

The international arena and emerging powers: stabilising or destabilising forces?

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Introduction¹

In comparison with the era of the Cold War, we are now living in a constantly changing world. In recent years a number of emerging nations have been challenging the position of dominance of the old powers, which are dropping down the international pecking order. In economic terms, countries from the "South" now account for more than half of global GDP (Gross Domestic Product), are leading world growth -with growth rates above 11% (China) and 9% (India) -and consume more than half of the world's energy.² It is forecast that in thirty years time, China and India will be global powers and that, along with the United States of America (USA), they will compete amongst themselves for world leadership.

The international system is both complex and contradictory at the same time. The world not being a static place, predictions tend to be off the mark. Nobody predicted - at least not out loud- the fall of the Berlin Wall, Japan's loss of influence, the terrorist attacks of September 11th 2001, the upsurge in Islamic fundamentalism, or the astronomical rise of the price of the dollar. Without wishing to predict the future, and instead taking the current situation as a starting point, the international system is characterised by three general tendencies:

- A new international order which is both uni and multi-polar at the same time,
- The rise of Asia (India, China, Japan) which will come to dominate the 21st century,
- The (re)enforcing of the nation state and religion.

New uni and multi-polar international order. The current constellation of global forces and alliances is much less clear than it was in the two previous stages of the post war international system: (1) the ideological confrontation between two superpowers, and (2) the tripartite world dominated by Europe, the USA and Japan. In this third stage, a world order which is multi-polar and uni-polar at the same time is taking shape. It amounts to an *a la carte* menu which makes room for both old and new powers as well as old and new alliances. The world is uni-polar in the military sphere on account of the clear domination of the USA, and multi-polar in all other international areas. And hence a new economic order including China and India is emerging, one which is barely reflected in the international political order which continues to be dominated by the traditional powers.

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² *The Economist*, London, 16 September, 2006.

The rise of Asia as an economic power in the 21st century. The three Asian countries, China, India and Japan, belong to the reduced circle of great powers. Because of its size, economic weight and military budget, China is already a world power, even if it has not yet reached that status in the international political sphere. India's position is somewhat less clear, but it is rising rapidly in the hierarchy of international states. Consequently, this century will belong to Asia, under the shared or contested leadership of China and India and, in third place, Japan. In light of this, the appointment of the South Korean Ban Ki-moon, as Secretary General of the United Nations is also a recognition of the growing role Asia is playing in the world. In the face of the growing importance of the Asian continent, Europe, above all, but also the USA, will see their relevance diminished at the international level. It is estimated that by 2050, Europe and Japan will together account for only five percent of the world's population, compared to almost 30 percent in 1950.³

The (re)enforcing of the state and religion. September 11th 2001 saw nation states being strengthened again as the guarantor of national identity and the main protagonists on the world stage, countering the effects of globalisation. At the same time, religion as an instrument of political power is going through a new upsurge. The revitalisation of the intervening state has led to a re-nationalisation of politics and the decline of integration represented above all by the EU. The resurgence of religion as a political factor is not only tied to Islamic fundamentalism, but can also be found in the West, particularly in the USA, and some Latin American countries whose governments resort to God and the bible. Both of these phenomena increase the risk of creating exclusive, closed nationalisms which live off external enemies.

The new hierarchy of international states

Although there are many other players in the globalised world - multinational companies, the churches, and social movements amongst them - nation states continue to determine the pecking order of international power.⁴ The European Union (EU) is no exception to this. Its principle springboard into the international arena is economic, both diplomatic and military spheres remaining the prerogative of member states. Its failure to present itself to the world as a body which acts and speaks with one voice, means that the European model of using integration as an instrument for international influence has not succeeded in establishing itself as an alternative to the nation state.

When considering the international state hierarchy, various terms continue to co-exist which have not been clearly defined: (1) superpower (USA), (2) global power or great global power (China, India, Russia), (3) emerging powers (Brazil, Russia, India, China, BRIC), (4) medium sized powers (Brazil, Canada, South Africa and others), (5) regional power (several), (6) smaller powers (Luxemburg or Haiti, for example).

To belong to the first two categories, a country must have a certain population and landmass containing natural resources, as well as a military and economic capacity. Besides these quantifiable statistics, two components which are more difficult to evaluate are prerequisite: first of all, an efficient diplomacy and foreign policy capable of projecting power and, secondly, the perception and/or recognition of that status of power by third party countries. In line with these criteria, the following quantifiable data allow us to single out a number of influential countries by size, economic weight, growth, military capacity or their contribution to the international system.

³ Hurrell, Andrew., *On Global Order: Power, Values and the Constitution of International Society*, Oxford University Press 2007, p. 11.

⁴ According to Andrew Hurrell, international order is based above all on the idea of a plural society limited by sovereign states. Hurrell, Andrew., 2007, p. 3.

Quantifiable international power data (2005 and 2006)

	China	India	Pakistan	Brazil	Mexico	Russia	Iran	SA
Population:	1°	2°	6°	5°	11°	7°	18°	27°
Territory:	2°	7°	36°	5°	15°	1°	18°	25°
GDP:	2°	12°	45°	10°	13°	11°	30°	29°
GDP p/cap:	90°	110°	123°	62°	57°	55°	102°	51°
Growth:	10%	8.3%	6.2%	3.6%	4%	6.5%	5.4%	4.2%
Military spending:	2° (55bn)	11°	31°	9° (13bn)	26°	72°	12°	40°
Troops	1°	4°	5°	18°	28°	2°	8°	31°
Budget. UN (%)	9° (205)	(0.432)	(0.05)	13° (1.52)	10° (1.88)	(1.1)	(0.15%)	(0.29)

* Sources: Nationmaster (<http://www.nationmaster.com>), Fondo Monetario Internacional, World Economic Outlook, Washington DC 2007; UN Budget Assessment, New York 2007; Stockholm International Peace Research Institute (SIPRI).

