xi Jinping, China's UN objectives are changing from development to a focus on peace and security. He promised a \$1 billion fund for peace and development and \$100 million to assist the African Union in creating a peacekeeping force. This highlights China's growing influence in international security and indicates its growing engagement in international peace operations. Xi's remarks at the UN General Assembly and Davos in 2017, emphasised China's forceful international image. China's growing influence in the UN Security Council and peacekeeping missions poses serious policy concerns for the US. Compared to other permanent members, China has exercised its Security Council veto authority 16 times, but the frequency is increasing. China used its veto twice in July 2020 alone, and it will probably soon overtake France in this regard. Thirteen of these vetoes were in support of Russia and prevented resolutions on Venezuela, Zimbabwe, Myanmar, and Syria. As a reflection of China and Russia's emphasis on state sovereignty over human rights. This method opposes outside intervention in a sovereign nation's domestic issues.¹

China has increased its representation in several UN specialised bodies and is currently the second-largest donor to the UN. Additionally, it is using its position to advance its worldwide policies and worldview.

¹ Jeffrey Feltman, *China's Expanding Influence at the United Nations — And How the United States Should React*, 2nd ed. (New York: United Nations Foundation, 2020), 2.

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As China's power grows, its position on global governance is becoming more and more important, particularly concerning international economic organisations. To address global issues and preserve stability in the international system, the two closely related and intertwined concepts are global governance and international order. China used to take a traditionally defensive stance towards global governance, but more recently, it has adopted an active one. In other words, China's approach to global governance has shifted from a defensive stance (meaning that China was cautious about engaging in multilateral institutions and was wary of external pressures that could undermine its sovereignty) in the early post-Cold War era to an active one in recent time, as seen in the Belt and Road Initiative (BRI) launched in 2013. The initiative, spanning over 140 countries, aims to position China as a leader in global development and challenge Western financial institutions. China's engagement with developing countries has expanded its political and economic influence, providing billions of dollars in infrastructure financing, and establishing China as a central player in global economic governance.² This research is conducted through the lenses of the “theory of Global Governance” and “institutional law” as its theoretical framework.

Global Governance Theory & Its Application to the Case Study

This claim emphasises how James Rosenau's work on global governance in the 1990s, influenced the conversation in this notion. Since then, researchers have explored and defined the idea, including Rod Rhodes, Lawrence S. Finkelstein, Robert O. Keohane, and Joseph S. Nye Jr. Understanding the effects of global transitions on the dynamics of global governance, including changes in power, governance institutions, and interdependence, have been their main goal. Their combined efforts have advanced views regarding the roles of authority and teamwork in a world that is becoming more interconnected by the day.

² Jeffrey Feltman, “China’s Expanding Influence at the United Nations — And How the United States Should React,” (New York: United Nations Foundation, 2020), 3.

Since the debut of the "Global Governance Journal" in 1995, the discourse has also been extensively developed. Furthermore, the UN Commission on Global Governance defined "global governance" as "the total of the numerous ways individuals and institutions, public authorities, and other stakeholders, govern their joint affairs. Furthermore, the report indicates that Global governance has traditionally been believed to involve mainly ties between governments, but it now also involves nongovernmental organisations (NGOs), international enterprises, and the global capital market."³

Decentralised Approach

The concept of global governance is critiqued by various scholars from post-colonial, de-colonial, and marginalised perspectives. Especially, when this is understood by or about how these frameworks are shaped by historical legacies of colonialism and power imbalances in international relations. Post-colonial nations that are now the majority of the world's population, argue that the existing frameworks of governance, such as global governance or international law, are biased to serve the interests and values of the global North. These concepts emphasise centralised control/state-centric approach, a model of governance that has been historically used by colonial powers to maintain dominance over colonised nations. As a result, post-colonial and de-colonial critiques call for a decentralised approach to governance that reflects a more pluralistic and inclusive world order. The central questions these critiques raise include: Whose order is being imposed? Whose laws are being followed? Why is democracy preferred over socialism? These inquiries challenge the ideological dominance of liberal democratic values in international governance and highlight the need for governance frameworks that recognise the sovereignty, historical experiences, and cultural diversity of formerly colonised nations. Scholars like Amitav Acharya argue for a more multipolar world order where non-Western perspectives on

³ Kozub-Karkut, Magdalena, "Global Governance—a Perspective on World Politics. Four Theoretical Approaches," *Athenaeum. Polskie Studia Politologiczne* 44 (2014): 22-42.

governance are actively integrated into global institutions.⁴ Ayse Zarakol explores how post-colonial nations navigate their relationship with the West and its international norms, emphasising how the experiences of these nations should inform global governance debates.⁵ Barry Buzan also contributes to this discourse by discussing how regional powers challenge the traditional Westphalian system, proposing a model that includes alternative, decentralised forms of governance.⁶ Furthermore, scholars like Arlene Tickner and Jasmine K. Gani highlight how feminist and post-colonial critiques of international relations offer frameworks that give voice to marginalised nations and their alternative perspectives on global order.⁷ This body of scholarship calls for a profound rethinking of the global order, one that is not dominated by a single ideological or geopolitical perspective, but rather incorporates the voices and experiences of the global South, advocating for a more equitable and decentralised system of global governance.

