

## Summary

### Presenter

Chi Wook Kim  
Shunzhang Zhao  
Feng Zhu

### Moderator

Chaesung Chun

### Discussants

Seungjoo Lee

This product presents a policy-oriented summary of the World Congress for Korean Politics and Society 2009.

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## "G-2 Era? Global Rise of China and the Future of East Asia / the Future of American Leadership"

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Amidst the financial turmoil arising from the global economic crisis in late 2008, many observers recognized that the current international order was changing. It was clear that the United States could not make any rapid recovery by itself and that rising Asia, China in particular, would be playing a new and more prominent role. Grasping for new concepts in a changing world order, the notion of a G-2 was put forward by prominent thinkers like C. Fred Bergstein and Zbigniew Brzezinski. The G-2 brings together the world's leading superpower, the United States, and the world's future power, China. Such a concept is exciting but raises as many questions as it does solutions.

While there has been much discussion in the media and within academic circles, the views of Chinese experts on the matter are also important in understanding the validity of this concept. To bring in these voices, the East Asia Institute hosted a panel session at the World Congress for Korean Politics and Society 2009 organized by the Korean Association of Political Science. The East Asia Institute's MacArthur Asia Security Initiative, as a research collaboration effort with partner institutions, invited two prominent scholars from China, Professor Feng Zhu (Peking University) and Professor Shunzhang Zhao (Shanghai Center for Strategic and International Studies), as well as esteemed expert Professor Chi Wook Kim from the Sejong Institute, to present their perspectives on the topic of "G-2 Era? Global Rise of China and the Future of East Asia/the Future of Ameri-

can Leadership." For this panel Professor Chaesung Chun (Seoul National University) guided the session as the moderator, with Professor Seungjoo Lee (Chung-Ang University) serving as the designated discussant. Following the presentations from the three panelists and comments from the designated discussant, the panel received questions from participants who exchanged their views on the issue.

Bringing together these experts, a number of questions set out the course of the presentation and discussion. Can the G-2 work in solving the world's problems while also addressing the mutual interests of the United States and China? What is the future of American leadership, and how will it endure in the future? What are the implications for China's rise, and how will it coexist with the United States?

The following is a summary of the main presentations of Feng Zhu, Shunzhang Zhao and Chi Wook Kim. A summary of the discussion involving Seungjoo Lee and other participants follows the presentation.

### Presentation

#### *(I) G-2 and Re-conceptualization of World Politics*

Some form of a G-2 is in action today, but leaders on both sides have been very hesitant to openly support the idea. Feng Zhu began his presentation by asking why there is this reluctance to embrace or even talk of a G-2

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partnership, particularly by China. While Beijing enjoys the recognition it receives from being part of the G-2, Zhu explained that its leaders have publically rebuked the notion of any G-2. Speaking at the European Summit Meeting in May 2009, Chinese Premier Wen Jiabao dismissed the claim of a G-2 by saying that it is “groundless.” How can this reluctance be explained? In addressing this question, he looked into the G-2 concept and its implications on three key areas: China-United States relations, China’s foreign relations, and international security.

Zhu first set out to demonstrate the importance of the relationship between China and the United States, and listed the areas in which we can see the seeds of a symbiotic relationship. China is the largest creditor, America is the largest debtor, China is the largest exporter, America is the largest importer, both are the biggest emitters of greenhouse gases, and both are major oil importers. Looking at these areas it would seem that China and the United States are natural partners that would form a relationship that could have a major impact on dealing with the world’s problems. However, Zhu was quick to point out the limits of this partnership and why the concept of a G-2 is not as feasible as it may seem, therefore explaining the reluctance shown by Beijing.

For Zhu, the G-2 issue is a double-sided coin. On the one side is the positive expectation and aspiration of improved China-United States relations as a result of this partnership. However, on the flip side to this excitement generated by closer ties is the fear that the G-2 will lead to China-United States domination of the world. As such, Chinese leaders have shown a hesitancy to support a G-2 they feel will lead to a bipolar world order. Zhu further

explained that what Chinese leaders fear is that any G-2 format would require China to take on a larger responsibility in international affairs. With its main focus on pressing domestic issues, Beijing does not believe that China is ready to extend its international standing in the world. Nor does it feel inclined to do so in the future.

In addition, a world dominated by two powers manifested by the G-2 structure raises another major concern for Beijing: the effect this would have on its neighbors. This is something China is very sensitive about, particularly as it runs counter to its “Good Neighbor” policy of harmonious relations with those countries in the region.