Apart from these criteria, there are other factors which allow us to reassess certain countries in the international hierarchy: above all, the demand for energy, which justifies the international importance of Iran, Iraq and even Russia in the international system. To a large extent, oil also explains Middle Eastern countries' strategic position in international politics. After all, a third of all "black gold" is produced in Arab states which, besides, dispose of 65 percent of the world's reserves. Another criteria is a country's technological level, something which explains, amongst other things, China's economic success (electronics industry) and also India's (software). Another more recent element is the use of religion as a political instrument, justifying the international relevance which countries like Afghanistan, Iran and Pakistan have acquired in recent years.

In terms of quantifiable data, China tops the list along with India and Brazil, in the hierarchy of international power. Other countries (like Mexico, Iran, Pakistan, Indonesia or South Africa) are on the waiting list or in the "second row". Amongst these, it is worth distinguishing between soft powers and hard powers, depending on the resources used: military, economic, diplomatic or cultural. In line with this, apart from the so-called BRIC (Brazil, Russia, India and China) whose basis is economic, other emerging powers with global influence can be identified: in terms of hard, or military power, Pakistan (the only Islamic nuclear power) and Iran (potential nuclear power), in terms of economic weight, Mexico and South Africa and, for reasons of population, Indonesia, Pakistan, Bangladesh and Nigeria also feature.

Four very different emerging powers: China, India, Brazil and South Africa

The traditional international order began to undergo a transformation at the beginning of the 21st century with the rise of new economic powers whose importance is still not reflected in the international political power structure. It was globalisation that changed the coordinates of the international system. As a result of this, a new economic order is emerging around the two poles of the USA and China, whilst the international political order has still to reflect this important change.

A symptom of this is the debate on “emerging power” in the study by Goldman & Sachs⁵ which coined the term in 2003 and which analyses the economic capacity of the so-called BRIC countries without stressing their military potential and/or political global influence. Beyond economic criteria, in a multi-dimensional international order, the term emerging power requires a wider and more complete definition. An emerging power is, *per se*, a country which finds itself in a transformation process from one international position to a higher one: small power to medium power, medium to big, big to global.

In this sense, and in accordance with the quantifiable data previously mentioned, four countries can be identified as emerging powers above all: China, India, Brazil and South Africa. According to our definition, Russia and other traditional powers would be excluded (Germany, France, the UK) because, for varying reasons, they are moving along the road in the opposite direction, from apogee to decadence, in a process of transformation from superpower to great power, or to one that is less important at any rate.

The only emerging power with a global reach is China, followed by India, whilst Brazil would make up part of the second rank of emerging powers and, on account of its weight within Africa, South Africa could be classified as a continental power. This means China and India begin playing in the “premier league” of the international power hierarchy. Both are, at the same time, allies and competitors which challenge the superpower status of the USA as well as key external actors in Asia. Compared with the two Asian giants, Brazil’s smaller internal market and population, and at some distance behind, South Africa’s, limit their possibilities of rising in the international pecking order of nations.

China: Global power. China is an emerging global power and probably a superpower of the future. In fact, it is already the USA’s main economic and political rival. With 1.35 billion people, its population is more than four times that of the USA, and, according to some studies, in less than twenty years time, China could be the world’s number one economy. More than a country, its dimensions are that of a state-region.⁶ On a global scale, China’s population amounts to one fifth of the entire world’s, its landmass is second only to Russia’s, and in 2007 it substituted Japan as the world’s second economic power. Moreover, China is the second global military power in terms of budget⁷ and troop numbers.

Since 1978, China has been gradually adapting to the market economy,⁸ within the political constraints of the socialist system or one-party state. The result of its economic opening up was spectacular: between 1978 and 2007, China increased its GDP fivefold and registered an average growth rate of 10 percent, the highest rate in the world. Apart from a huge modernisation project and the creation of infrastructure (at a high environmental cost), its economic success is based above all on an industrial base which accounts for more than half its GDP, the export

⁵ Goldman & Sachs, “Dreaming with BRICs: The Path to 2050”, Global Economics Paper, nº 99, October 2003.

⁶ Womack, Brantley, “China, entre la región y el mundo”, in: *Debate Político*, 4:6/7, Buenos Aires 2007, pp. 49-70.

⁷ SIPRI, The 15 major spender countries in 2006. Stockholm 2007.

⁸ In this “mixed economy”, 70 percent of GDP corresponds to private companies.

of manufactured goods (mainly textiles and electronic goods), foreign investment (Asian parent companies) and low wages compared to traditional industrialised countries.

The accelerated economic growth rate in China has led to a heightened demand for oil and foodstuffs which, at the same time, has changed international trading relations. On the one hand that is positive, because it gives a shot in the arm to international trade and the economies of developing countries, but on the other, it can be seen as negative, having contributed to the upward spiral of international oil prices,⁹ certain foods and other raw materials. That in turn lowers the prospects for economic growth in the USA and the EU and exacerbates inflationary tendencies. A possible world recession would have a strong impact not only on the USA and EU, but also negative consequences for China. Although its internal market has enormous scope for development, the fact that almost 40 percent of its GDP is export driven indicates that any recession would reduce its growth rate as well.

Apart from its growing vulnerability to external events, China's international projection of power also suffers from, above all, a number of internal limitations; serious environmental problems¹⁰ as a consequence of its capitalist expansion, growing regional inequality,¹¹ a high dependence on energy and food imports (only 7 percent of the country's landmass is arable), the difficult cohesion between its 23 provinces and 5 regional autonomies and, tied to this, a growing demand for individual liberty and democratic rights as "a side effect" of its economic opening. In consequence, one of the main challenges which China faces is achieving political and territorial cohesion with a one-party state regime which, in the general context of progressive liberalisation, is more repressive at home and more open to the outside world.