Zürn's theory of Global Governance is notable for its emphasis on the contestation of authority within institutions of global governance. He contends that various players, including nations, non-state actors, and international organisations, participate in contestation processes to mold and impact global governance decision-making.⁸

His approach explores the connection between contestation and authority, positing that contestation can undermine institutions involved in global governance. He shows how power relationships and coalitions can mold

⁴ Amitav Acharya, *The Making of Southeast Asia: International Relations of a Region*, (Ithaca: Cornell University Press, 2013).

⁵ Ayse Zarakol, *After Defeat: How the East Learned to Live with the West*, (Cambridge: Cambridge University Press, 2011).

⁶ Barry Buzan, *Regions and Powers: The Structure of International Security*, (Cambridge: Cambridge University Press, 2003).

⁷ Arlene Tickner and Jasmine K. Gani, *Feminism and International Relations: Conversations about the Past, Present, and Future*, (Cambridge: Cambridge University Press, 2020).

⁸ Michael Zürn, *A Theory of Global Governance: Authority, Legitimacy, and Contestation*, (Oxford: Oxford University Press, 2018), 2-4.

authority structures within international governance frameworks by looking at the contestation processes.

He contends that actors involved in contestation utilise legitimacy as a resource. Players can use the legitimacy of international governance organisations to support their viewpoints, and the process of contesting itself can lead to the creation of new claims of legitimacy.

It examines the systems and procedures that influence international collaboration and decision-making. He contends that the intricacies of modern international politics cannot be adequately explained by the conventional state-centric theories of IR. Rather, Zürn looks at how various players in a global setting justify their choices, policies, and acts. To do this, one must comprehend the origins and standards of legitimacy as well as the ways in which different actors, including nations, international organisations, and civil society, contest and negotiate them.

Zürn examines how contestation takes place in the form of counter-institutionalism. It is the perspective of those who purposefully and strategically oppose or subvert established institutions and institutional procedures. Actors may experience this when they believe an institution is biased or inept, or when they feel excluded or marginalised from decision-making processes.

Men Honghua, observes in his article “China’s Approach to Dealing with Crisis and Change in Global Governance” stated that the financial crisis in Europe and America in 2008, was a significant development. It demonstrated how the international system and governance mechanisms were unable to change with the times or address the brand-new issues brought about quickly by the globalisation progress. The global government must investigate novel concepts, fresh approaches, and fresh tactics. However, comprehensive cooperation among the great powers is not the only thing required to advance the development and transformation of global governance. Other necessary elements include the redistribution of international power, interests, and responsibilities,

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conflicting global concepts, and intense competition among the great powers. The next five to ten years will be crucial for China's full-scale ascent as well as for the evolution and change of global governance. In the latter case, China is influencing global governance reform in addition to integrating itself into the global governance framework.⁹

By emphasising institutions as global governance agents, “Institutionalism” relatively contributes much to the conceptualisation of global governance. It relates to the general understanding of the parameters of behaviour structured by institutions, whether they are formal or informal procedures, routines, norms, and conventions embedded in the organisational structure or political economy. Hall and Taylor state that institutionalists expand on the idea that conflict among rival groups for scarce resources, lies at the heart of politics.¹⁰

Counter-institutionalisation is employed by both the established Western powers and the emerging countries.¹¹ Rising powers will fight and delegitimise existing states if they have established advantages in international authority due to a change in the power constellation. Examples of such institutions include the UNSC, the World Bank, the IMF, the regime under the Non-Proliferation Treaty, and the G7/8 meetings. Emerging nations make reform requests and issue threats of de-institutionalisation. However, an institution's tendency toward power disparity may not always end with the rhetoric of counter-institutionalisation by rising forces. It is possible for the people in charge to cave in to pressure and start changes that lessen institutional inequity. The result is rarely complete institutional transformation, but rather rising

⁹ Men Honghua, “China's Approach to Dealing with Crisis and Change in Global Governance,” *Social Sciences in China* 39, no. 4 (2018): 185–200.

