

The Rise of China and the Future of Liberal World Order: Q&A

The C Douglas Dillon Lecture

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Robin Niblett

If I could throw one question in to kick us off: I presume, therefore, your view would be that authoritarianism within states need not lead to disorder between them. You said the battle here isn't over global rules – we're all benefitting from the same rules. But there is quite a bit of diversity in structures of government internally. China obviously is probably the main manifestation of a contrast – let's put the US at one end and China at the other in that spectrum of political systems of governance. So a leading question: you're not worried that that differentiation, and in particular that the system of internal government that China requires in order to manage this transition, will be a contributing factor towards disorder and maybe against the more benign outcome you see?

John Ikenberry

That's a great question. I think a lot about that. I'm not optimistic about transitions from authoritarianism in China and Russia. We could see more movement in that direction than away from it. In the case of Russia, of course, the added constraint on moving in a more open, liberal direction is of course energy, which allows it to sustain itself. It's also the distribution of rents within that society. So you can even have a discontented large Russian population but if you can redistribute wealth to your supporters, you can sustain yourself even with the sanctions and all the rest. So I don't think you can kind of hit these states and the authoritarian regime will fall apart. China is very sophisticated in its form of rule.

I think you're right that I do think you can still – they don't have an alternative international order, that's number one. So they can't really be in the game of defining the next system. They can be spoilers. They can do damage to the system. They can certainly do damage in their neighbourhoods in various ways, and that's somewhat what we're seeing in Crimea and Ukraine.

But I guess I would say that over the longer term, my view is that they will have incentives – certainly China more than Russia, but China too – to incrementally move into our world more, even as in some sense we co-evolve. They will be able to shape and give new character to rules and institutions even as they increasingly use them. You would like to see inside of China more internationalist elites coming out of the capitalist sectors that are saying yes, we do need to work within the WTO. So I do think you can live with China evolving in that direction without fully embracing all the regime characteristics that we assume liberal democracies have.

Question 1

You've mentioned Russia. How closely do you think the Chinese leadership are looking at the success or otherwise of Putin's attempt to overturn the rules of the liberal world order in what he's doing in Ukraine? What lessons will they draw from that and our reaction to it?

Question 2

I have a question that bridges quite nicely from Robin's, around authoritarianism within states. My question is: in your survey, one of the aspects of the liberal international order that you didn't touch on is the international human rights system. I would be really interested to hear your views about the fate ahead for that element of the system in the context of this geopolitical shift that you've outlined. Is this part of the system going to be severed or is it part of a package that will endure?

John Ikenberry

China clearly is looking at Russia and looking at how Europe and the US respond to Russia. Of course, they have a very deeply ambivalent view. On the one hand, what Russia is doing in Ukraine is troubling to them, because perhaps it establishes a precedent for a region like Crimea to vote secession from the country. China doesn't want that in any of its troubled regions. On the other hand, it too looks at 19th-century solutions to its neighbourhood problems – let's say, Taiwan. So in some sense it sees both sides of that. I think that's exhibited in their behaviour: they abstained from the UN General Assembly vote.

I think it's very important for the international community and for Europe and the United States to play the long game that would allow us to see Putin lose. I think Putin has to lose on this, that you don't do this without sustaining huge costs. On the other hand, the other thing I think we all have to keep in mind is that Putin is not a leader that is successfully waving a flag of a resurgent empire that has allies and sympathizers around the world. It's very much, in my view, an action that follows from weakness. The way in which countries around Russia have moved in a different direction, through EU and NATO expansion – in some sense, part of the problem is a Western problem for not negotiating restraints and understandings during this period when Russia was increasingly encroached upon. There were some expectations at the end of the Cold War that there would be restraint. The enthusiasm of the West and of the new entrants into these Western institutions made that difficult to do. That doesn't excuse Putin but it means in some sense he has seen the greatest collapse of any geopolitical sphere, of any great power in modern history. So he has been losing. So he is pushing back in his neighbourhood. It would be like the US, threatened by Canada, tying itself in a new alliance with China, having to engage in a military incursion in Ottawa. If the US were in that predicament, Obama really would be criticized – how did you get us in this predicament? But it's happening in Russia and Putin is getting huge national public opinion polls and everybody is saying this is a new kind of geopolitical force to be reckoned with. I'm just not so sure.