China presents itself to the world above all as a trading power. Its main partners are the EU (principally Germany), the USA, Japan, Singapore, South Korea and Russia. These are not asymmetrical relations but mutual dependencies, given that China is also Japan's main trading partner, the second biggest trading partner of the USA, the EU and India, and Brazil's third. Although it maintains cordial and proper relations with its trading partners, China doesn't have powerful strategic allies in the world and, due to its political regime and continental dimension, has deliberately opted to follow a solitary path, of peaceful co-existence.¹²

India: great power. India is China's main competitor in Asia and an emerging power on a global scale. Unlike China, the West perceives India first and foremost as a nuclear power rather than an economic player and, at the same time, as a bulwark for democracy in Asia. In 2007, India became the world's third largest economy, ahead of Germany and Japan, and behind the whole of the EU block. By reaching this status, the predictions that India would overtake Germany's GDP around the year 2020 and would be competing a few years later with China and the USA¹³ were realised a decade earlier than anticipated.

China and India together are the principal military force in the world, contribute 21 percent of the world's GDP and account for 40 percent of the world's population. The relationship between the two countries swings between competition and cooperation. On the one hand, they represent different political models and compete for leadership in Asia and the world. On the other, China is India's second biggest trading partner and, since 2005, both countries have maintained a bilateral political dialogue, committing themselves to creating a strategic association based on the five co-existence principles jointly defined in 1954.

The size of its population (1.13 billion), means that India is the world's biggest democracy and, in that sense, constitutes the main political counterbalance to China in Asia. If China is the

⁹ It is estimated that by 2030 Chinese demand for oil will have tripled. *The Economist*, London, 15th of March, 2008.

¹⁰ According to World Bank figures, 16 of the 20 most polluted cities are situated in China.

¹¹ China is now the Asian country with the lowest wealth distribution.

¹² Jiabao, Wen., "On the historical tasks of the first stage of socialism and some of our country's foreign policy problems," 2 March 2007.

¹³ Goldman & Sachs studies, quote in Betz, Joachim., "Weltwirtschaftliche Schwerpunktverschiebung nach Asien?" GIGA Focus 2, Hamburg 2008.

biggest power in the whole of Asia, India represents the same in the south of the continent: it accounts for not only two thirds of the population, GDP and territory, but also 80% of its military spend and troop numbers in the sub-continent. In the economic sphere, having begun its reform programme later than China, its economy is still worth less than half than that of its competitor.

It was from 1991 onwards that the then Finance Minister and today Prime Minister Manmohan Singh (2004-) began to implement wide-ranging economic reforms, opening up the economy and gradually reducing the role of the state. Today the Indian economy is growing spectacularly: an average of eight percent in the last five years, close to that of China. But it is also different to China, experiencing growth without employment, because the services industry - which includes communication and computing technologies - the main economic pillar of the Indian economy and responsible for 55 percent of its GDP - is not labour intensive. Although it accounts for less than 20 percent of the GDP, 60 percent of India's labour force is still concentrated in agriculture, mostly in the rural areas which are the worst affected by the poverty which blights a fifth of the country's population.

Just like China, India is faced with numerous internal problems, amongst them widespread poverty, a lack of infrastructure, corruption, a high level of social differentiation related to the caste system, problematic territorial cohesion and ethnic conflicts. However, it is worth noting that amongst the BRIC countries, India is the country with the lowest level of inequality and boasts a large middle class.¹⁴

India's extra-regional relations during the Cold War were centered on close co-operation with the Soviet Union and participation in the Non-Aligned Movement (NAM). The end of a bi-polar world has meant a substantial reorientation of its foreign policy towards the USA which today is a main strategic ally in Asia. A sign of this was the signing in 2005 of the Civil-Nuclear Agreement between India and the USA which, from Washington's point of view, went some way to promoting India in Asia as a political and cultural counterweight to China.¹⁵ On the other hand, the summit which China and India held in January 2008 and the bilateral commitment to advance their association shows that India is trying to counterbalance its relationship with the USA by securing closer ties with its powerful neighbour.

The EU, Russia and Japan make up the second circle of Indian foreign policy. And further in the distance comes India's cooperation with Brazil and South Africa. These three countries formed IBSA in 2003, a forum for dialogue to promote three-way co-operation and increase the influence of the three emerging powers within the World Trade Organization (WTO) and the United Nations. Unlike other initiatives from the South, IBSA is based on shared values: the trinity of democracy, development and peace. IBSA¹⁶ shows that, unlike China, India seeks to gain influence in the international arena through loose north-south (USA) and south-south (IBSA & the G-20) alliances.

Compared with China, India has two great soft power resources: its democratic model and its control of the English language which aids the diffusion of its culture and its international influence. From the Western point of view, India's great advantage lies in its sixty years of uninterrupted democracy in a country with numerous ethnic groups and religions, something which can be seen as a significant achievement in a highly diversified and divided society of different ethnic groups, castes, languages, cultures and religions. India is a multi-cultural democracy which up until now has not been seriously threatened by any political actor. Seen in this light, India serves as an example that democracy is possible even in the most adverse

¹⁴ Nageswaran, Anantha., el auge económico y la clase media: cómo sostenerlo, *Vanguardia Dossier* 27, Barcelona, April-June 2008, pp. 39-45.

¹⁵ See Hoge, James F., A Global Power Shift in the Making, in: *Foreign Affairs* 4, 2004.

¹⁶ John de Sousa, Sarah Lea., "Brasil, India, Sudáfrica: potencias para un nuevo orden", *Política Exterior* 121, Madrid 2008, pp. 165-178.

circumstances and in spite of enormous inequalities and differences which persist (because of the caste system and largely inefficient public policies).