¹⁰ Peter A. Hall and Rosemary C. R. Taylor, “Political Science and the Three New Institutionalisms,” *Political Studies* 44, no. 5 (1996): 936–957.

¹¹ Michael Zürn, “Contested Global Governance,” accessed January 17, 2024, <https://onlinelibrary.wiley.com/doi/full/10.1111/1758-5899.12521>.

complexity through "layering," or the insertion of new organisational components on top of a strict but progressively obsolete historical core.¹² Nonetheless, according to Dowding, institutions disproportionately distribute authority and access to agenda-setting and decision-making, giving some groups more or less influence than others.¹³

Thus, China as a rising power through "counter-institutionalisation" strategy contests the existing global governance (US-led) Institutions. The goal of counter-institutionalisation is to alter the global governance structure rather than exist through it. International organisations are used against other international organisations. To change existing institutions, alternative ones are utilised, new institutions are created, coalitions are formalised, and existing institutions are contested.

Institutional Law

Since global governance involves many different areas of International Law such as International Environmental Law, International Economic Law, International Institutional Law and International Human Rights Law etc. and covers a wide range of issues, there is not a single international law that applies exclusively to it. Nonetheless, the notion of global governance is influenced by a number of international legal frameworks. In simple words, International Institutional Law is a significant aspect which regulates/governs the creation, structure, and operation of institutions of global governance. This includes the United Nations Charter, which offers a foundation for global cooperation and collective security as well as outlining the organisation's goals and guiding principles. By addressing particular issues within their respective mandates, the statutes of specialised agencies like the World Health Organisation (WHO) and the International Monetary Fund (IMF), among others, also play a role in contributing to global governance.

¹² Albert M. References. In: *A Theory of World Politics*. Cambridge Studies in International Relations. Cambridge University Press; 2016:221-249.

¹³ Keith Dowding, "Institutionalist research on the European Union," *European Union Politics*, Vol. 1, 2000, pp. 125-144.

International organisations are complex entities created by their member states and governed by International Institutional Law. The law of these organisations is influenced by the tension between their role as mere vehicles for their member states and their existence. The field of International Institutional Law is characterised by functionalism, which suggests that organisations are created to perform tasks or functions that their member states cannot perform alone. This approach has proven useful in explaining why organisations need immunity from suit and have certain powers but not others. However, it has been less useful in controlling organisations, as it makes control difficult. Since the late 1980s, a new approach to organisations, grouped under the label "constitutionalism," aims to address a perceived legitimacy deficit by controlling international organisations through quasi-constitutional doctrines, such as respecting fundamental human rights. However, fundamental notions have not received the attention they deserve due to the dominance of functionalist theory. There is a widespread disagreement on how organisations acquire their powers and the scope of the doctrine of implied powers. There is disagreement on whether international organisations' privileges and immunities negate domestic law's role in their life, what constitutes an organisation, and the legal effects of its instruments. There is also a fundamental difference in how organisations relate to their member states, with the law varying between the roles of the international bureaucracy and member states.¹⁴

Institutional Law significantly influences global governance by regulating the distribution of power, finance, and knowledge.¹⁵ Moreover, the governance of information by international institutions is significantly shaped by International Institutional Law.¹⁶

¹⁴ Jan Klabbers, "Institutional Law," accessed January 10, 2024, <https://www.oxfordbibliographies.com/display/document/obo-9780199796953/obo-9780199796953-0002.xml>.

¹⁵ Philipp Dann, "Institutional Law and Development Governance: An Introduction," *Law and Development Review* 12, no. 2 (2019): 537–560.

¹⁶ Michael Riegner, "Towards an International Institutional Law of Information," *International Organizations Law Review* 12, no. 1 (2015): 50–80.

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In the context of global governance, this Law is especially crucial because international organisations' decision-making procedures ought to be governed by the law.¹⁷

C. F. Amerasinghe, in his "Principles of Institutional Law of International Organisations," provides a detailed analysis of the legal personality of the international organisations, their rights and obligations, legal capacity, authority, and potential legal resources to enter into international agreements and their capacity to be sued or to sue.¹⁸

China and the US-led Global Governance Institutions

A variety of government measures, some more successful than others, have contributed to China's economic growth. Although the Korean War's early policies set the groundwork for industrialisation, there were also difficulties and errors during this time, including strict central planning and political upheavals. Under Deng Xiaoping, the revolutionary and well-considered policies that drove prosperity surfaced after the Cultural Revolution, with an emphasis on market reforms and opening to the world economy.