In terms of power, Zhu asserted that there still is a great power disparity between China and the United States, rendering any discussion of a G-2 as premature. This power disparity also affects the efforts of any G-2 concept addressing international security issues. While the United States may wish Beijing to take on more international responsibilities, it has shown concern over China’s growing military capacity and is reluctant to endorse its continued military modernization. This highlights some of the uncertainties, inequalities, and difficulties in the China-United States relationship that Zhu believes dampens efforts for a G-2.

At the same time, Zhu emphasized that such skepticism should not mask the need for greater cooperation between China and the United States in handling international affairs. He was adamant on this point and felt that there are many benefits to closer cooperation. Zhu noted that the recent United States-China Strategic and Economic Dialogue was a good starting point. But the G-2, Zhu concluded, was not the answer. That thought left open the

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question of what is.

## ***(II) China's Peaceful Rise and Its Impact on the World***

Shunzhang Zhao focused on China's rise and its consequences, particularly its relationship with the G-2 concept. He gave a positive outlook on China's rise, mentioning cultural factors and a complex domestic agenda that would restrain any expansionist ideas. Refining the idea of a peaceful rise, Zhao put forward the term “peaceful development” to characterize more accurately the path that China is pursuing. From this, his main argument was that China's peaceful development and the G-2 are very different and incompatible concepts.

Zhao's first point was that China's rise is not unlike those of many other countries in the world that are also going through a similar process. Therefore peaceful development reflects what China is going through as a path of development rather than the rise of hegemony. By understanding peaceful development as a new form of modernization among developing countries, Zhao explained the characteristics of China's peaceful development. By taking advantage of unprecedented world peace, global economic openness, and its own domestic advantages, China aims to make rapid progress while not harboring any ambitions of threatening other countries or creating hegemony.

Having defined China's peaceful rise as peaceful development, Zhao set out to explain how it conflicts with the notion of a G-2 by examining the individual perspectives of both the United States and China.

The United States' perspective of the G-2 is based on two assumptions. The first assumption is that the United States' position in

the world has weakened as a result of the financial crisis. The second assumption is that China's position in the world has increased and will continue to do so. Therefore, the outcome of these two assumptions is that the United States needs to form a new international order with China. However, regarding the first assumption, Zhao stressed that the United States' position in the world has not changed as a result of the financial crisis. Nor did he believe that the United States would be willing to give up its unipolar hegemony. Then, on the second assumption, Zhao believed that China was not in a strong enough position to take on such a responsibility. He noted that the assessments of China as holding a strong position in the world overlook the major domestic difficulties Beijing needs to deal with. These domestic difficulties hamper its international influences. China would need to get its own house in order before it deals with the world.

Zhao's second point in his argument on the incompatibility of China's peaceful development with the G-2 is that China attaches more importance to the United Nations and favors more multilateral cooperation in the world. What is evident is that Beijing has never supported a bipolar world order and is in fact more comfortable with a multipolar world.

Zhao viewed China's position in the world in a positive light. China has much to contribute, such as serving as a development model for the international community. In this way it could achieve its objectives of successful and peaceful development without resorting to hegemonic military expansion.

## ***(III) Flocks of Gs and “Network Hegemony”***

Chi Wook Kim tackled the topic of a G-2 era

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from the United States’ perspective by addressing the question of its hegemony and the proliferation of G-networks in recent years. This approach sought to place the concept of the G-2 into the wider context of the way in which American leadership in the world is maintained. Kim began his presentation with the puzzle that although there has been a general decline in the United States’ hegemony, the liberal economic order still continues. How can we explain the continued existence of the liberal economic order despite a decline in the United States’ dominance?

Kim approached this puzzle by examining the hegemonic stability theory, the leading theory for understanding American leadership in the world. He questioned whether the theory fully explains the nature of the United States’ hegemonic order. Specifically, Kim noted that there are two parts to the hegemonic stability theory that have trouble explaining what we see now. The first is that the theory specifies that there is a causal link between hegemony and economic order. Secondly, in hegemonic stability theory, the hegemony is conceptualized as a singular hegemony. These two points cannot explain why the United States’ economic power is in decline, yet the international liberal economic order continues to exist.

To answer this puzzle, Kim argued that there has been a transformation from singular hegemony to network hegemony. As its hegemonic power has declined, the United States has incorporated secondary powers like China, Germany, and Japan into network hegemony for the management of the liberal economic order. This network hegemony, according to Kim, consists of three characteristics.