Whilst China has chosen a solitary path without international allies, India has become the USA's main international partner. It shares the USA and the EU's commitment to democracy, has cultural affinities through the English language, and a relatively open market economy. Its newfound cooperation with the USA and its strategic alliance with the EU reflect a certain recognition of India's growing international role.

Brazil: medium global power. On account of its landmass, population and GDP, Brazil makes up the third great emerging power and its economic size means it forms part of BRIC. In quantitative terms (population, territory, GDP and military force) Brazil is the main regional power in Latin America. It is different to India and China in not having a nuclear arsenal, and in its more modest growth rate,¹⁷ it has emerged on the global scene through the channels of diplomacy and international negotiation. According to President Lula da Silva, Brazil does not aim to be the leader of anything and defines itself as anti-hegemonic medium-sized power.

Given its population of 185 million and its much smaller internal market compared to India, Brazil's main strength in the global arena lies in its efficient, internationally prestigious diplomacy. Its advantage compared to many other emerging powers lies in the fact that its foreign policy is well organised, embracing strategic, long-term thinking, the symbol of which is Itamaraty, the Foreign Ministry in Brasilia. Traditionally, its regional policy has been subordinated to global objectives, above all that of obtaining a better position in international forums.

In the last five years, Brazil has profiled itself as a creator of international agendas and ground rules, mainly at the heart of the WTO and the United Nations. Along with India, the EU and the USA, Brazil belongs to the main negotiating core of the WTO's Development Round. It aspires, as does India, to obtain a permanent seat on the UN Security Council and has made different proposals (amongst others to fight world hunger) in the framework of the United Nations.

More than India, Brazil acts as a spokesperson for the interests of the South vis-a-vis the North and as a promoter of South-South alliances. Whilst India can consider itself an emerging global power on account of its population, Brazil sees itself as a medium sized power, not so much because of its size but - following the example set by Canada - because of the role it plays as an international and regional mediator.¹⁸ Striking examples of its capacity to define consensus and strategic alliances are the creation of the G20 in the framework of the WTO, the ISBA forum for dialogue and its participation in the G4 (also made up by Germany, Japan and India) to press their claim to be included as permanent members of the Security Council.

In a similar way to India, Brazil is another example that demonstrates that "multicultural democracy" can co-exist with great inequality, high poverty levels, and violence. But unlike India, Brazil suffers no regional or international conflict. Indeed it has, under the Lula government, assumed a greater role of responsibility as mediator between neighbouring countries (Bolivia, Ecuador, Peru, Venezuela)¹⁹ and since 2004 holds the military command of the United Nations mission in Haiti (MINUSTAH).²⁰ Its international and regional integration comes in the form of cooperation and integration (in the framework of Mercosur and Latin America), although the ultimate objective of Brazilian diplomacy is to influence the international agenda.

¹⁷ 3,7 percent in 2007.

¹⁸ For a more detailed definition of Brazil as a medium power see Gratius, Susanne., "Brasil en las Américas: ¿una potencia pacificadora?" Working Paper 35, FRIDE, Madrid 2007.

¹⁹ Gratius, Susanne., John de Sousa, Sarah Lea., "Brasil y Bolivia: conflicto sobre hidrocarburos", Comentario FRIDE, Madrid 2006.

²⁰ Hirst, Mónica., "La intervención sudamericana en Haití", Comentario FRIDE, Madrid, April 2007.

South Africa: medium continental power. Conscious of its limitations in terms of size and resources, South Africa does not aim to become a global power or to belong to the BRIC group but instead is perceived as a geographical medium sized power, politically centered in Africa.²¹ Even so, in the African continent, South Africa is the only player with a certain level of influence on the international stage and enjoys a notable influence in resolving regional conflicts. As a consolidated democratic market economy, post-Apartheid South Africa can consider itself an anchor of stability in Africa, a priority that, at the same time, is where its foreign policy is directed. In a similar way to Brazil, its foreign policy is based on political values, amongst which are the construction of peace and democracy.

It's worth remembering that in terms of GDP and military force, South Africa is a regional power. But because of its negative historical inheritance, South Africa eschews hegemonic aspirations in Africa and expresses its regional policy above all through multilateral organisms, principally the African Union and other regional forums. In this way, South Africa has become one of the main promoters of regional integration and is the principal architect of NEPAD (New Partnership for Africa's Development) which was born in the context of the African renaissance and has the backing of the G8.

In this multilateral framework, South Africa has begun, since the end of Apartheid in 1994, to assume the role of Africa's international spokesperson, one example amongst others being its recent election to a non-permanent seat on the UN Security Council. Under the government of President Thabo Mbeki, South Africa also has begun to exercise an active role in the resolution of various conflicts in its own backyard. Its principle tool of power being mediation and negotiation, South Africa can be considered a medium sized power and an important pacifying force in the region.

Just like Brazil and India, South Africa is also faced with numerous internal problems, the principal one being the HIV/AIDS epidemic which affects one in five South Africans and which has reduced life expectancy in the country to 54 years. In the context of these internal limitations, South Africa is not a great power, nor does it aim to be, but the fact that it is the main economic and military power of Sub-Saharan Africa grants it a leadership role inside and outside the continent. Taking into account the fact that Africa is home to the highest number of fragile states (although not of the greatest international risk), South Africa is an important anchor of stability and as such an emerging power on the international stage.

Finally, it is worth stressing that the international projection of China, India, Brazil and South Africa does not necessarily take on a regional expression. In fact, none of the four emerging countries can be considered a regional power. Due to its economic weight and influence, South Africa is the continental power in Africa. China is a global power, but shares that leadership in Asia with India, which is also far from acting as a regional power²² and, moreover, alongside the USA. Brazil is the South American power, but not the Latin American one, given that its power in the region is checked by North American hegemony and the influence of its Latin American rival, Mexico.