They were timely and effective because they combined pragmatism, experimentalism, gradualism, and authoritarianism. In the aftermath of Deng's era, economic reforms have not only persisted but also grown and expanded in the future, gradually moving towards hybrid capitalism, which the West has come to refer to as socialism with Chinese characteristics.

Additionally, the government takes a long-term view of economic planning and development, as evidenced by its devotion to China: 2030 Research/Study. The Chinese economy is expected to achieve the government's "new normal" average annual growth rate of between 6 and

¹⁷ Eyal Benvenisti, *The Law of Global Governance*, vol. 24 (Leiden: Brill, 2014).

¹⁸ Chittharanjan Felix Amerasinghe, *Principles of the Institutional Law of International Organizations*, 2nd ed. (Cambridge: Cambridge University Press, 2005).

8 per cent through the end of this decade, barring some unforeseen, drastic development like an internal implosion. The Xi Jinping government will continue to oversee the nation's political economy during this time. There are numerous indications that the new government is moving the Chinese economy in the right direction, from broadening economic reforms to fostering international economic cooperation. This assumption is justified because Xi is “walking the talk” by investing large sums of money in initiatives like the AIIB etc., demonstrating that his policies are real commitments.¹⁹ China is rising. There seems to be little disagreement about this. With economic growth rates hovering around 10 per cent per year for the past 30 years, an enormous demand for global resources, and an increasingly assertive foreign policy, China is poised to become a major power in the twenty-first century.²⁰ The list of nations with the highest GDP, according to the World Economy Ranking 2023, with combined GDP is \$105 trillion. In terms of nominal GDP, the US led the world, but China's GDP is the second largest in the world and is expanding more quickly. The top five countries that contribute to the global economy are Japan, Germany, France, India, and the United Kingdom. The global GDP rose from 103.86 trillion in 2022 to 112.6 trillion in 2023, based on an analysis of GDP data for every nation from 2020 to 2026. These nations will have the highest GDPs in the world by 2023. The UN predicted that India's GDP would grow by 5.8% this year. It is much faster than the global average growth rate of 1.9 per cent. The US has a very diverse economy, with the manufacturing, healthcare, finance, and technology sectors all making significant contributions to the country's GDP.²¹

¹⁹ K. Moak and M. W. N. Lee, “China’s Economic Rise,” *China’s Economic Rise and Its Global Impact* (New York: Palgrave Macmillan, 2015), 30, <https://doi.org/10.1057/971137535580>.

²⁰ Eva Pause, Penelope B. Prime, and Jon Western, “China Rising: A Global Transformation?” in *Global Giant: Is China Changing the Rules of the Game?*, ed. Eva Pause, Penelope B. Prime, and Jon Western (New York: Palgrave Macmillan, 2009), 4.

²¹ Ravindra Varma, “World Economy Ranking 2023: Top 10 Countries in World List,” accessed December 23, 2023, <https://www.nalandaopenuniversity.com/world-economy-ranking-top-10-countries/>.

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Simultaneously, the leaders of China voice their support for international organisations that give China considerable influence or, at the very least, influence comparable to that of other nations. For instance, China has occasionally used its veto power in the UN as a permanent member of the Security Council. China is one of the WTO's members with an equal vote and the power to start the dispute resolution procedure.

China's leaders, however, want the distribution of decision-making authority to be reorganised in institutions so that China can have a bigger say in how things turn out. For many years, for instance, China petitioned the IMF to include the Chinese yuan, or renminbi, as one of the international reserve currencies. In 2016, the renminbi was added to the Special Drawing Rights list for the first time in fifteen years after fulfilling IMF requirements. In cases where China has not received or has not appeared, are likely to receive institutional reforms that serve its interests. China has started constructing international or regional institutions in which it will play a leading role.²² This is especially true in its immediate geographic area, where China has established organisations like the China Association of Southeast Asian Nations (ASEAN) Free Trade Area (CAFTA), the AIIB, and the Shanghai Cooperation Organisation (SCO), a security-based forum with Russia and states in Central Asia, among others. China's leaders have more control over the agenda in these institutions, which may make it easier for them to use them to further their country's objectives. One major factor influencing China's preferences is its quest for status and influence through its participation in the international order. The international order's rules and multilateral decision-making processes, which provide stability, predictability, and legitimacy to state behaviour and international relations, are generally expressed as being appreciated by China's leaders. Ann Kent contends that China now prefers to be seen as part of a global consensus rather than as a spoiler of international harmony.²³

²² Daniel McDowell, "New Order: China's Challenge to the Global Financial System," *World Politics Review*, April 14, 2015.

