

**Athens Institute for Education and Research
ATINER**



**ATINER's Conference Paper Series
INL2019-2693**

**China, the United States and the Contemporary
Globalization**

**Lubomir W. Zyblikiewicz
Professor Emeritus
Jagiellonian University
Poland**

An Introduction to
ATINER's Conference Paper Series

Conference papers are research/policy papers written and presented by academics at one of ATINER's academic events. ATINER's association started to publish this conference paper series in 2012. All published conference papers go through an initial peer review aiming at disseminating and improving the ideas expressed in each work. Authors welcome comments.

Dr. Gregory T. Papanikos
President
Athens Institute for Education and Research

This paper should be cited as follows:

Zybliekiewicz, L.W. (2019). China, the United States and the contemporary globalization", Athens: ATINER'S Conference Paper Series, No: INL2019-2693.

Athens Institute for Education and Research
8 Valaoritou Street, Kolonaki, 10671 Athens, Greece
Tel: + 30 210 3634210 Fax: + 30 210 3634209 Email: info@atiner.gr URL:
www.atiner.gr
URL Conference Papers Series: www.atiner.gr/papers.htm
Printed in Athens, Greece by the Athens Institute for Education and Research. All rights reserved. Reproduction is allowed for non-commercial purposes if the source is fully acknowledged.
ISSN: 2241-2891
23/01/2020

China, the United States and the Contemporary Globalization

Lubomir W. Zyblikiewicz
Professor Emeritus
Jagiellonian University
Poland

Abstract

The debate about the globalization and the globalism, with the strong backlash in the West is confronted with the sea changes in world economy and politics since the early 1990s. In attempt to assess key transformation the emphasis is placed on such indicators as the global GDP and GDP PPP, exports and imports, FDI outward and inward stocks, but attention is paid also to issues of poverty and inequality. The outcome of changes in balance of power has become the duopoly of the United States and China, accompanied by European Union and Japan. The analysis of the shifts in power capabilities of the United States and China is followed by a survey of the perception in the West, especially in America, of developments in China. As an supplement are presented activities of U.S transnational companies and U. S. official policies. The point of departure for presenting the China's approach toward the contemporary globalization and its perspectives is Xi Jinping' address in Davos in January of 2017. Once again words of the declaration are confronted first with the experience of China's economic and political relations. Equally important is reconstructing of the China's interests in various realms, including geopolitics. In addition, are considered such issues as China versus present and future international order, China versus Thucydides Trap or possible impact of the Chinese civilization's main values.

Keywords: *Globalization, China, U.S., world-wide power shifts*

Introduction

The subject is without doubt complex and extensive. The literature on the contemporary globalization alone is huge and grows rapidly. And the reciprocal relationship between it and China, one of the two top world powers, makes the task yet more challenging.

I am going to begin with debate about the contemporary globalization. I feel however the need to deal with it as briefly as possible.

I will focus then on one of the its result – dramatically changing balance of power amongst very few big powers since 1980. So far the outcome is duopoly of the United States and China, accompanied by the European Union and Japan.

In the third part I will outline the U.S. policies toward People’s Republic of China for since 1972. In the recent years the background for them constitute the reversal not only toward the contemporary globalization but also in the face of the neoliberal world order.

In the last part I will focus on China, trying to divine its capacities and intents. If it goes without saying that China has become the main beneficiary of the contemporary globalization, the crucial question remains open about the possible China’s impact on the perspectives of the contemporary globalization. After trying to identify intentions, through examining declarations and surmised national interests, I will end confronting China’s so reconstructed goals with its capacities. The U.S capacities are given as the point of reference.

Literature Review and Methodology

It is impossible to review here all the literature related to the subject. The primary sources, with data bases and media as well as the studies on globalization, China and the United States are too many. On the other hand, taking into account the title of my paper, recently in the United States have been published only two papers directly connected with its subject (Nathan and Scobell 2016; Friedberg 2018).

The rich and controversial literature on the globalization allows to outline some suppositions (explicitly and implicitly) and ensuing hypotheses. Encapsulating, I assume also the contemporary globalization as a set of man-made processes, with particular role of predominant great powers. I am trying to confront such an image with available empirical evidence, with the stress put on changing capabilities of the U.S. and China

The contemporary globalization

There are many views on globalization’s origins, drivers, feedbacks and results. Unfortunately, many false and misleading ones have contributed to the backlash against it.

The term “globalization”, according to Martin Wolf appeared already in the 1960s, has become used universally shortly after 1990.

Although the literature on globalization has been abundant and diversified, heavy dominance by the one-sided adherents was clear. Amongst rather few

leading economists who have been taking exception were Joseph Stiglitz (2002 and 2006) and Dani Rodrik (1997, 2011 and 2017).

For the attitude of mainstream protagonists the following quote is typical:

“Globalization is the process of integration of nations through the spread of ideas and the sharing of technological advances, through international trade, through the movement of labor and capital across national boundaries. It is a process that has been going almost throughout recorded history and that has conferred huge benefits. ...some do lose in the short run when things change. But globalization is like breathing: It is a not a process one can or should try to stop....globalization has been subject to ebbs and flows. It gained impetus during the period of great discoveries in the 15th century, and in later centuries from dramatic falls in the costs of communication and transportation.”(Krueger 2002)

Bluntly expressing his protest against the ideology of Globalism Canadian philosopher John Saul (Saul 2004; Saul 2005) in his critical approach exaggerated a bit but without any doubt he was right presenting the mainstream message as one-sided. The strong emphasis has been put nearly completely on the benefits and gains, and hardly have been mentioned any costs, losses or damages. Perhaps Saul went too far, itemizing amongst globalist promises ‘an economic-social tide that would raise all ships, whether of our Western poor or of the developing world in general’. Though some adherents were selling the globalization also with such arguments.

But in the quoted mainstream passage of Krueger perhaps even worse fault is fatal belief in the inevitability of the processes of globalization. They are definitely man-made processes, dependent first on political decisions and then on human readiness to stand by them. There are of course technological and other drivers, but certainly they are not sufficient neither for launching nor for maintaining them. And of course, they are located within the time; they have their beginnings and they might have their ends.

While dealing with the processes of globalization, it is clearly better to distinguish between the two historic globalizations. First one was identified with the *Pax Britannica*, and ended with the outbreak of the I World War in 1914. The contemporary globalization, with origins in the first half of the 1990s, at least for the first ten years was often identified with the Americanization.

In any case, it is impossible to imagine the latter without activities of the U.S. The end of the bipolar world order opened window of opportunities. The three decisions have been condition sine qua non. I mean the concluding - the longest in the history of GATT - so called the Uruguay Round, the starting of the NAFTA, and the project of Big Emerging Markets. BEM (Garten 1997). The BEM included 10 countries, Mexico, Argentina and Brazil in Latin America, China, India, Indonesia and South Korea in Asia, South Africa, Turkey and Poland.