The first characteristic of this network hegemony is that it has no legal standing,

which means it has no permanent headquarters or secretariat. Secondly, by not producing any binding commitments, it is based on a loose and flexible forum of informal dialogue, and the exchange of information and ideas. And thirdly, network hegemony acts as the *de facto* core of global economic governance.

Kim thus concluded that the United States as a single hegemony has declined in a relative fashion as shown by the data of its economic performance. With this decline that is now irreversible, the United States was forced to engage secondary powers in global economic governance. The current proliferation of G-networks is a result of the United States following a path of a network hegemony that is at the basis of strengthening the global liberal economic order.

## **Discussion**

### ***China and the United States: Different Perceptions of G-2***

The discussion began with a comparison of the different perceptions of the G-2 as described by the presenters. Seungjoo Lee, the designated discussant, noted that during the debate there was a difference of views between the two Chinese presenters, Feng Zhu and Shunzhang Zhao, and Chi Wook Kim regarding United States’ hegemonic power. Both Chinese presenters were forthright in stating that United States’ power is not in decline and remains strong. In contrast, Chi Wook Kim maintained that United States’ power was in decline, to the extent of it being beyond the point of no return. These two perceptions, Kim concluded, affect the approach and thinking towards forming the G-2 – the

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American view being that it would serve to strengthen the United States’ position in the world and the Chinese view being that the G-2 is to constrain China’s power. According to Lee, this explains why we are seeing some hesitation on China’s part towards talk of a so-called G-2 era.

One participant also pointed out that the G-2 notion was supposed to represent a symmetrical relationship between China and the United States, but has instead become focused on expectations and demands for China to make changes to suit Washington.

For Zhu, increased dialogue between China and the United States can offset some of these problems. At the same time, he foresees difficulties in determining how such dialogue should be conducted. He reiterated the success of United States-China Strategic and Economic Dialogue. Such dialogue is of an informal nature; the real difficulties and what is of most concern for Beijing is any dialogue based upon an institutionalized structure. Chi Wook Kim also struck a similar chord in stating that an informal structure is more effective and has been the key to the success of the United States’ network hegemony.

### ***China’s Rise I: No Clear Vision for the Future***

The discussion then turned to the issues related to China’s rise that had dominated much of the presentations as an integral part of understanding the G-2 concept. In assessing China’s rise, Seungjoo Lee mentioned that it was not yet clear what China’s vision for the future international order is. If we are to better understand China’s rise and whether or not it will be peaceful, we should reflect upon what China’s intentions are. Lee stated that while the discussion had considered what China will

not do and what it does not want, there still needs to be a better understanding of what China *does* want from the world.

In response to these questions about China’s intentions, Zhu noted that China’s vision is in favor of the international liberal economic order. Therefore, China’s vision is not one of a revisionist state. Rather it is satisfied with its position in the world and the future of the current international order. He even explained in some detail about China’s vision of an international liberal economic order. To highlight that Beijing’s vision is that of accepting the status quo, he explained that the vision is based upon current international norms and an open market structure. This kind of vision does not bring it into conflict nor does it show that China is harboring some ambitions to change the current world order. Although there will always be some differences, Zhu was confident that such a vision is very compatible with the visions of Europe, Japan and South Korea.

### ***China’s Rise II: Implications of Its Emergence***

Next the discussion addressed the implications for China’s rise, paying close attention to those future challenges that may change its peaceful course. With global attention on China’s rise, many are concerned about the wider implications of China’s emergence on not just the East Asia region but also the world. The pressing question in this regard is whether China will, like other rising powers before it, seek to change the international landscape.

Seungjoo Lee reflected upon two conflicting arguments in this respect. The first argues that China will not seek to change the existing order because of globalization and China’s deep integration into the international

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economic order. The other opposing view suggests that China is underrepresented in international organizations, particularly within the decision-making process. Therefore, if the two factors conflict with each other, China has the potential motivation to change the international order.

Lee also added to the concerns of China’s rise. History tells us that the rise of a new hegemonic power will lead to the changing of the existing order. Touching upon the optimism displayed by Feng Zhu and Shunzhang Zhao on the future rise of China, Lee wanted to know why China’s rise will be different from those examples in the past.

Zhao turned to Chinese history to refute such fears. He again reaffirmed the cultural explanations for China’s peaceful rise. In over 5000 years of Chinese history and at times where China was a major power, Zhao pointed out that it had never sought to exhibit expansionist aims in the region.