²³ Ann Kent, "China's International Socialization: The Role of International Organizations," *Global Governance* 8, no. 3 (July–September 2002): 343–358.

They especially cherish the UN's function as a platform for international agreements regarding the use of force. China has also started to actively participate in WTO dispute resolution processes, taking part as a respondent as well as a complainant. China complies with WTO regulations in the majority of cases, according to the Office of the U.S. Trade Representative. It has occasionally utilised the WTO's appropriate dispute resolution procedures. As of April 2013, China was the target of 18 WTO cases (out of 30 total cases) that had been settled. In nine of those cases, China and the other parties came to a mutually agreeable solution, and in eight of the nine cases, China complied fully with the rulings.²⁴ China has made significant progress in its support of multilateralism and multinational organisations.

At first, Beijing viewed the multilateral institutions with great suspicion and saw them as tools of Western imperialism. Wang claims that China's 1990s membership in several multilateral organisations was driven by instrumental and strategic objectives that highlighted the boundaries of China's full socialisation and multilateralism contribution, rather than co-opted cooperation norms. With positive feedback loops and multilateral regionalism experience, China has become much more socialised and institutionally integrated into the international system in recent years, leading to a more positive understanding of global multilateralism. Beijing worked with multilateral institutions to disseminate its discourse on China's peaceful development and enhance its legitimacy and stature in the 2000s.

Modern China is far more institutionalised than ever. One of the most powerful political forces in the world, China has an impact on both national and international governance practices. It is essential because power shifts and global governance occur in an institutionally complex setting. According to Beeson and Li China is actively getting involved in both regional and global governance, having previously played a

²⁴ Michael J. Mazarr, Timothy R. Heath, and Astrid Stuth Cevallos, *China and the International Order* (Santa Monica, Calif.: Rand Corporation, 2018), 20–23.

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significant role in the global order. China passively participated in the international system. It is far more skilled at structural diplomacy than it is at changing or controlling its actions, and choosing which principles of governance to apply. China has consistently called for a more rule-based system that is more inclusive of developing states to address the current imbalances and advance distributive justice in the global system of government. China's leadership has adopted a dualistic stance in this regard. Along with other emerging economies, it has also implemented new policies aimed at advancing values and interests, strengthening its position internationally, and gaining negotiating leverage. According to Gilpin, a weakening hegemon is characterised by changes in the global governance and world order environment, within which China is expanding and the US administration is responding, whether intentionally or not. Recent developments include China's growing assertiveness in defending its interests as a nation, preserving the global liberal economy, establishing its sphere of influence without severing ties with the foreign regimes it has been a part of since its founding in the previous century, and building strength and influence beyond these boundaries to assume a leadership role.²⁵

Chinese analysts see the power dynamics among nations directly resulting in the global governance system. The Chinese perspective holds that strong countries create international organisations, laws, and standards to serve and promote their national agendas. Beijing believes that the current system benefits Western countries at China's expense because many of the institutions it uses today were created by the US and other Western developed nations during the time when China was a far weaker power. Chinese analysts see the global financial crisis from 2008 to 2009, as the first significant transfer of global power from the US to China.

Chinese leaders were cautious not to go too far in their attempts to become more involved in global governance, especially with regard to

²⁵ Bora Ly, "China's Quest for Global Governance Overhaul," *Cogent Social Sciences* 7, no. 1 (2021): 6–16.

transnational issues like global climate change, after the financial crisis. Beijing believed that it was time for China to speak up more, but that voice belonged in a larger global chorus. Then-President Hu Jintao and other top Chinese officials urged the country's foreign policy establishment to strengthen China's influence on global governance issues in 2009, at the 11th Ambassadorial Conference. They also said that China should not take the lead in these matters. Xi Jinping has called for more shared control of global governance. He has declared that China needs to “lead the reform of the global governance system with the concepts of fairness and justice.”²⁶

Beijing saw yet another significant change in power in 2016 and 2017, following the UK's vote to leave the European Union (EU) and the election of Donald Trump to the US presidency. China saw an opportunity to become more involved in global governance issues as a result of the Brexit referendum and the Trump administration's isolationist foreign policy, which they saw as signs that the oldest and most powerful democracies in the world were starting to be challenged. There was plenty of evidence to back up that conclusion during President Trump's first two years in office. He withdrew the US from the Global Compact for Safe, Orderly, and Regular Migration negotiations as well as the UN Human Rights Council and Iran's nuclear deal. In addition, Trump declared his intention to remove the US from the United Nations Educational, Scientific, and Cultural Organisation (UNESCO) and the Paris Climate Agreement. Chinese academics started to make the case that the US' withdrawal from the world was leaving a void in global governance, making it more difficult to handle shared problems and increasing pressure on China to step up and close the gap. Following the withdrawal of the Trump administration from both the UN Human Rights Council and the Iran nuclear deal, President Xi announced that China would lead the reform of the global governance system in a major foreign policy speech in June 2018. With that speech, Beijing officially broke with Deng

²⁶“China's Approach to Global Governance,” *Council on Foreign Relations*, accessed November 17, 2024, <https://www.cfr.org/china-global-governance>.