In 1990 Joseph Nye was right, challenging (Nye 1990) the conclusion emerging from Paul Kennedy’ international bestseller *The Rise and Fall of Great Powers* (Kennedy 1987). But the search for quite new, post-cold war world order has turned out much more difficult. Amongst attempts there were late Charles Krauthammer’s *unipolar moment* as well as *the committee to save the world* at

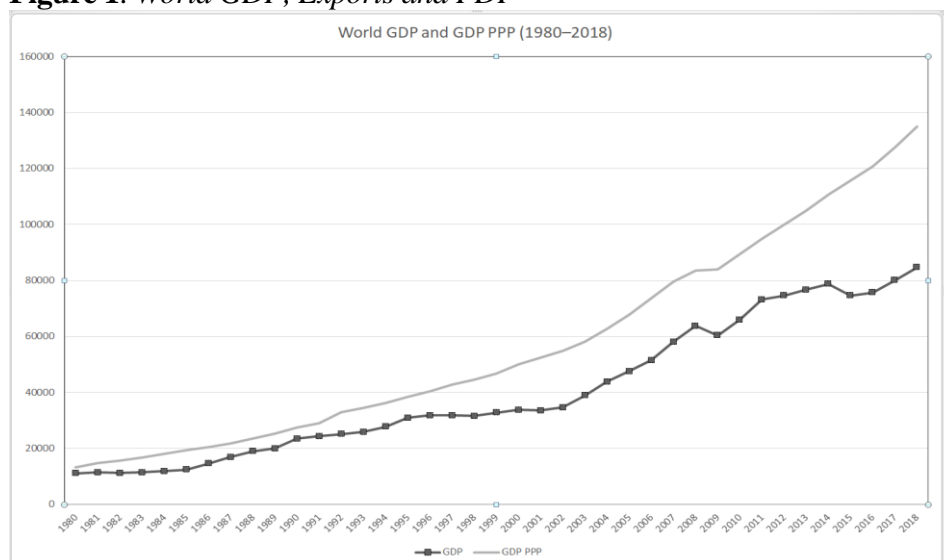
turn of the centuries comprising of Robert Rubin, Alan Greenspan and Larry Summers. By the way, Summers has contributed - after the global crisis - to rediscovery of the concept of secular stagnation. There were in the meantime also Francis Fukuyama's *end of history*, the *Washington Consensus* and the *Project for the New American Century*.

The data bases of the IMF, the WTO and the UNCTAD permit to bring forward three claims:

- 1) since the beginning of the contemporary globalization the values of the world GDP and GDP PPP, of trade and the FDI have been increasing with the unmatched speed,
- 2) the beginning of the acceleration of these as well as many other important economic correlates is indeed to be find no earlier than in the first half of the last decade of XX century,
- 3) the U.S. contribution was overwhelming but the benefits drawn by it for many years were, at least, commensurate with it.

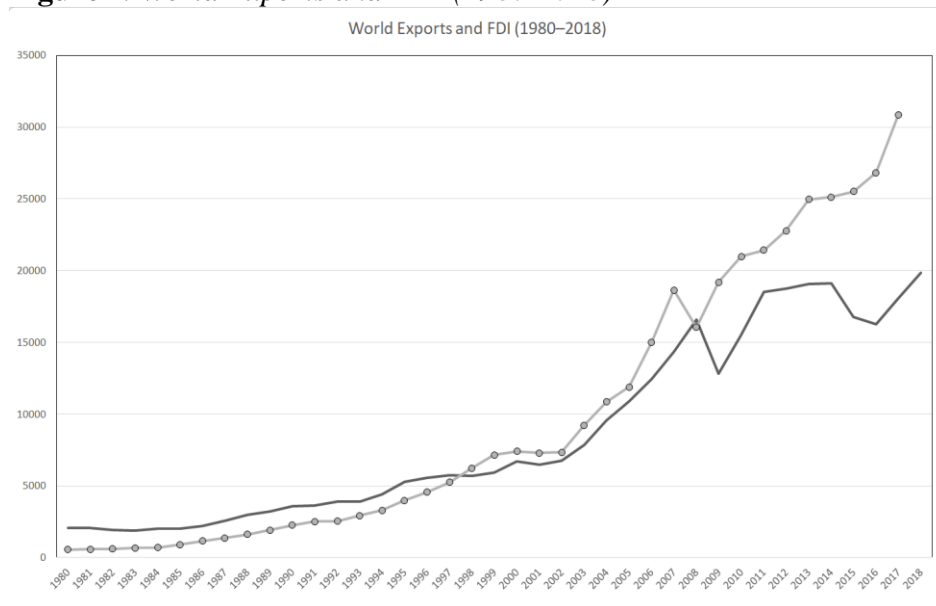
To verify the first two, it should be enough to look at two charts below.

Figure 1. *World GDP, Exports and FDI*



Source: GDP IMF World Economic Outlook Database April 2019

Figure 2. World Exports and FDI (1980-2018)



Source: exports World Trade Organization Statistics and for FDI outward stocks UNCTADSTAT

In spite of disturbances - first in connection with the Global Crisis and then since 2013 with its far-reaching effects - during nearly three decades, between 1990 plus and 2018, the value of the GDP increased by a factor of more than three and half, that of the GDP PPP by a factor of nearly five, that of exports of goods by a factor of more than five and half. The value of FDI outward stocks had been growing yet faster; until 2017 it has increased nearly 14-fold.

The global poverty has imposingly decreased, from nearly 36 to under 10%. Nearly billion people, of which more than three-quarters in China, has been taken out of extreme poverty (Economist 2013; World Bank 2019).

More tangled is issue of economic inequality. Branko Milanovic in *'Global Inequality: A New Approach for the Age of Globalization'* in 2016 concluded that "...the fast growth of several Asian countries has had an equally significant impact, pushing global inequality back down". His attention was concentrated on simultaneous rise of the *Global Middle Class* and *Global Plutocrats*, on increasing inequality within the nations of the West but decreasing inequality among the nations (Milanovic 2016, quotation: 2-3). But *World Inequality Report 2018* concludes: "high growth in emerging countries since 2000, in particular in China, or the global financial crisis of 2008 was not sufficient to stop the rise in global income inequality" (*World Inequality Report 2018*).

There are many different big socio-economic groups, involved in and under impact of the globalization. The divisions remain muddled and indeterminate. The same people are simultaneously consumers and employees, with different, even conflicting interests. The balance of power, within and amongst countries, is shifting all the time.

Of necessity I will focus on the balance of power amongst big powers since 1980, taking into account especially the intricate interplay with the processes of

globalization. The picture is clear: more and more unambiguous duopoly of the U.S and China, accompanied by the EU and Japan.

The United States and China 1980-2018

As usually I begin with the shares in the world GDP PPP. The results, to be treated with the due caution, presents the following table.