²¹ Spence, Jack., "South Africa's Foreign Policy: Vision and Reality", in: Sidiropoulos, Elizabeth., (Ed.), *South Africa's Foreign Policy 1994-2004: Apartheid Past, Renaissance Future*, Johannesburg 2004, pp. 35-49.

²² Sahni, Varun., "A Índia emergente: rejeitar a região, alcançar o mundo?", *Relações Internacionais* 15, September 2007, pp. 21-34.

Are these stabilising or de-stabilising powers?

The rise or fall of old or new powers in the international state hierarchy doesn't necessarily mean greater global instability or insecurity. John Ikenberry reminds us that there are different kinds of transitions of international power. For example, the passing of power from the United Kingdom to the USA at the beginning of the century or the rise of Japan after the Second World War took place peacefully and within the rules of the international system.²³ It is very probable that the inclusion of China and India (and in the future, possibly Brazil) in the world's elite will take place without a traumatic alteration of the established global order.

Even though China is the world's second military power, its global projection is above all economic. Although it is the embodiment of an authoritarian and Statecentric development model, rarely does China try to export her political or ideological vision to the rest of the world. That distinguishes China from the USA, whose position as the only superpower is based as much on its military might as on the promotion of its political, economic and cultural model. In comparison with its rival, the cultural sphere - beginning with the diffusion of the Chinese language - probably represents the main limitation for the projection of Chinese power outside of its more immediate geographical surroundings.

Both global powers are also divided by a marked difference in the use of hard and soft power. Whilst the USA tends to reserve hard power (military threat and sanctions) for its foreign policy and apply soft power in domestic policies, China does just the opposite: it uses force or threats above all at home (the recent conflict in Tibet being a good example) and persuasion and cooperation in its foreign policy. At the extra-regional level, China is far from acting like a hegemonic power and its military, political and cultural power is not comparable to that of the USA.

Although locked into various territorial disputes in Asia, China does not look for confrontation with its neighbours but instead tries to reduce conflict both inside and outside of its own region. In its foreign relations, China prefers to act through soft power, using threats only as a last resort. Its foreign policy is grounded on the principle of political neutrality and non-intervention in other countries' internal affairs. It strives not for dominance but influence, something which in recent years it has seen expanding from Asia to Africa and Latin America, where it has emerged as the region's third trading partner.²⁴ In these regions, its main advantage with respect to the USA and the EU is its neutrality and the absence of a colonial past, as well as being an actor with no commitment to political values like democracy or human rights.

The main aim of Chinese foreign policy is not to dominate the world but to augment its integration in it after various decades of relative isolation. With the exception of the recognition of Taiwan and, to a lesser extent, its grip on Tibet,²⁵ China doesn't divide the world between enemies and friends nor does it act at the mercy of ideological or religious questions. Its foreign policy is multi-polar and is guided by or subordinated to its national economic interests. Trade and diplomacy are the two ways in which China has re-positioned itself in the international system.²⁶ China plays offense in the former (trade) and defense in the latter (diplomacy).

Unlike other emerging countries, China is a late-comer to the multi-lateral system whose structure and rules it does not question nor try to modify. That is why it doesn't tend to create new agendas or global initiatives and is more a rule-taker than a rule-maker in the world order. At present, it doesn't exercise its role as a great power to take on positions of importance but

²³ Ikenberry, John., 2008, op.cit.

²⁴ *The Economist*, London, 15 de marzo de 2008.

²⁵ The conflict has been ongoing since the annexation of Tibet by China in 1951.

²⁶ Deng, Yong., & Moore, Thomas G., "China Views Globalization: Towards a New Great-Power Politics?", in: *Washington Quarterly* 27:3, Summer 2004, pp. 117-136.

instead chooses to win prestige²⁷ and increase its participation in international fora. A sign of this was its entrance in the WTO in 2001. Another example of its increasing immersion in the international system and its recognition therein is the Olympic Games of 2008, which will be held in China. Its participation in the G-8 and in the OECD are still pending.

As for diplomacy, today the effects of Deng Xiaoping's discretionary doctrine dating back to 1991 which called on China "not to carry the flag, nor head the wave" and rather than demand leadership, to watch, is still very evident.²⁸ According to its leaders, avoiding confrontation with the USA²⁹ and a costly rivalry (above all an arms race) with the superpower constitutes one of the key watchwords of Chinese foreign policy. Another overriding principle which still guides its foreign relations is that of national sovereignty and non-intervention in the internal affairs of foreign states.³⁰ Unlike the USA, China does not apply political criteria when selecting its allies or trading partners, which can be authoritarian regimes, democracies or theocracies.

China has also used the integration opportunities which globalisation and multilateralism offers to improve its image after Tiananmen Square in 1989. Cleaning up its international image and avoiding confrontation with the West are fundamental objectives of its foreign policy. This can be seen from its policy of fostering closer ties with the USA, Russia and the EU. In the face of China's huge economic potential, criticisms from its partners about its lack of democracy and its human rights abuses have already begun to fade into the background. Apart from revealing the double standards of the international community dominated by the traditional powers, it demonstrates that both the USA and the EU recognise China as an equal partner.