Human rights. I think the next international order will be different. I think there will be much more attention to sovereignty and to pluralism and to different standards of human rights. Even as, again on both sides of this issue, you will see a kind of co-evolution. I think Brazil, for example, in its efforts to amend and modify R2P. We'll see what India does. Those would be bellwether states.

But you're right that that's where there's the most diversity. Sovereignty, rule of law, commercial issues, have more functional universality to them. But even human rights – embedded in all of our international institutions are normative ideas that are not as widely shared as the norm of sovereignty but that are shared widely. Again, the alternatives are not there. So it's either a gradual spread of these kind of human rights norms or a greater pluralism. Certainly not a kind of alternative model that will rule the world.

Question 3

Building on this theme as well, and looking at this 500-year frame of reference, the most influential countries internationally have tended to be the most accommodating of people, intellectuals, people from different backgrounds, different countries, and have tended to perhaps bring in the best people in the world – the most intellectual, the most entrepreneurial – which presumably has in some sense influenced their strength internationally and their overall influence in the world. Would you consider that to be a factor? If we look at the relative powers in this emerging order, is their relative attractiveness to a global intellectual elite a factor in their relative influence in that order?

Question 4

I found your presentation fascinating and your article in *Foreign Affairs*, the May/June issue, an intellectual tour de force – a knockout blow, I would even argue, to your learned colleague. I'm still surprised that you don't lay a great deal of stress on the internal dynamics in China. Any authoritarian regime, by definition, is unstable, it is argued. In the current situation, China's success has been built very much on a debt-fuelled investment model which the party itself has said, look, it's unsustainable, we have to reform. They've increased the credit, as you're well aware, the same size as the American [indiscernible] since 2008. It's become a cliché. Up to 60 per cent of some of the borrowing in some sectors is going to repay the loans. It's a very unstable situation, if your legitimacy depends on economic growth. On the other hand, the other pillar is nationalism. That obviously explains the aggression in the South China Sea. So therefore we're in a very interesting situation. I'm just suggesting really, in the great liberal order which we obviously support and hope that China will emerge as one of the leaders and share the burden – but clearly, can an illiberal model like China, which is facing these problems, isn't it going to be forced back onto that very militant – isn't there a great danger there that this militant nationalism is going to lead to that destabilization? As you rightly – some might suggest and I would support the idea that it's a sign of weakness, militancy in the South China Sea, and it's a symptom of what we're going to get more of. The real challenges within China and that instability which the economic model is now going through is really underestimated here. We don't really seem to understand it or even want to sometimes.

Robin Niblett

You brought up a very important additional point – I hope in your answer to that – nationalism, which is not necessarily the same as authoritarianism per se. The history, the emotion – Dominique Moisi has been doing a visiting fellowship this year at King's and he writes a bit about emotion in foreign policy and so on. But that power of nationalism, perhaps then hyped up within an authoritarian system that is structurally unsound, could you bring that into how you answer that question?

John Ikenberry

I haven't talked a lot about the security conflict in East Asia, because I've been talking about the global liberal order. The worst is yet to come, I think, in East Asia on security competition. As you say, if there are indeed economic troubles ahead for China, that will manifest itself in more nationalism, as many

people have argued, you argued. That will exacerbate the problem. That's something to worry about. It's even a not controllable phenomenon by the central state. You saw some of this in the anti-Japanese movement in the public, that was in some sense encouraged by the government but later kind of got out of control and the government couldn't really rein it in.

I think you have to ask, what are the sources of restraint, given that dynamic? For me, it's the same source of restraint that you have to hope Putin has, which is to say when an authoritarian state lashes out or engages in aggression against its neighbours in one way or another, there is a backlash. Diplomatic historians call this the problem of self-encirclement. Post-Bismarck Germany, Wilhelm II. There is a counter-reaction. In the case of China, you saw this in 2010, which was a year that IR scholars study a great deal in East Asia, because you saw these movements by Beijing and these counter-movements in Vietnam, in the Philippines and Japan and Korea – all separate episodes along the way. That is something that China doesn't want to do. You don't want to be worse off after a cycle of action/reaction than before.