Table 1. Main Economic Great Powers (shares of global GDP PPP)

	1980	1985	1990	1995	2000	2005	2010	2015	2016	2017	2018
U.S.	21.6	22.4	21.8	19.9	20.5	19.2	16.8	15.7	15.5	15.3	15.2
China	2.3	3.4	4.1	5.9	7.4	9.8	13.9	17.1	17.6	18.2	18.7
EU:	29.9	28.5	27.4	24.5	23.5	21.5	18.9	16.9	16.7	16.5	16.3
Germany	6.6	6.1	6.0	5.3	4.9	4.1	3.7	3.4	3.3	3.3	3.2
France	4.3	4.2	4.1	3.5	3.3	3.0	2.6	2.3	2.3	2.2	2.2
UK	3.8	3.7	3.7	3.2	3.1	3.0	2.5	2.4	2.3	2.3	2.2
Japan	7.9	8.5	9.0	7.8	6.8	6.0	5.0	4.4	4.3	4.3	4.1
India	2.9	3.3	3.6	3.7	4.2	4.8	5.9	6.9	7.3	7.5	7.8

Source: IMF World Economic Outlook Database April 2019

The U.S. were overtaken by China in 2014. The IMF forecasts that the gap between them will increase in 2024, to respectively 21.4 and 13.7(IMF WEO April 2019 database).

The data on GDP in nominal terms give the different image, but their real message is similar. Although the U.S. remains at the top, the differences are decreasing even quicker. In 1980 the U.S. GDP was 9.4-fold, in 2000 yet 8.4-fold, but in 2018 only less than 1.53-fold bigger. According to the IMF in 1924 the difference will be between 25.7 and 21,3 trillion (Ibid.).

More reliable are data on international trade. To treat important developments more thoroughly, I will limit the presentation to the period since 2000.

Table 2. Leading Goods Exporters and Importers

Leading Goods Exporters

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	6440	10434	16156	12387	15142	18153	18295	18700	18780	16401	15846	17518	19325
U.S. %	11.99	8.67	8.05	8.53	8.44	8.17	8.45	8.44	8.62	9.17	9.17	8.82	8.61
China %	3.87	7.31	8.84	9.70	10.42	10.46	11.21	11.82	12.47	13.91	13.48	13.02	12.94
EU %	38.04	39.08	36.94	37.27	34.23	33.57	31.79	32.49	32.76	32.86	33.95	33.73	33.45
EU to no-EU %	12.20	12,62	12.05	12.47	11.92	12.00	11.93	12.44	12.12	12.15	12.23	12.18	12.05
Germany %	8.54	9.30	8.97	9.05	8.31	8.12	7.66	7.73	7.95	8.09	8.42	8.27	8.08
Germany to no-EU %	2.99	3.30	3.27	3.40	3.29	3.29	3.31	3.34	3.37	3.40	3.49	3.43	3.32
Japan %	7.43	5.70	4.84	4.69	5.08	4.53	4.37	3.82	3.67	3.81	4.07	3.98	3.81

Leading Goods Importers

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	6608	10689	16451	12681	15399	18328	18544	18821	18917	16586	16150	17739	19553
U.S. %	18.74	16.21	13.17	12.65	12.78	12.05	12.28	12.05	12.41	13.52	13.56	13.21	13.00
China %	3.41	6.18	6.88	7.92	9.05	9.50	9.80	10.36	10.38	9.66	9.84	10.33	10.91
EU %	38.00	38.88	38.08	37.23	34.57	34.07	31.69	31.47	31.93	31.58	32.58	32.72	32.77
EU from non-EU %	14.05	14.01	14.28	13.67	13.22	13.19	12.53	11.97	11.90	11.57	11.73	11.85	11.99
Germany %	7.50	7.26	7.21	7.30	6.85	6.85	6.23	6.28	6.38	6.34	6.53	6.56	6.58
Germany from non-EU %	2.90	2.57	2.61	2.58	2.51	2.50	2.27	2.22	2.20	2.18	2.20	2.21	2.21
Japan %	5.74	4.82	4.64	4.35	4.51	4.67	4.78	4.42	4.29	3.91	3.76	3.78	3.84

Source: IMF DOTS

All these trade powers (in sum in 2018 nearly 59% of the world exports and more than 60,5% of the world imports), with the exception of China, have suffered relative losses.

The U.S. share in the merchandise exports, yet in 2000 amounting to almost 12%, in 2018 came down to slightly above 8.6%. That of the EU has decreased from more than 38 to below 34.5%. and of Japan has been nearly halved. The China's share has been growing from 3.87 in 2000 to 7.31 in 2005 and 13.91% in 2015, to recede slightly in 3 recent years, around 13%.

The U.S. share in the imports also has decreased, even more strikingly, from above 18.7 in 2000 to 13% in 2018. But the U.S. remained the biggest importer, the world market of last resort. The share of the EU has diminished from 38 in 2000 to less than 31.5 in 2013 and only later partly recovered, approaching to 32.8%. The Japan's share has also heavily suffered, falling from above 5.7 to above 3.8%. The China's share has been growing nearly all the time, except in 2015. To sum up, the Chinese share grew from 3.4 to 10.9%, making China the second world importer.

The role of the EU demands more attention. It is not just about formal aspects. More important is something else. The globalization means also surmounting or – at least – mitigating the distances between the different parts of the world, in particular between advanced countries on the one hand and emerging and developing ones on the other. There are also relevant questions of interplay between globalization and regionalization, between interregional and intraregional trade.

It should be no surprise that only about one third of the EU trade is indeed the *true* international trade, with the rest of the world, consisting of more than 150 countries, developed, emerging and developing.

And ultimately the political impact on them is shaped by this indicator, around 12%, in 2018. To some degree, exception was Germany's exports (increasing to China, decreasing, though remaining yet slightly higher, to the U.S.).

The special attention should be paid to geographic structure of the merchandise trade of the U.S. and China.

Table 3. U.S. Exports and Imports

U.S. Exports (%)

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	772	904	1300	1057	1277	1482	1546	1578	1620	1505	1454	1546	1664
USMCA	36.7	36.65	31.72	31.58	32.21	32.35	32.9	33.38	34.11	34.32	34.18	33.97	33.88
EU	21.8	20.74	21.21	20.96	18.86	18.25	17.26	16.74	17.11	18.22	18.7	18.38	19.21
Japan & Korea	11.9	9.19	7.8	7.55	7.78	7.37	7.26	6.77	6.87	7.04	7.26	7.5	7.89
Asia Emerging and Developing	6.43	8.83	10.07	11.26	12.06	11.7	11.65	12.28	12.1	12.38	12.92	13.38	12.64
Middle East	1.99	2.81	3.77	3.85	3.51	3.45	3.97	4.16	4.05	4.21	4.08	3.65	3.32
Africa	0.98	1.36	1.68	1.74	1.63	1.77	1.72	1.85	1.91	1.45	1.25	1.15	1.24
Western Hemisphere without Mexico	7.61	7.93	10.5	10.3	10.76	11.32	11.75	11.55	11.28	10.09	9.31	9.64	9.78
CIS	0.43	0.65	1.06	0.78	0.72	0.87	0.99	1.03	0.96	0.64	0.65	0.69	0.67

U.S. Imports (%)