As to whether China's effect is stabilising or destabilising, the balance leans towards the former. At the global level, China does not claim a hegemonic position but instead acts in the framework of what it calls "peaceful development",³¹ which was ratified at the last congress of the Chinese Communist Party in October 2007.³² According to the Prime Minister Wen Jiabao, China strives to reach a "harmonious world" as the ideal setting for its own development, and aims to carry "the flag of peace, development and cooperation high, applying a foreign policy of independence and peace".³³

With that, China rectified its previous position of a "peaceful rise" which provoked fears of a Chinese hegemony. In the Security Council, China usually votes in line with the principle of non-intervention and respect for national sovereignty. Even so, China has played a mediatory role in its own region, such as in the conflict between Cambodia and Thailand, or in the case of North Korea. Stabilizing the region itself forms part of a new Chinese concept of security destined to augment its position and lessen the influence of the USA and India. One of the instruments used to that end is the Shanghai Cooperation Organisation which serves above all as a platform for China's interests in Central Asia.³⁴

In the international system, China advocates a multi-polar world order as an alternative to US domination. Along with the EU, it shares an interest in seeking a more balanced world and a multilateral system which is more efficient. A sign of this is its growing commitment to the United Nations, China being its ninth biggest financial contributor. Without aiming to export its "political model", given that "Beijing has no interest in starting an ideological war with the

²⁷ Womack, Brantley., 2007, p. 61.

²⁸ Wacker, Gudrun., (Ed.), *Chinas Aufstieg: Rückkehr der Geopolitik?* SWP-Studie 3, Berlin 2006, p. 62.

²⁹ Delage, Fernando, "El nuevo contexto de la política exterior china", en: Delage, Fernando., (et al.), *China en el nuevo escenario internacional*, Working Paper 2007/11, Real Instituto Elcano, Madrid, 23. October 2007, pp. 4-9.

³⁰ Kleine-Ahlbrandt, Stephanie., & Small, Andrew., "China's New Dictatorship Diplomacy", in: *Foreign Affairs*, nº 1, January/February 2008.

³¹ Jisi, Wang., "China's path towards a peaceful development and its relationship with the USA", in: Delage, Fernando., (et al.), *China en el nuevo escenario internacional*, Working Paper 2007/11, Madrid, 23 October 2007, pp. 22-26, p. 22.

³² For an overview of the Congress, see Bustelo, Pablo., "Política y liderazgo tras el 17º Congreso del PC chino: ¿cuáles son las novedades?", ARI, nº 111, Madrid 2007.

³³ Jiabao, Wen., "On the historical tasks of the first stage of socialism and some of our country's foreign policy problems", 2nd of March 2007.

³⁴ Abad Quintanal, Gracia., "La Organización de Cooperación de Shanghai o la penetración china en Asia Central". ARI 30, Real Instituto Elcano, Madrid, 2008.

West",³⁵ China does in fact represent a political alternative to representative democracies. Its political regime is particularly attractive to those countries which question or challenge the idea of the universal nature of democracy (Iran, Russia, Venezuela) and base themselves on a strong political nationalism which, according Andrew Hurrell,³⁶ has become the main ideology of states, whether they be fascist, religious, liberal or socialist. But at the same time, the Chinese political system also limits its global influence through exercising soft power.

In a similar way to China, India is not a destabilising power, but it cannot be identified as a stabilising one either. Since the nineteen nineties, India has re-orientated its foreign policy away from its privileged relation with Russia and the Non-Aligned Movement towards the USA, China, the EU, fostering closer ties. At a global level, it is one of the main troop contributors to United Nations peace missions and, consequently, an actor committed to world peace. It has been demanding a seat on the Security Council for some time now. Given that China does not oppose this and, besides, the USA supports the demand, it is highly probable that in a future widening of that organ India will be given a seat. Alongside Brazil, India also plays a key role in the WTO and the Development Round.

The nuclear agreement with the USA suggests that India enters the international stage through the door of security rather than trade or democracy. Unlike China, India is part of and is affected by diverse conflicts on its borders. Due to the threats which it has to face in its own backyard, concerns about security continue to dominate its foreign policy in general and regional policy in particular.³⁷ For this reason (amongst others) Indian foreign policy is centered on its relationship with the USA as co-guarantor of security, in the context of peaceful co-existence with China and a difficult relationship with Pakistan.

India's main challenge is the pacification of its geographic surroundings. In South Asia, India is a democratic island with authoritarian regimes and fragile states all around, beginning with Pakistan. In South Asia, India is, at the same time, both part of the problem and the solution. As a hegemonic power in the sub-region - on account of its size and economic and military potential - a negative image of India prevails in neighbouring countries. In fact, India maintains border disputes with Pakistan (Kashmir) and China (the annexation of Tibet in 1951, the India /China war of 1962), along with internal conflicts in Nepal (between the government and Maoists), Bangladesh (governability), Burma/Myanmar (authoritarian regime), all of which add up to a threat to its security.

A key to stability in South Asia is the territorial and religious dispute between India and Pakistan, which has been ongoing since the separation of the two countries during the process of independence which ended in 1947. Although both countries began a dialogue process again in 2004, no breakthrough was achieved. Since the 1950s, India has had a relationship of peaceful co-existence and cooperation with China, its main rival. Its relationship with both countries and its mediating role in countries such as Sri Lanka confirm the gradual transformation of India from a non-exclusive nuclear power (challenged by China and Pakistan) to a power which, if not stabilising, is certainly more committed to democracy and peace in its geographic surroundings and the rest of the world.

In difference to China and India, Brazil and South Africa act as medium sized powers in the Canadian sense of conflict resolution and regional and international mediation. Both are anti-hegemonic powers which do not aspire to nor can afford the expense of regional leadership. Both Brazil and South Africa are clearly stabilising powers which build integration agendas in their respective regions and take part in regional and international peace missions (UA, OEA) both within and beyond their more immediate surroundings.

³⁵ Jisi, Wang., 2007, p. 23.

³⁶ Hurrell, Andrew., 2007, p. 122.