But yet you're right. The single most important objective of China is regime survival, and that is going to be a very difficult task, I think, going forward. Whether they continue to grow or whether they don't grow, as you suggested.

This other question is very interesting. I can think of different ways to answer it but two things come to mind. One is that I would like to know more whether global leadership does kind of hinge on the metropole, that global leader being a kind of open society where lots of different types of elites come and are innovators and thinkers. In some sense you think of that as something that Britain benefitted from, the US benefits from. These are open societies with a lot of movement, a lot of universities and certainly free speech that allows for an active set of debates on all the great issues. Does China need that to really move to the next level, and can it get there? That's a question I'm not sure of.

It's been very interesting to watch Chinese intellectuals move outward and upward. It's something that we should encourage. We learn from them and we see their own debates. I think there is an interesting rising Chinese intellectual class. They work in a very constrained setting but they are increasingly part of the global dialogue. I hope they can be a vibrant part.

Question 5

I was wondering what you thought about whether the West should be more proactive in communicating its values. Whether we should let our success speak for itself or whether we should be, for example, in the upcoming NATO summit, talking about the economic power of the members of NATO.

Question 6

You alluded to Taiwan in a reply to an earlier question. Taiwan is, of course, at the confluence of both American and Chinese influence. My understanding is that the United States Congress has an understanding to defend Taiwan, which is a democratic country, against foreign (namely Chinese) aggression. With the geopolitical and military shifts that have taken place over the last 20 years, do you believe the United States would honour their pledge?

Question 7

You talked about the nightmare scenario, and other people have raised the question of nationalism in the South China Sea. I think there's another form of a nightmare scenario not involving the South, but when you see the possibility of Russian nationalism, or post-Soviet nationalism under Putin, and Chinese nationalism which is already growing. The conflicts in the South China Sea, and Japan and Taiwan. You could see both these countries being susceptible to a feeling of encirclement and driven together. Have you any comments on that?

Question 8

On the topic of the porcupine and getting our own house in order, and maybe just to limit this to Europe perhaps, you mentioned the shortcomings of our own liberal democracies and things like that. With the elections coming up in Europe, we've got fairly big decisions to make ourselves about the direction of that. Maybe more nationalism in certain domestic politics as well. How much of an effect, do you think, or how important is that in Europe progressing in terms of this future liberal order you're talking about as well?

Question 9

Thank you very much for a wonderful lecture about the future of liberal world order. But as the gentleman said, we can't wait for China to be able to accommodate this wonderful liberal order. In Asia, as a neighbour, we feel the kind of anxiety and also some worry because of the increasingly aggressive kind of behaviour. Also the [indiscernible] expansion of military expenditures. So what is your advice for those countries in the neighbourhood? We cannot just wait until they become more mature. What is the advice for the United States? How do you make assessment of the reasons for President Obama's visit to Asia? I find it very assuring but how do you assess that?

John Ikenberry

On the West and communicating values, I'm on the soft-peddalling side of that because I think showing what you can do is ultimately more persuasive. There's a certain level of anti-Americanism and anti-Westernism that is triggered when in fact there may be more underlying agreement on the essentials, which is set of multilateral rules that stabilize and coordinate activities. So I guess I don't think one should wave one's hands so much in this regard.

Taiwan, I think the US does have a defence understanding with Taiwan and would come to Taiwan's defence, depending on how the military action unfolded. Of course, if it attacked, it's made clear that under those circumstances, that's not where the defence would come. It would be if it were attacked. There is a creeping problem, of course, and that is that the kinds of assets the US has to help defend Taiwan, soon after the military actions began, would be sunk. So there is a problem of defending Taiwan

that is leading to all sorts of debates about doctrine and capabilities. So this is something that is a very real issue.