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	1238	1732	2166	1604	1968	2208	2276	2268	2348	2242	2189	2343	2543
USMCA	29.42	26.81	25.75	25.36	26.03	26.19	26.44	27.03	27.34	26.32	26.14	26.21	26.15
EU	18.65	18.47	17.42	17.93	16.61	16.71	16.8	17.09	17.82	19.01	19.04	18.57	19.19
Japan & Korea	15.38	10.82	8.92	8.66	8.85	8.41	9.02	8.86	8.67	9.05	9.23	8.87	8.53
Asia Emerging and Developing	15.65	21.56	22.55	26.02	26.16	24.56	25.33	26.44	27.31	29.87	30.09	30.47	29.96
Middle East	2.22	3.03	4.59	2.87	3.06	3.78	4.4	3.9	3.49	1.78	1.65	1.92	2.08
Africa	2.18	3.69	5.1	3.78	4.22	4.09	2.69	2.02	1.4	1.06	1.13	1.3	1.26
Western Hemisphere without Mexico	6.11	7.5	7.72	7.06	6.92	7.89	7.55	6.99	6.42	5.17	4.92	4.95	4.81
CIS	0.77	1.14	1.77	1.5	1.64	1.85	1.49	1.37	1.18	0.86	0.75	0.84	0.96

Source: IMF DOTS

Table 4. China's Exports and Imports

China's Exports (%)

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	249	762	1429	1202	1578	1899	2050	2211	2343	2281	2137	2280	2501
USMCA	22.74	23.69	20.19	20.91	20.51	19.7	19.91	19.32	19.6	20.78	21.07	22	22.41
EU	16.35	19.19	20.64	19.77	19.82	18.84	16.37	15.35	15.84	15.64	16.08	16.44	16.47
Japan & Korea	21.22	15.64	13.3	12.62	11.98	12.12	11.67	10.91	10.66	10.41	10.55	10.55	10.28
Asia Emerging and Developing	5.97	6.83	8.54	9.63	10.19	10.7	11.24	12.1	12.81	13.6	14.2	14.54	15.11
Middle East	2.54	2.96	4.31	4.54	4.17	4.27	4.36	4.57	5.23	5.08	4.81	4.42	4.06
Africa	1.67	2.14	3.03	3.37	3.28	3.42	3.64	3.68	3.98	4.14	3.88	3.71	3.67
Western Hemisphere without Mexico	2.24	2.26	3.91	3.61	4.6	5.08	5.18	4.68	4.36	4.22	3.76	4.11	4.13
CIS	1.28	2.8	4.52	3.24	3.4	3.54	3.69	3.78	3.66	2.55	2.92	3.19	3.23

China's Imports (%)

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
World bln	225	660	1132	1004	1394	1741	1817	1949	1963	1602	1589	1832	2134
USMCA	11.82	8.9	8.68	9.32	8.86	8.62	8.84	9.3	9.5	10.83	10.33	10.21	9.31
EU	13.7	11.21	11.75	12.75	12.09	12.13	11.7	11.27	12.42	13.05	13.12	13.38	12.82
Japan & Korea	28.75	26.86	23.23	23.25	22.55	20.45	18.95	17.7	17.98	19.79	19.17	18.74	17.97
Asia Emerging and Developing	8.41	10.52	10.59	10.41	11.09	11.12	10.56	9.84	10.31	11.33	11.9	12.44	12.51
Middle East	4.34	4.73	7.17	5.81	6.41	7.73	8.25	8	8.15	6.27	5.2	5.91	7.38
Africa	2.4	3.02	4.67	3.91	4.17	5.14	5.8	5.68	5.58	3.2	3.42	3.81	4.24
Western Hemisphere without Mexico	2.15	3.64	5.88	5.91	5.95	6.23	6.34	5.91	5.87	5.84	5.73	6.22	6.71
CIS	3.27	3.13	2.99	3.07	3.02	3.68	3.96	3.63	3.43	3.33	3.01	3.25	3.83

Source: IMF DOTS

In 2000 the exports and imports of the U.S. amounted to 772 and 1238, and in 2018 to 1664 and 2643 billion. The exports and imports of China came in 2000 to 241 and 225 and in 2018 to 2501 and 2134 billion. The most striking is the difference in the speed of the increases. The U.S. exports and imports have become more than doubled. At same time, in less than two decades, the China's exports has increased more than 10-fold and imports nearly 9.5-fold. In 2000 in exports as well as in imports China remained very far behind the U.S. In 2018 the gap between China and the U.S. in exports approached 840 billion, increasing nearly without break from 301 billion in 2010. In 2018 the biggest world importer remained the U.S., with the superiority of nearly 409 billion, but the gap has been narrowing. (IMF, Direction of Trade Statistics. accessed 17 May 2019).

We should not lose sight of the trade of commercial services. The first exporter remained in 2018 the U.S. (808 billion), while China took only fifth place (265 billion). Also in imports the first was the U.S., with 536 billion, followed closely by China, with 521 billion (WTO 2019).

So in sum in 2018 the dimension of the foreign trade of the U.S. amounted to 5551 billion while that of China to 5421 billion.

Assuming as a rule of thumb that there are quite different kind of impact, especially politically and socially, through exports and imports, I will deal with the geographical structure separately for exports and for imports.

The largest part of the U.S. exports goes to neighbors, Canada and Mexico. Although they maintain slightly lower shares than in the first years of the century, more than one third of the U.S. exports is finding their way just there. The share of the EU is relatively stable, around 17-19%. On the contrary, the joint share of Japan and Korea decreased significantly, from nearly 12% to around 7 percent.

The most salient feature is the weakness of the U.S. exports delivered to the Middle East, Africa and the CIS (including Georgia, Turkmenistan and Ukraine). Their share diminished to 5.2% in 2018 though in 2000 surpassed 11%. Even all the Western Hemisphere, without Mexico, attracted in 2018 less than 9.8% of U.S. exports (7.6 in 2000 but nearly 11.8% in 2012). Therefore *prima facie* the place taken by the emerging and developing countries of Asia should surprise. Their share increased from 6.43 in 2000 to 10.07 in 2008, 13.38 in 2017 and, slightly less, 12.64% in 2018. But the explanation is simple: China. The China's share which came up only to 2.07 in 2000, increased to 5.5 in 2008, 8.43 in 2017 and 7.23% in 2018. In these years the joint share of other 29 countries of Asia and the Pacific approached relatively 4.36, 4.58, 4.94 and 5.41. Hardly any success.

The joint share of Canada and Mexico in U.S. market is decreasing and smaller than their share in U.S. exports. In 2000 it totaled nearly 29.5, while in last years exceeded only slightly 26%. The share of the EU returned, after some decrease in result of the Global Crisis, to remain around 19%. Similarly as in case of U.S. exports, the joint share of Japan and Korea in U.S. decreased, from nearly 15.4% to slightly more than 8.5%.

The joint share of the Middle East, Africa and the CIS in the U.S. imports decreased from 5.17 in 2000 to 4.31% in 2018. The share of 32 (without Mexico) Latin American and Caribbean countries remained small, clearly lower than their share in U.S. exports, and decreased. It was slightly above 6% in 2000, came down

markedly below 5% in 2018. Once again the situation of the emerging and developing countries of Asia appeared to be exceptional. Their share increased from above 15.6 in 2000 to more than 26 in 2009-2010 and around 30% since 2015. But the explanation was the same. The share of China achieved nearly 8.6, more than 19.0 and above 21 percent. The share of Asia without China, totaling first up 6.1, 6.7 and in 2015-2018 between 7.4 and 9.0%, should not be underestimated, but it was between one half and one third of the share of China alone.