³⁷ Sahni, Varun., "India: A Global Power without Regional Ambitions?" Soon to be published.; and Gratius, Susanne., John de Sousa, Sarah Lea., "IBSA: An International Actor and Partner for the EU?", FRIDE Activity Brief, Madrid, October 2007.

Unlike China and India, neither South Africa nor Brazil suffers any kind of conflict with foreign states. In the case of Brazil, it has enjoyed more than one hundred years of peaceful relations with its ten neighbours. South Africa began to put right the negative role it was playing in the region with the end of Apartheid in 1994. The principal merit of these countries is their commitment to regional integration: Brazil through Mercosur and South America, South Africa in the AU and SACU. Unlike South Africa, whose main power limitation is its size, Brazil's international influence is limited by two key factors: (1) its silent diplomacy characterised by Brazilian modesty, (2) a weakened cultural impact on account of the Portuguese language which extends only as far as the Portuguese speaking part of the African continent.

Compared with Brazil, whose influence in the region is limited by the weight of the USA in the Americas, South Africa enjoys more scope, if only because Africa is the only continent with no hegemonic power. Both South Africa and Brazil are powers which eschew hegemonic aspirations and which seek a shared and benign leadership. Compared with Brazil and South Africa, China and India, as nuclear powers involved in various conflicts in the region, are still perceived as a threat by some of their neighbours, although diplomatic and economic instruments tend to be used more than force.

Finally, the military profile of these four countries and, in consequence, the threat they pose, couldn't be more different. Because of the constant increases in its military budget and its arms industry, which has made it one of the main arm exporters in the world, China is the first military and nuclear power. India is also a nuclear power, although the fact that it is not a producer or exporter of arms means its military potential is much smaller.³⁸ As one of the main exporters of arms and military equipment, Brazil is a military power and has the capacity to become a nuclear one. South Africa also an important arms exporter and dealer, but is far from being a military or a nuclear power.

³⁸ Chellaney, Brama., "El tigre frente al dragón: ¿servirá India de contrapeso a China?" Vanguardia Dossier 27, Barcelona, April-June de 2008, pp. 79.

The distribution of power in the international system

The four emerging powers' growing hard and soft power is still not reflected in the structure of the international system. An indicator of this is the distribution of international positions of responsibility, which still clearly favours the traditional powers:

Distribution of international positions of responsibility by country of origin

<u>Organisation:</u>	<u>Headed by:</u>	<u>Country of origin:</u>
United Nations	Ban Ki-moon	South Korea
UNDP	Keam Dervis	Turkey
UNHCR	Antonio Gutérrez	Portugal
UNESCO	Koichiro Matsuura	Japan
UNICEF	Ann Margaret Veneran	USA
UN Peace B. Commission	Yukio Takaso	Japan
UN Human Rights	Louise Arbour	Canada
WHO	Margaret Chan	China
NATO	Jaap de Hoop Scheffer	Netherlands
WTO	Pascual Lamy	France
OPEC	Abdalla Salem El-Badri	Libya
IMF	Dominique Strauss-Kahn	France
WB	Robert Zoellick	USA
OECD	Angel Gurría	Mexico
OSCE	Marc Perrin de Brichambaut	France
ILO	Juan Somavia	Chile
IAEA	Mohamed El Baradei	Egypt
ICC	Phillippe Kirsch	Canada
ICJ	Rosalyn Higgins	United Kingdom
Council of Europe	Terry Davis	United Kingdom
Council of the EU	Javier Solana	Spain

This list of top international posts confirms that the post-war international order of the 1950s is still intact. Furthermore, it shows little gender equality, given that only three of these 21 institutions are headed by women. As for individual countries, only France (3), Japan (2), USA (2) and Canada (2) provide leadership for two or more international institutions. It is striking that there is no Brazilian or Indian presence amongst the important international institutions.

Similarly unfair is the make-up of the highest organ of international security: the Security Council comprises Russia, France, the USA, the UK and, since 1971, China. Nor do the other exclusive world forums reflect the current constellation of power: only Mexico, which using the criteria laid out previously amounts to a second division emerging power, forms part of the OECD; the G8 is an exclusive club of traditional powers which excludes the emerging or re-emerging powers such as China, India and Brazil (recently, in 2007, the G8+5 mechanism was created which includes Brazil, China, India, Mexico and South Africa); and the power split in the International Monetary Fund (IMF) continues to reflect a bi-polar world order.

The vast majority of the international organisations require a profound reallocation of power with the aim of including the voices of the new emerging powers whose international integration (peaceful or traumatic) depends on their gradual inclusion in the most prestigious and powerful

global institutions: the G-8, the OCDE and the Security Council (save for China). And that in turn depends on the political will of the traditional powers to cede power to the emerging nations.

If that doesn't take place, it is more than likely that the emerging powers will try to change the international system by means of South-South alliances or a general questioning of the global order as established by the traditional powers. First of all, new international forums dominated by developing countries might well emerge. Important examples of recent multilateral initiatives are IBSA, G-20 or, at the bilateral level, the recent cooperation between India and China. This points to the emerging powers already beginning to create ties with each other, in principle not to oppose the international order, but instead combining their forces to create more of an impact within the current international system.

Consequently, the survival of the current international system and its institutions will also depend on that system's capacity to integrate emerging powers and create incentives for them to act within the parameters of the established order and not outside of it. Governing with and not against the international order must be the shared objective of both old and new powers: "The United States and Europe must find room at the table not only for China but also for countries such as Brazil, India and South Africa".³⁹

Conclusion

The rise of India and China has created a new economic order but this has still not led to a new political order. The emergence of both powers presents no threat to world security, but instead their peaceful rise seems to confirm the thesis that "war-driven change has been abolished as a historical process".⁴⁰

None of the four countries amounts to a risk either for regional or world stability. China, India, Brazil and South Africa, far from questioning the international order, actively take part in it and are clamouring for greater participation. However, and accepting the existing ground rules, they are quite rightly demanding a fairer distribution of power reflecting a multi-polar world and their rising position in the international pecking order. That's why India, Brazil and South Africa, together with Germany and Japan, have been pushing for admission into the Security Council, and, along with China, participation in the G8. The economic significance of these countries should also be reflected in the main financial institutions - the IMF and the World Bank.