Xiaoping's 1989 directive to "never claim leadership," which outlined the regime's post-Tiananmen survival plan.²⁷

Honghua, remarks in his article "*China's Approach to Dealing with Crisis and Change in Global Governance*" that started the financial crisis in Europe and America in 2008, was a significant development. It demonstrated how the international system and governance mechanisms were unable to change with the times or address the brand-new issues brought about by how quickly globalisation was progressing. The next five to ten years will be crucial for China's full-scale ascent as well as for the evolution and change of global governance. In the latter case, China is influencing global governance reforms in addition to integrating itself into the global governance framework.²⁸

China's new approach is to attempt to create new organisations and platforms so Beijing can use them as instruments to play the kind of role China is unable to play in the IMF and ADB.²⁹

China's Official Version on Global Governance

Ye Wenying and Yu Longhai have observed that global governance is more than just a novel idea. Both are broadly interpreted and refer to an objective historical process of global development. They believe that while global governance can effectively address global issues, the system itself is built on ideas primarily developed by Western nations, and as such, it frequently fails to take into account the needs and interests of a large number of developing countries.

²⁷ Melanie Hart and Blaine Johnson, "Mapping China's Global Governance Ambitions: Democracies Still Have Leverage to Shape Beijing's Reform Agenda," *Center for American Progress*, February 28, 2019, <https://www.americanprogress.org/article/mapping-chinas-global-governance-ambitions/>.

²⁸ Men Honghua, "China's Approach to Dealing with Crisis and Change in Global Governance," *Social Sciences in China* 39, no. 4 (2018): 185–200.

²⁹ Mark Beeson and Fujian Li, "China's Place in Regional and Global Governance: A New World Comes into View," *Global Policy* 7, no. 4 (2018): 491–499.

China needs its understanding and interpretation of global governance as it becomes more involved in international affairs. China began to progressively develop its philosophy of global governance in the middle of the 2000s. President Hu Jintao first put forth the concept of "building a harmonious world" on April 22, 2005, during an Asian-African summit in Jakarta. This was China's ideological pitch for global governance, formulated by the Chinese Communist Party and ideological apparatus and presented by the party's leader. The following are its principal elements. Any nation's development is contingent upon the idea of harmonious security for the preservation of peace and security, as only by increasing collaboration and exchanges can all nations reach shared development. Harmonious security advocates the peaceful resolution of international disputes or conflicts through talks and negotiations conducted within the framework of the UN, and they oppose the use of force or threat of using force, as well as the infringement of another nation's sovereignty and forced meddling in its internal affairs. Hu Jintao introduced the idea of harmonious development during a speech at Yale University in the United States. He stated that the goal of creating a harmonious world should be to ensure the harmonious development of the world economy.

To advance international understanding, the idea of harmonious culture encourages the blending of diverse cultures and beliefs as well as the mutual study of various social structures and development paradigms. Harmonious governance refers to the idea of coordinating relations between states and society, as well as between people, and between individual states and the global community. It also has realistic and objective requirements. China came up with the idea of "harmonious peace" in response to trends in global development. A novel idea known as a "Community of Common Destiny," which is predicated on interdependent relationships between nations propelled by a wave of economic globalisation, was introduced by the Chinese President Xi Jinping in 2012.

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Although China's participation in global governance dates back to 2014, the year 2015 marks the commencement of its practical work towards implementing its vision of global governance and achieving its initial outcomes. China presented a "new type" of international relations in 2015, based on the idea of a "Community of Common Destiny." China's ideology includes a "Community of Common Destiny" in addition to a "harmonious world" of global governance. The OBORI's member nations' economic cooperation forms the foundation of the idea.³⁰

US-led International Order and its Limitations

Salient Features

Following World War II, the groundwork for the current international order was established. The US and its allies were at the forefront of many important institutions in that order. The Bretton Woods system gave rise to organisations such as the World Bank, the GATT, and the International Monetary Fund (IMF). These economic institutions have become accessible to many more countries since the end of the Cold War. Today, they operate on a global scale.