In the China's exports the share the USMCA/NAFTA was rather stable (22.74 in 2000, between 21 and 19.3 since 2008 until 2016, and 22.41 in 2018). Main contribution has been made by the U.S. Its share remained around 21, then decreased below 17 in 2013 and 2014, to recover up to 19 and 10.2% in 2017 and 2018. The share of EU used to oscillate around 15-16, with the higher number since 2003 till 2011 (in 2008 over 20.6), to approach in 2018 to 16.5%. The share of Japan and South Korea, in 2000 exceeding 21.2, has been gradually reduced and since 2011 is moving away from 10%. On the other hand, the share of emerging and developing countries of Asia was gradually growing, from nearly 6 in 2000 to 8.5 in 2008 and over 15.1% in 2018. The special position occupied the ASEAN countries (amongst them is Singapore, belonging to advanced economies). Its share increased from nearly 7 in 2000 to 8 in 2008 and almost 12.9. The share of the Middle East increased from 2.5 in 2000 to above 4, of Africa from nearly 1.7 to almost 3.7%, and of the CIS from less than 1.3 to 3.23%. The share of the Western Hemisphere, without Mexico, grew from 2.24 in 2000 to 4.13% in 2018.

The enlarging of the share of emerging and developing countries of the Old World, although without Europe (amongst 12 European countries there are two BEM ones, Poland, the EU member and Turkey) in China's exports from 11.45 in 2000 to 26.07 in 2018 is possibly debatable development. But the same results for the U.S. amount to 4.36 and 5.41. Fortunately for them they could sell their goods as well as services also to China.

The share of the USMCA/NAFTA in China's imports was also relatively stable but distinctly smaller. It decreased from 11.82 in 2000 to 9.31 in 2018. Most importantly, the U.S. share fell from 9.94 in 2000 to 7.32. The share of EU too has been reduced, but to a lesser degree, from 13.7 in 2000 to 12.82 in 2018. The share of Japan and South Korea lessened from 28.75 in 2000 to below 18%. Probably only Australia was particular case, enlarging her share from 2.26 to 4.93% in 2018. In reverse, the share of the emerging and developing countries in the China's imports have been significantly growing. Asia increased its share from 8.41 in 2000 to 12.51% in 2018. In particular, the ASEAN share grew from 9.85 in 2000 to 12.62% in 2018. The share of the Middle East increased from 4.34 in 2000 to 7.38% in 2018, of Africa from 2.4 to 4.24%, and of the CIS from 3.27 to 3.83. The Western Hemisphere's share, without Mexico, increased impressively, from 2.15 to 6.71% (its share, with Mexico, amounted to 2.36 and 7.36%). In sum, the share of emerging and developing countries of the Old World, without Europe, increased from 18.42 to 27.96%. The pace was slower than in the case of exports but already at the beginning of 21th century the Chinese market was widely open for these countries. At the same time their share in the U.S. market

diminished from 5.17 to 4.31%. Even Latin America and the Caribbean, without Mexico, has been obtaining since 2015 bigger share in China's imports than in the U.S ones.

In the second part of the chart I we can follow the exports and FDI outward stocks. Till 2005 the exports and FDI trends were similar, to became since then completely diverging. In 2017 exports surpassed 18 trillion while the stocks approached to 31 trillion.

I will present now the FDI only since 2000 and only by the stocks, without flows.

Table 5. Outward and inward FDI Stocks

Outward FDI Stocks

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
US %	36.4	30.6	19.3	22.5	22.9	21.1	22.9	25.1	25.0	23.6	23.7	25.3
EU %	39.2	42.5	49.7	46.0	43.6	44.0	40.1	38.3	36.5	36.8	35.3	34.5
Japan %	3.8	3.3	4.2	3.9	4.0	4.5	4.6	4.5	4.6	4.8	4.9	4.9
Canada %	6.0	5.8	4.0	4.7	4.8	4.2	4.3	4.5	4.5	4.3	4.7	4.8
Switzerland %	3.1	3.6	4.5	4.5	5.0	5.2	5.2	4.8	4.4	4.5	4.5	4.1
In sum %	88.5	85.8	81.8	81.6	80.1	78.8	77.1	77.1	74.9	73.9	73.0	73.6
China %	0.4	0.5	1.2	1.3	1.5	2.0	2.3	2.7	3.5	4.3	5.1	4.8

Inward FDI Stocks

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
US %	37.7	24.7	16.1	16.4	16.9	16.7	17.1	20.0	21.5	22.3	23.7	24.8
EU 28	31.5	38.2	43.1	40.9	36.3	36.6	34.6	33.2	31.3	30.9	29.0	28.9
Japan %	0.7	0.9	1.3	1.1	1.1	1.1	0.9	0.7	0.7	0.7	0.7	0.7
Canada %	4.4	6.0	4.0	4.7	4.9	4.1	4.2	4.0	3.9	3.1	3.5	3.4
Switzerland %	1.4	1.7	3.1	2.9	3.2	3.4	3.4	3.3	3.2	3.5	3.6	3.4
In sum %	74.3	69.3	64.6	63.1	59.1	58.4	56.8	57.9	57.4	57.0	56.9	57.8
China %	0.4	0.5	1.2	1.3	1.6	2.0	2.3	2.7	3.5	4.3	4.9	4.7

Source: UNCTADSTAT

In contradistinction to trade, in the realm of FDI the Western dominance has been very strong though also begun to decrease. The joint share of the U.S., the EU, Japan, Canada and Switzerland dwindled from more than 88 in 2000 to below 74% in 2017 in the outward stocks and from above 74 to below 58% in the inward stocks.

The hegemony of EU remains beyond dispute. In 2017, according to UNCTAD, the EU outward stocks amounted to nearly 10632 and inward stocks to almost 9124 billion dollars. Translating however the data of the Eurostat (Eurostat 2018), we came only at 8894 and 7554 billion dollars respectively.

More detailed examination of the FDI transactions could substantiate even more -than we could get from the tables- the thesis about their high concentration within the West.

One exception is already noticeable, though only to some extent. Shares of China were in 2017 still rather modest, amounting in outward stocks to slightly above 4.8 and in inward ones to 4.7%. However exceptional pace of change as well as their interrelation with technology transfers helps to understand – though

out of proportion – high interest and uneasiness aroused in the West by the China’s FDI expansion.

Some attention should be paid to international investment position. Once again, the dominance of the U.S. remains uncontested. The assets totaled nearly 13.4 in 2005 and 25.4 trillion in 2018, while liabilities came up, respectively, 15.2 and 35.1 trillion. In 2018 followed it UK (assets and liabilities each around 14.5 trillion), Germany (9.8 and nearly 7.5 trillion), Japan (9.2 and 6.1 trillion) and China (7.3 and nearly 5.2 trillion). But if between 2005 and 2018 the relevant figures for the U.S. grew slightly more than two times, and those for three following powers were increasing even significantly slower, the ones for China in 2018 was 6 times higher than in 2005. In opinion of David Marsh the total of its assets and liabilities permits to see China's improving chances to become important international hub for both capital exports and capital imports (Marsh 2018).