From amongst the four countries, China is the only emerging power with the possibility of becoming the centre of global power and, moreover, the only one which has chosen a solitary path which, following the example of the United States, seems the only formula to gain power in the international hierarchy of nation states. India, Brazil and South Africa tend to use the regional route to build a platform from which to project themselves as global powers. These three powers form part of projects fostering integration, or at least regional cooperation (SAARC, MERCOSUR/UNASUR, UAAU/SACU). Conscious of the limits of their power, they prefer opting for the creation of alliances in order to increase their influence and international negotiating capacity and use regional integration as a possible means to that.

At different levels -South Africa is more committed to integration than Brazil, which in turn is more committed than India- these emerging powers have opted for shared leadership and an alliance based multilateralism. That in itself offers a certain guarantee for peace and democracy. But we should also note that integration is not experiencing its finest hour in any of the three

³⁹ Ikenberry, John., 2008.

⁴⁰ Ikenberry, John., 2008.

regions. In Latin America, Mercosur and South American integration is experiencing a serious crisis which is manifesting itself in repeated trade disputes. Integration in Asia seems a chimera, taking into account the fact that SAARC's development is handicapped by the conflict between its member states, India and Pakistan, and that neither China nor India has joined ASEAN (which, allowing for the differences, would be like the EU without France and Germany). China has not committed itself to any regional block in order to pursue, in line with its realist approach,⁴¹ the main goal of any great power - to maximise its power in the world and dominate the system to the greatest possible extent.

Amongst the four countries, Brazil is the most pro-active on the international stage and the most committed to global multilateralism. Proof comes in the shape of the IBSA forum, the G20 within the framework of the WTO, and the global initiative against world hunger in the United Nations. China is still seeking full immersion in international organisations and is beginning to lead important institutions, albeit with little political clout.⁴² India, for its part, is concentrating its attention more on Asia and its key relationship with the USA rather than seeking to act as a playmaker in international institutions. Aware of its size and material limitations, South Africa has no aspiration to become a global power, but instead seeks to consolidate its status as the main force of continental order in Africa.

Getting back to the initial question, and in summing up, a new world order is taking shape in which the EU, the USA and Japan - the former trinity of power - will have a much smaller role to play than they do at present. An important setting for rivalry between old and new powers will be access to natural resources such as oil, water and foodstuffs. That means an important role not only for oil and other energy producing countries, but also for countries which export large supplies of food, like Argentina or Brazil.

The future international situation will no doubt be different, but not for that reason necessarily more unstable than at present. What is an especially new development on the international scene is the fact that two Asian countries are going through a boom at the same time: "In this game, the India-China equation will be fundamental for the future of security and the strategic stability of Asia".⁴³ That throws up two horizons for the future; confrontation or rivalry between India and China, or the alternative of peaceful co-existence and even an alliance between the two powers

Another unknown aspect of the future is the triangle between China, the USA and India. In the face of the parallel rise of China and India, it is most likely that we are seeing not just the end of unilateralism or American⁴⁴ "hyperpower", but indeed the decline of other traditional powers like the EU's member states and Japan. Changes in the international order manifest themselves in the economic sphere more than anywhere else, whilst there has hardly been any repercussion in the international political post-war system. But rather than create a new order, the four above mentioned countries are integrating themselves in the existing international system.

Although their growing participation in global government will modify some aspects of the established order, it seems unlikely that China or India will question the established political and economic model. None of the four powers project themselves to the world through ideological influence or by offering alternative development models. Seen in this light, they are conservative emerging powers and very different to theocratic powers such as Iran or Pakistan whose main resource, apart from a nuclear threat, is religion and/or ideology and which, on rejecting the ground rules established by the old powers, will remain on the margins of the international system, at the same time as they represent a potential threat to the international order.

⁴¹ Mearsheimer, John., "Why China's Rise will not be Peaceful", 17 September 2004.

⁴² Margaret Chan, of Chinese Extraction, is Director General of the World Health Organisation (WHO).

⁴³ Chellaney, Brama., "India, China y Seguridad en Asia", en: *La Vanguardia*, Barcelona, 13th of January 2007.

⁴⁴ Ikenberry, John., "The Rise of China and the Future of the West", in: *Foreign Affairs*, Washington DC, January/February 2008.

The growing influence of China and India reflect a growing dispersion of international power and its distribution in different clusters, which intrinsically means less control and more disorder, although not necessarily a greater number of conflicts. At least three outcomes seem possible:

The first would see a transition towards a new three-way world order between the USA, China and India. It would most probably result in peaceful co-existence. In terms of possible alliances, India would be the country to decide with which of the two it wanted to “wed”: an alliance with the USA would represent Western values, whilst an alliance with China, “Chindia”, would confirm the beginning of a new Asian hegemony. A second outcome could see the return of a new bi-polar world, this time with the USA and China, which would not be expressed as an ideological confrontation but rather as two magnets of economic and political development, representing different models around which other groups of nations would gather. A third scenario would be that of a multilateral world anchored in international law and strong, democratic multilateral organisations. Seen from the point of view of Brazil, South Africa and the EU, this would doubtless be the best option. And yet, this vision of an ideal world is normally defended by medium or smaller powers which are more affected by the unilateral actions of those same great powers that so rarely have promoted the construction of a democratic and well-balanced multilateral world.

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