This international institutional order reflects West's interest. Following World War II, the US set the standard for Western states and led it for many years. A few of its fundamental ideas, like sovereignty, are valued by every country. Some are not as widely accepted as others, such as liberal democracy and economic capitalism.

Hence, the international institutional order is an American-led rule and institution. Its position reflects American leadership. Rather, it encourages political and economic openness and features rules-based governance through multilateral institutions.

³⁰ Evgeny N. Grachikov, "China in Global Governance: Ideology, Theory, and Instrumentation," *Russia in Global Affairs* 18, no. 4 (2020): 132–153.

Nevertheless, in the wake of the Cold War, this American-led, international institutional order continued to advance to a global level. Although there was opposition to this, US hegemony remained crucial to the global institutional order during and after the Cold War. Throughout, the US has remained the dominant force in the global institutional order. The international order is the stability or balance that results from and is upheld by the global power structure. In a bipolar world, for instance, the dynamics of peace and order are distinct from those in a unipolar one. Ever since the bipolar to unipolar post-Cold War era system was unrestricted. Academics have been concerned about the possibility of emerging nations aligning themselves against the dominant power, the US.

The question of whether the world is still unipolar, multipolar, and even bipolar at this point is one key subject matter that is actively debated. China is without a doubt a rising pole in the global order. An alternative interpretation of the international order pertains to the framework of regulations, standards, and institutions that govern or regulate interstate relations and facilitate states in managing their relations. The international institutional order mediates the relationship between power dynamics and behavioural outcomes, as opposed to directly establishing one. The changing world might appear less unstable if we consider the international order to be a complex web of laws and organisations. Institutions and regulations reflect power dynamics. Furthermore, norms and institutions are created through agreements and bargaining between sovereign states. Therefore, the influence of power dynamics is determined by the strategic choices made by key actors.

Additionally, China's growing influence does not solely center on how powerful it is materially to other powerful nations. Instead, it largely depends on China's attitude towards international laws and organisations. The world is full of explicit and implicit laws, spoken and unspoken conventions, and regional and international organisations that are interconnected by numerous treaties and organisations. The international institutional order contains many different norms and regulations, but

there are several fundamental ones. Sovereign equality, political independence and self-determination, territorial integrity, collective security, and human rights are some of the most widely accepted ideas. Other values that have been significant to Western nations and have varying degrees of acceptance by other groups are capitalism, free trade, and liberal democracy.

The remarkable level of institutionalisation is accompanied by several other noteworthy aspects of the global institutional order. Firstly, “liberal” is frequently used to characterise the global institutional order. Similar to liberal or neoliberal institutionalism, the term denotes an open international system in which state-to-state relations are characterised by cooperation as opposed to dominance. Cooperation is the process by which self-interested states modify their policies to accomplish advantageous results for both parties. It does not necessitate altruism or selflessness, nor does it ensure that each participant will reap the same rewards. Co-operation does involve the use of force, whether it is soft or hard. Multilateralism is a feature of such a liberal order.

Secondly, there are rules governing the international institutional order. While standards are present throughout the international institutional order, many of them also appear in international treaties and the charters of international organisations. International treaties, which form the foundation of the international institutional order, actually contain explicit rules and regulations. International institutions that facilitate coordination and regulate interstate exchanges in nearly all issue areas have proliferated extraordinarily over the past few decades.

Limits of US-led International Order

The US leadership has been instrumental in the creation and operation of the international institutional order because of its hegemonic status, values, and interests. It follows that the strongest defender of that order would logically be expected to be the US. On the other hand, scholarly discussions typically focus on perceived or anticipated threats from other

nations, particularly emerging nations that were not heavily involved in the establishment of the global institutional framework. China has received the most of that focus. This could be due to several different factors.

First, China's economy has changed dramatically over the last few decades, and it will soon overtake that of the US as the largest in the world. Second, China's interests may not have been as well-represented as its current power status suggests because it did not take the lead in creating the international institutional order. Thus, discussions about the international institutional order's stability have expanded to address two more issues about China: (i) The question of whether and to what degree China is a revisionist power; and (ii) the capacity and will of China to form the necessary coalitions to reshape the global institutional order. China might not be the kind of revisionist state that looks to overthrow the global institutional order by using extreme measures since it might not be able or willing to participate in great power balancing. However, while China benefits from some aspects of an open international system, particularly when it comes to international trade, it might not be interested in interacting with other aspects that bolster liberal norms, like democracy and human rights.³¹