More difficult is interpreting the changes in exports/GDP ratio. This indicator for China surpassed 20% only at the turn of the century, to ascend to 36% in 2006, but since was descending, almost without break, to below 20% in 2017 and 2018 (World Bank 2019).

It seems anyway to be part and parcel of the very complex and important process of changing position of China in world economy. In the collective study, published in December of 2018 by McKinsey, *China and the world: Inside a changing economic relationship*, having scrutinized many developments, especially flows of technology, capital and trade, the conclusion is: “*As technology, capital, and flows of trade between China and the world have shifted, China's exposure to other countries has declined, while the world's exposure to China has increased*” (Woetzel 2018).

There are too different patterns within various realms to assess the general changes across the time in distribution of economic power. Nevertheless, the direction and the pace are obvious. In 1980 China’s economy was hardly noticeable in the world framework, and even in 2000 remained in the shadows of the U.S. economy. An now it is claiming, with strong reasons, the first position. The sea changes in so short time, providing the background for the world politics, has taken place.

Not easier is to assess the changes in non-economic fields. It only appears to be simple task to measure the military power. We have to begin with the military expenditures.

Table 6. Military Expenditures 2000, 2005, 2008-2018 (\$billion)

	2000	2005	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
China	41	77	108	131	138	149	161	176	192	204	216	228	239
U.S.	429	632	707	764	785	775	731	673	632	616	613	606	634

Source: SIPRI Military Expenditure Database, accessed 1 June 2019 blue color means that the data are not certain

One remark seemed to be specially to the point. If we can assess the means only in connection with the intentions, in order to read the table we have to keep in mind that as the military power the U.S. is the global one in contradistinction to

China being the regional one. The “anti-access/area-denial” (A2/AD) doctrine is a key to the equation.

On the whole, between the capacities of the U.S. and the PRC since the beginning and for first three decades there was a real chasm. Suddenly, at least since 2000 the discrepancies began, with unexpected speed, especially after the global financial crisis, to disappear. But even now, in spite of increasingly intensive debate on the U.S. engagement/disengagement with China, it is difficult to find convincing presentation, connecting the changes in capacities with the relevant policies.

There has been a tacit assumption, nearly unquestioned in the West, at least since the program of “reform and opening” initiated by Deng Xiaoping, that China was going to embrace, step by step, the global liberal capitalist project. In particular, it was believed that program should liberalize the Chinese economy, assuring greater role for market mechanisms and reducing role of the state in the economy. Moreover, as the inevitable consequence would appear liberal democratic forces, bringing about gradual weakening of the authoritarian powers of the CCP and greater political pluralism.

Rather extreme example of such complacency is paper of Nathan and Scobell. They assured still in June of 2016 that “...the engagement policy pursued by the United States since 1972 achieved its key strategic goal of tying China’s interests to the interests of the U.S.-created global order ... it [China] has acquired too large a stake in the stability of the world order and the prosperity of the West to believe it can serve its own interests by frontally challenging the existing world order”. Apart of their views on “the stability” and “the prosperity”, is surprising why they could not imagine any alternatives except almost crazy idea of “frontally challenging the existing world order”. Of course, they are right reminding that “...common interests have prevented these frictions from developing into direct economic, political, or military conflicts in the period since China embarked on its immersion in globalization”. But in the last sentence, an attempt to forecast, they assure: “But there are too many benefits in the system for any of its members to opt out.” (Natan and Scobell 2016)

Whereas their paper has been published three times (2012, 2013 and 2016), nearly without changes in it, some striking change of place occupied by the U.S. and China on the world scene has been happening. For many, including China’s leaders all the time, the final conclusion in the quoted sentence remains definitely true. But the strength of the backlash against the globalization in the West, mainly in the U.S. and Great Britain, brought about in the first place the Brexit process and then the victory of Donald Trump in U.S. presidential election. For the present president of the U.S. as well as for many anti-globalists more and more, in word and in deed, their ultimate goal seems to be not only harnessing in some harsh way the processes of globalization, eventually undoing their outcomes, but also to bring about decomposition of the post-WWII neoliberal order.

Aaron L. Friedberg at the beginning of 2018 quotes approvingly this opinion about achieving U.S ‘key strategic goal of tying China’s interests to the interests of the U.S.- created global order’. Slightly earlier presents as antithetical “the inevitable path to a more fully open, Western-style approach” and “a distinctive

‘China model’...providing a degree of insulation from the vicissitudes of globalization”. At the end of his paper, having rejected the idea of “a full-blown ‘Fortress Eurasia’”, present his own opinion in this way: “China’s wary rulers may see it [an integrated regional system] as offering a compromise between the certain self-impoverishment of a return to autarky and the unacceptable risks associated with ever-deeper incorporation into a truly global economy.” (Friedberg 2018)

The reality was quite different. The decision of Mao Zedong and Nixon was definitely geopolitical, to improve the position of both countries within the global strategic triangle. The program of “reform and opening” had become possible only at the end of the ‘70s in definitely post-Maoist China. And for many years had had only a little to do with the U.S. The Chinese were very open to study the contemporary economics, inviting many economists from the West (but mainly with East European experience; the two visits of Friedman were undiluted failure) for discussion, but in general they were learning selectively. The outcome of “the sequential, pragmatic, and learning-by-doing reforms” was Capitalism with Chinese Characteristics, as prefers to call an emerging system Yasheng Huang of the MIT (Huang 2008, quotation: 89) or, in accordance with the official use, Socialism with Chinese Characteristics.

The Chinese preferred the method of trial and error, confronting various ideas with gathered gradually experience. Exceptionally lasting and useful appears precept repeated by Deng Xiaoping about 'crossing the river by feeling the stones', aptly describes a lot of processes taking – then and now - place in China.

The connections of China, reforming itself self-reliantly (the essential exception were *Huáqiáo*), with the West, in particular with the U.S. long remained surprisingly modest. Noticeable data on trade and FDI between the U.S. and China have begun to appear only in the 90s. Perhaps providentially; countries in East and South East Asia, uncritically emulating U.S. economic models, suffered huge losses during the 1997 crisis.

China generally, in economic relations as well as in foreign policies, for fairly long time had followed another Deng’s cautionary advise: “hide [its] capabilities and bide [its] time.”

But gradually, with changing speed, main partner for China have become U.S. transnational companies. They off-shored their business from the U.S. to many countries but China has become unrivaled. The relations with the Chinese state have been rather rough but controversies have been eventually settled with obvious benefits for all directly involved. Initially main reason were labor resources, but as the years went by has increased more and more the importance of China’s huge market.

It would be tempting to contrast the nearly intertwining of two economies with the almost political absent-mindedness in the U.S. vs. China. Perhaps it is nearly true, especially taking into account the policies as adequate responses to incoming challenges. Nevertheless some, rather distant, observers were paying attention. In May of 2009 George Dyer wrote: “Economic relations between the US and China have become so mutually dependent and potentially destructive that a cottage industry has built up to give them a name. Historian Niall Ferguson coined the term ‘Chimerica’ while Zbigniew Brzezinski, Jimmy Carter’s national

security adviser, proposed the creation of a G2 between the two countries. Even comedian Stephen Colbert has got in on the act, labelling them ‘frenemies’, a mixture of friends and enemies.” (Dyer 2009) None of them belonged to U.S. decision-makers.