Feng Zhu also offered two reasons why he felt that China could reconcile those conflicting differences and how its rise will be different. Firstly, he believed that China has major domestic challenges that prevent it from any expansionist tendencies. Secondly, Zhu felt that China was satisfied with the current liberal economic order, which suited its interests. It is also unwilling to take on more international responsibilities. Therefore, it would have little motive for any revisionist aims of changing the international order.

One of the participants probed further on the implications of China’s rise. In particular, he saw that China, as the world’s most rapidly industrializing nation, has a large demand for natural resources and has been actively operating in Africa in search of resources.

Another participant also pointed out that

although China may currently seem benign, in the future it may be different. He mentioned that as a rising power it will never stay the same, and the expectations and demands of China in 2050, when it will be much stronger, may well be more aggressive.

Zhu agreed that it is hard to predict what China will be like in the long-term future. However, he stated that we should not always expect China to be a revisionist state in the future. Considering how China is currently integrated into rest of the world, he refuted those concerns by explaining that China’s path is different.

### ***The United States’ Decline: Strengthening American Leadership***

Finally, many of the participants were interested in knowing more about Chi Wook Kim’s notion of network hegemony. Offering his thoughts on the idea, Seungjoo Lee stated that there needs to be a clear distinction between network hegemony and international organizations. That is, the United States could also be viewed as strengthening its hegemony through international organizations. How then to distinguish between the two? Kim reemphasized that a network operates in a very loose and informal setting, with no set members, no fixed agendas, and no binding commitments. Due to such flexibility and informality, a network is better suited for strengthening United States’ hegemony.

Turning to the difficulties of varying interests of countries in a network, there have been some problems in the past with networks such as the G-7, G-8, and G-20 that raise questions on how network hegemony can operate effectively. One participant noted how Russia, particularly under Vladimir Putin, had

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its own agenda in the G-7 and G-8 that sharply conflicted with the United States’ position. Similarly, the G-20 comprises of many developing countries that have in the past come into conflict with the United States on many trade issues in major international organizations like the International Monetary Fund and the World Trade Organization. He questioned how then the network hegemony can seek to strengthen the international liberal economic order amidst such differences and conflicts.

This point was also echoed by another participant, who wanted to know how the United States’ network hegemony has been able to keep its network together despite past failings of similar networks such as the Soviet Union’s Communist Bloc during the Cold War.

Chi Wook Kim addressed both of these points by reaffirming that the network hegemony in its informal setting is best suited to resolve conflict and divisions. Therefore, it can serve as a way of unification rather than as a scene of division and conflict.

## **Conclusion**

The panel highlighted a few key points regarding a G-2 era. Firstly, the notion of a G-2 era is somewhat premature and may not even be in the interests of China. This view was strongly expressed by the Feng Zhu and Shunzhang Zhao, who cautioned against some of the more optimistic perceptions of the G-2 as some form of a new international order. While strongly implying the peaceful rise of China, the presenters were confident that a rising China would not pose a threat to the world or to the United States, and that China was satisfied with the current liberal world

economic order.

However, differences remained regarding the strength of the United States’ power in the world. The Chinese presenters, Feng Zhu and Shunzhang Zhao, felt that the United States remained as strong as ever, while the Chi Wook Kim suggested that United States’ power was on a steady, perhaps even irreversible, decline. This left questions on not only the extent of American leadership in the world but also how to accurately measure the United States’ power in the world and how best to understand global perceptions of the United States’ power. This was apparent in the Chinese presenters’ skepticism of the United States’ willingness to share power with other rising powers like China. Such perceptions affect how ideas like the G-2 are approached, and will also adversely affect relations between China and the United States.

Another question left on the table concerned possible revisionism by China of the current global order. Feng Zhu and Shunzhang Zhao were confident that China did not and will not have such motivations, pointing to pressing domestic issues, an unwillingness by Beijing to take on more international responsibilities, and a historical and cultural legacy of non-interventionism. However, some participants noted some areas of possible conflict including the United States’ unwillingness to accept China’s ascendance, China’s massive demand for natural resources in the world, the lack of international representation, and the uncertainties in the long-term future. This last question was left unanswered by the panel. It is very difficult to predict what China will be like in thirty or forty year’s time. Either we can trace the reassuring record of China’s own history or we can consider the fearful examples of the rise of hegemonies in world

history.■

### **Presenters**

Chi Wook Kim (Sejong Institute)

Shunzhang Zhao (Shanghai Center for Strategic and International Studies)

Feng Zhu (Peking University)

### **Moderator**

Chaesung Chun (Seoul National University)

### **Discussant**

Seungjoo Lee (Chung-Ang University)