But on Taiwan I wanted to make one other point. For me, Taiwan's relationship with China is like Russia's relationship with Ukraine. Taiwan is a country in this sense that wants to have its own identity, and not necessarily a bad relationship with the strong state that's neighbouring it but not necessarily to be simply dominated under its thumb. In Taiwan 20 years ago, 14 per cent of the population self-identified as Taiwanese; now over 60 per cent, a majority. And 80 per cent in a recent poll said that if they would be assured that they would not be attacked by China, 80 per cent would want to have the country declare independence.

So China sincerely believes that Taiwan is part of China but the problem is the Taiwanese do not agree. The only way they can get it is through 19th-century forms of coercion like Putin is trying. I would contend that's going to be very costly and probably self-defeating. So Taiwan doesn't just have missiles to defend itself, it has the legitimacy of its own democracy.

Russia and China – I do think there is a problem of encirclement. I said that should be an incentive for them to restrain themselves and China should be looking for ways to reassure its neighbours, including Vietnam but of course all the countries up and down the region, that it is not going to aggress on them. But both countries are encircled, in some sense. Twenty-five years ago for China, there were two democracies neighbouring China: India and Japan. Now there are 11, including Mongolia, Taiwan, South Korea, Thailand, Indonesia, Australia and all the rest. It is encircled. There are 14 countries on China's borders and many of them are democracies. So too with Russia.

So in a certain way, these are illiberal states that are surrounded – again, not necessarily by states that are pro-Western and in a kind of alliance relationship with the US or the West, but many of them are. They are not easily bullied because they are democracies. So I think that, in the first instance, puts a check on these two illiberal states. In a second sense, it also means that it's in our interest – and I mean that in the global 'we' interest – in providing opportunities for Russia and China to be part of the system, as mostly they are in the Security Council and all the way down, but to signal restraint as well.

This is where I was a critic of NATO expansion. Before Putin did what he did, I was very much of the view that when Reagan and Gorbachev made their deal at the end of the Cold War, there were assurances that Gorbachev got that the West would respect legitimate Soviet (and then Russian) security and national interests. All this kind of got overturned and Gorbachev was not a good lawyer. He didn't get a lot of this written down. There were the so-called 'nine reassurances' that Robert Zoellick and James Baker gave Gorbachev but it was informal, there were understandings. Obama tried to reset the issue, because it was missile defence, NATO enlargement and pipeline politics that were the aggravations. But that wasn't enough and it wasn't soon and it wasn't put together in a way. So I think there is a job to be done on the other side of this crisis with Putin, to look for ways to accommodate and reassure and give some room.

European populism, I'll just say I'm worried about it. I think in some ways that's why I ended the way I did. Inside of our countries there is as much to worry about as outside of our countries. In some sense it's our own dysfunctions. Obama is suffering from the fact that in Southeast Asia, Northeast Asia, the Middle East and even in Europe there's some scepticism of American credibility. That's partly, some people would say, because of his own behaviours, but I think more than that it's the sense of looking at Washington and its dysfunctions. You look at Europe and you see dysfunctions.

So the core of this old system is breaking down from within, in some sense more so than being beaten down from without. You think of Pericles, as recorded by Thucydides, when he said – it wasn't in the funeral oration but in another speech, Pericles said: I worry more about my own mistakes than the strategies of my enemies. I think that's where we really are today.

Robin Niblett

I think that seems like a very good point to end on. I've let this go on a little longer because I think it was such a good opportunity, John, to be able to talk with you. I didn't get to all of the questions, which I apologize. I also had an interesting question that came in on the internet, a little late for me to bring it in, but I think it's something for us to think about in the future. I think you made a very interesting point in the concluding formal part of your remarks about the fact that we will have a world order with less US and EU in it, but we need to help shape it in a way that's beneficial to as most states as possible. The question that was coming up was whether the Trans-Pacific Partnership and the Trans-Atlantic Trade and Investment Partnership are designed to help bring as many countries in as possible, or might they be seen as a way of trying to write those rules for our benefit more than for theirs? We don't have time to answer that question right now but we do have an opportunity to go upstairs and have a drink and continue this conversation with John there.

John Ikenberry, thank you very much for giving us a great amount of thoughts. Thank you.