The offer by Robert Zoellick in September of 2005 to become a ‘responsible stakeholder’ in the international system not only caused consternation among Chinese translators. Perhaps use of more definite term shareholder would made a difference (Zoellick 2005), but in any case it is hardly possible to find any follow-up. Only to some extent we could see it in reforming the IMF. After more than 5 years, initiated under the pressure of the GFC, a revision to the Articles of Agreement was accepted in December of 2015 by the U.S. Senate. China’s voting power was increased up to ... 6.41%. (Kissack 2016; IMF 2019c).

The text of Hillary Clinton, the Secretary of State since 2009 till 2013, published in *Foreign Policy* in October of 2011 under telling title “America's Pacific Century” (Clinton 2011) has been and remained only the declaration. The U.S. has since then hardly hidden intention to contain China’s rise. It was rationale for designing two strong bodies, not of only economic character, first of all the Trans-Pacific Partnership (TPP) and, to a degree, the Transatlantic Trade and Investment Partnership (TTIP). There is no place for explaining the failure.

More important is to make some remarks. After some decades of inattention and negligence, the U.S. political leaders have begun, at least since the GFC, to discern and track with attention emerging rapidly power of China. Neither the policies pursued by the Obama administration nor the Trump administration seem to be adequate response. But Donald Trump, first as a presidential candidate and after as the president, with his controversial diagnosis and careless attacks on the existing international order and the globalization has opened significantly wider windows of opportunity for China.

China becoming Main Supporter of Globalization?

Just before the presidential inauguration in Washington, on January 17, 2017, at the World Economic Forum in Davos the president of China, Xi Jinping threw down the gauntlet. His defense of the globalization was clever, and he in any case was not uncritical. He began however, saying that “...many of the problems troubling the world are not caused by economic globalization”, poignantly giving as example the GFC, being “the consequence of excessive chase of profit by financial capital and grave failure of financial regulation.”

In his opinion, “...we should adapt to and guide economic globalization, cushion its negative impact, and deliver its benefits to all countries and all nations.”

Especially sound off then used by Xi words: “In exploring this path, China refuses to stay insensitive to the changing times or to blindly follow in others’ footsteps.... No country should view its own development path as the only viable one, still less should it impose its own development path on others.”

Well-turned, in particular for American audience, was his remake on “development is of the people, by the people and for the people.”

In relatively extensive “update on the state of China’s economy”, underlining main achievements and weaknesses, the Chinese president assured at the end that “with these efforts, we aim to achieve medium-high rate of growth and upgrade the economy to higher end of the value chain” (Xi Jinping 2017).

Declared support of China for the contemporary globalization demands of course to be subjected to some tests. I will try to begin with a few questions.

First of all we have to ask about the accumulated experience of China’s economic relationships in the mid-term perspective. Amongst the main conclusions of the part *The United States and China 1980-2018* is the one showing that trade relations of China, in clear contrast with those of the U.S., have become more and more world-wide, although with concentration within nearest neighborhood, in particular with the ASEAN countries. By the way, so far, though the trade war between the U.S. and China have not brought about extraordinary losses, its result became replacing by the ASEAN the U.S. as China’s second-largest, after EU, trading partner (Nathan 2019; Xinhua 2019a). In addition, quickly growing were not only trade relations between them, but also FDI transactions; since 2004 the stocks have grown 22 times, increasing in 2018 to 215.71 billion (Xinhua 2019b).

The particularly important part of the experiences is the Belt and Road Initiative (BRI), with its origins during the Xi Jinping’s visits to Kazakhstan and Indonesia in September and October of 2013. Until 2016 it was promoted as *One Belt One Road* or the *Silk Road Economic Belt and the 21st-Century Maritime Silk Road*. Up to now however its many elements remain not sufficiently clear and some projects, correctly or wrongly connected with it, were carried out in way which might arouse serious doubts. Taking into account that it is to be completed by 2049 (Powers 2019), more patience and attentive watching is needed while following these developments as well as different evaluations of them. The project is definitely not the regional but the global one. But already, after lapse of nearly six years, the list of malpractices is too long. And it would be a mistake to treat only as malicious admonition remark on the shortage of “pragmatism and adaptability—the two qualities that should guide BRI 2.0”(Ang 2019). But the jury is still out.

More complex, but much more crucial, is interplay of the interests, these of China and of many other relevant countries. Of course, if at all, the answers might be looked for only in short- and middle-term perspectives. And relatively better results are possible to be achieved in economic and financial spheres.

In the case of trade and capital flows the interests rather convergent than divergent, rather consistent and compatible than contradictory appear to be possible fairly often. China as a big developing country was exceptionally extraordinarily attractive market as well as strongly competitive supplier for different goods and services. Its value as importer and exporter seems to increase for most of potential partners as China’s economy is moving firmly “to higher end of the value chain”.

Perhaps not so open to easily view but nevertheless China is more and more active in the realm of trans-border capital flows. *AEI and Heritage Foundation's China Global Investment Tracker (CGIT)* distinguish China's construction activities and global investments valued at least \$100 million. Since 2005 to 2005 developing and emerging countries (low and middle-income economies) received 83.9% of 739 billion on construction contracts while 65.6% of Chinese FDI outflows got to advanced countries (China Power 2019a). Moreover, China became one of the largest provider of development finance (ODA and OOF), extending from 2000 to 2014 a total of 354 billion to many countries in need; after 2009, till 2014 the quotas remained between 100 and 140 billion (China Power 2019b).

In spite of many discrepancies, especially in details, well-grounded conclusion already seemed to be that for more and more countries China became economically indispensable partner. If we are ready to look for them first of all among developing and emerging countries, especially in Asia, indeed the list of the advanced countries from nearly all regions staying in interdependent relationships with China is getting again and again longer. Too often for many states, not only in Asia, there is already no economic alternative to China.

More complicated is the case of geopolitics. The international politics remains a zero-sum game. The good review of China's interests/purposes we can find in an address given by Kevin Rudd at West Point in March of 2018 [Rudd 2018]. Presenting China's Seven Core Priorities he underlined that the image of the world is shaped significantly by domestic politics, economics, culture and historiography. These priorities or concentric circles, according to Rudd, form the hierarchy: 1) the Chinese Communist Party, 2) the unity of the motherland (with Tibet, Xinjiang, Inner Mongolia and Taiwan), 3) the economy, with environmental sustainability, 4) China's 14 neighboring states, 5) of the same importance maritime periphery, across East Asia and the West Pacific, perceived as deeply hostile, 6) particular relationship with the developing world, 7) the future of the global rules-based order.

The scarce room permit to make here only two remarks.