Multiplex World Order

In particular, Amitav Acharya's concept of "multiplex world order," as opposed to the conventional ideas of unipolarity, bipolarity, or multipolarity, offers an alternate framework for comprehending global dynamics. Regional powers, developing economies, and international alliances like BRICS and BRICS+ are just a few of the diverse entities that define Acharya's multiplex model, which emphasises a pluralistic and decentralised structure of governance and influence. By emphasising the increasing importance of non-Western players and institutions in influencing world affairs, this paradigm challenges the shortcomings of

³¹ Xinyuan Dai, "Challenges to the International Institutional Order," *The Chinese Journal of International Politics* 13, no. 4 (Winter 2020): 485–508.

the US-led liberal international order. The multiplex method offers a sophisticated lens to reevaluate the effectiveness of polar-centrism when global events demonstrate growing disorder, as demonstrated by shifting alliances, economic competitiveness, and challenges to established power structures.³²

What Does China Propose to the World?

In 2023, China presented a proposal for reforms and development of global governance. The world, our times, and history are changing in ways that have never been seen before. The gaps in governance, security, development, and peace are widening. Once more, humanity is at a turning point in its history and must make a decision that will affect it all. Globalisation of the economy and multipolarity on the planet are still developing. The prevailing trends are peace, development, and win-win cooperation. The goals of progress, collaboration, and solidarity are still shared by people everywhere. The idea put forth by President Xi Jinping to create a global community with a shared future is celebrating its tenth anniversary this year. With the world undergoing unprecedented change and China's realities and international advancements in mind, President Xi Jinping has imaginatively presented the idea of creating a global community with a shared future for all people. This proposal has offered a path forward for global development going forward and a resolution to shared problems. The idea of a human community with a shared future has evolved over the last ten years from a vision to a reality. China urges the international community to practice true multilateralism, defend the international order that centers on the United Nations, assist the U.N. in assuming a central role in international affairs, advance and enhance the framework of global governance, and work together to create a community that shares a future for all people.³³

³²Amitav Acharya, *The End of American World Order*, 2nd ed., (Cambridge: Polity Press, 2018), 78–98.

³³“Proposal of the People’s Republic of China on the Reform and Development of Global Governance,” accessed December 1, 2023, http://bw.china-embassy.gov.cn/eng/sgxw/202309/t20230927_11151460.htm.

Limitations of China's Proposals

The most significant players on the international scene are sovereign states, each pursuing its own national interests. They contend that the tenets of power politics and the interests of major powers still drive global politics. Some critics believe that or take issue with the idea that world governance is fundamentally democratic. They contend that rather than outside intervention, each developing nation must drive its own development in order for the South to flourish.

Secondly, Chinese analysts are heavily state-oriented even though they acknowledge the coexistence of state and non-state actors in the debate over who should lead global governance. International organisations are the primary focus of their attention. Over time, China's stance towards international organisations has significantly evolved. China viewed international organisations with great scepticism during the Maoist era. For example, up until the early 1970s, the Chinese government frequently denounced the UN as a front and a tool of Western global dominance.

China's approach to international institutions has changed in the post-Deng era. China is keen to elevate itself and influence global affairs as its economy expands. China has increased its involvement in international organisations since the 1990's to have a stronger voice in global affairs.

Nations are free to select the regional agreements that best suit their interests. They can therefore encourage collaboration in global governance. Chinese analysts emphasise that the new regionalism of the twenty-first century is open and non-zero sum, as demonstrated by APEC (Asia-Pacific Economic Cooperation) and 10+3 (the ten-member Association of Southeast Asian Nations plus China, Japan, and South Korea). Globalisation and regionalism as a framework for governance are very compatible.³⁴

³⁴ Wang, Hongying, and James N. Rosenau, "China and Global Governance," *Asian Perspective* 33, no. 3 (2009): 5.

Conclusion

China's ascent as a global rising power challenges current US-led global governance through a counter-institutionalisation approach. This paper tracks China's reaction to current institutions using Michael Zurn's Global Governance Theory, emphasising their (US-led global governance institutions) lack of legitimacy. This research also highlights Pakistan's strategic cooperation with China, specifically the China-Pakistan Economic Corridor (CPEC), which supports China's vision of a multipolar world order and emphasises the growing significance of regional alliances in changing global systems.

Global power dynamics have changed significantly as a result of China's reaction to the US-led international system. China first aimed to become part of the current international order, taking membership in international organisations such as the World Trade Organisation but as its geopolitical and economic power increases, it wants to change the global system to better suit its goals and interests. This change has ramifications for international governance since China presents substitute models that put economic growth, and non-interference as priority. ■

Asia Maqsood