The area of friction and serious direct risks is connected the positions 4th and 5th. Rudd focuses on the Chinese preoccupation with "a ring of US allies from South Korea to Japan to Taiwan to the Philippines and onto Australia" and "the formidable array of US military assets deployed by US Pacific Command across the entire region". Amongst the China's responses are deep changes in its military organization, doctrine and force structure, with the army shrinking while the navy and air force expanding. In Rudd's opinion, "China's overall political-military strategy is clear: to cause sufficient doubt in the minds of PACOM US Pacific Command], and therefore any future US administration as to the 'winnability' of 'any armed conflict against Chinese forces within the first island chain.'" At the same time China's economic engagement caused that it has already become a more important economic partner than the U.S to nearly each country in wider East Asia. And not only the U.S. is in retreat. A few years ago, dealing with the ASEAN countries, I noticed declining shares in exports as well as in imports of the region also in the case of Japan and EU (Zyblikiewicz 2015). Altogether, the

economic relationships of the U.S. with East Asia and the West Pacific, including the advanced economies, slacken.

The very often is used, possibly overused, is the term *rules-based*. The adherents of the rules-based international order/system have a lot of reasons to be at least uneasy. But first of all it is urgent necessity to tackle with huge confusion. The RUSI Occasional Paper in April 2019 is making a step in good direction, with questions: “Which Rules? Why There is No Single Rules-Based International System”. But it is only first step. Dealing with only three post-1945 distinct Rules-Based International System’ overlooks the essential changes within each of them (Chalmers 2019; source of misunderstandings Ikenberry 2019).

There is no doubt that China became openly critical and made known many unfavorable judgments on the current US-made (led) liberal international order. It used to call it an order created by the Western, victorious, and by-and-large colonial powers after the Second World War. The changes therefore are necessary, the main faults should be removed, the new rules have to express the changing distribution of world economic and political powers. The practice - in clear contradistinction to ideologies or doctrinal approaches - should be their foundation. It is too early to discern more details. Although in some fields, somehow neglected, the Chinese initiative are noticeable. Oriana Skylar Mastro of Georgetown University turned attention to Chinese attempts to find and fill the gaps. She wrote: “In issue areas where the established order is weak, ambiguous, or nonexistent, China has sought to establish new standards, rules, norms, and processes that advantage it.” Examples given by her are not trivial, artificial intelligence or ‘cyber-sovereignty’/cyberspace (Mastro 2019). Already since 2014 in China each year, World Internet Conferences, Wuzhen Summits, are attracting more and more important participants.

It would be in any case difficult to undermine general opinion of Rudd: “The desirability of having a form of rules-based system, rather than simple chaos, lies deep within Chinese political consciousness. Chaos is utterly alien to China’s preferred political approach...”

Too fresh remains memory of traumatic turbulent Maoist period and too entrenched in the Chinese tradition over centuries and millennia is idea of luàn. It means chaos, disorder, instability (Huang and Liu 2016). It is in direct opposition to stability, order and rules.

Such approach is buttressed by a comparison of cultural differences between the U.S. and China, included in the book under striking title “Destined for War: Can America and China Escape Thucydides’s Trap?” (Allison 2017). Graham Allison, director of Harvard Kennedy School’s Belfer Center for Science and International Affairs introduce the present geopolitical shift on the background of the sixteen cases during last five hundred years when an ascending power challenged an established power. At all author is capable to hold us in in suspense with two theses: 1) war between the US and China in the decades ahead is not just possible, but much more likely than currently recognized...[even] more likely than not and 2) war is not inevitable. (ibid. Kindle version loc. 190, 192, p. 184). But the historical cases are too fragile basis; we can compare only comparable ones (especially the last case is doubtful). By the way, amongst 4 optimistic cases 3

belong to the period since early 20th century. There are reasons to focus on the change from Pax Britannica to Pax Americana.

The announced scheme looks so:

Table 1. *America and China, Clash of Cultures*

	America	China
Self-perception	‘Number one’	‘Center of universe’
Core value	Freedom	Order
View of government	Necessary evil	Necessary good
Form of government	Democratic republic	Responsive authoritarianism
Exemplar	Missionary	Inimitable
Foreigners	Inclusive	Exclusive
Time horizon	Now	Eternity
Change	Invention	Restoration and evolution
Foreign policy	International order	Harmonious hierarchy

Source: Allison, *Destined...* p. 140)

Obviously some positions seem to be to the point, some wrong or misleading, and some obsolete. But nevertheless the broad message is valid: America and China are quite different.

Therefore while sharing the opinion of David Shambaugh about China as the partial power, probably also in the foreseeable future, I see too many of his concrete opinions as simply misleading. Quite false is his opinion that “It [China] remains a long way from becoming a global superpower like the United States...” (Shambaugh 2013, quotation 10) In any case since the beginning of reforms (gaige) and opening (kaifang) there were no grounds to assume that China would like to become such superpower as the United States. China was, is, and probably will be drawing from all the experience of the United States but not treating it as an example or the pattern, let alone blind following it. And of course quite open is the question which is and will be real impact of these two great powers on the world economy and politics, in particular on the contemporary globalization.

References

- Allison G *Destined for War: Can America and China Escape Thucydides’s Trap?*. 1st ed. Boston-New York: Houghton Mifflin Harcourt.
- Ang Y Y (2019) Demystifying Belt and Road The Struggle to Define China’s ‘Project of the Century’, *Foreign Affairs* May 22, 2019
- Chalmers M (2019) *Which Rules? Why there is No Single ‘Rules-Based International System’*, RUSI, April 2019. DOI=https://rusi.org/sites/default/files/201905_op_which_rules_why_there_is_no_single_rules_based_international_system_web.pdf
- China Power (2019a) Does China Dominate global investment? CSIS China Power Project DOI=<https://chinapower.csis.org/china-foreign-direct-investment/>
- China Power (2019b) Where is China targeting its development finance? DOI=<https://chinapower.csis.org/china-development-finance/>
- Clinton H (2011) America’s Pacific Century *Foreign Policy* October 11, 2011. DOI=http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century

- Dyer G (2009) China and US share economic umbilical cord The Financial Times, May 31, 2009
- (The) Economist (2013) The world's next great leap forward Towards the end of poverty May 30th 2013. Available at <https://www.economist.com/node/21578665/comments>.
- Eurostat (2018), *The Net Investment Position of the EU down at €1 100billion*, Newsrelease 200/2018 -20 December 2018. DOI=<https://ec.europa.eu/eurostat/documents/2995521/9460172/2-20122018-BP-EN.pdf/65ec907b-804c-4f41-b093-976919369ff3>.
- Friedberg A L (2018) Globalization and Chinese Grand Strategy, 60(1) Survival: 7-40.
- Garten JE (1997) *The Big Ten The Big Emerging Markets and How They Will Change Our Lives*, 1st ed. New York, NY: Basic Books.
- Huang Y (2008) *Capitalism with Chinese Characteristics. Entrepreneurship and the State*, 1st ed. New York, NY: Cambridge University Press.
- Huang W and Liu J (2016) On the Character Available at <https://www.theworldofchinese.com/2016/01/on-the-character-%E4%B9%B1/>
- Ikenberry G J (2019) *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major Wars* New edition Princeton, NJ: Princeton University Press.
- IMF (2019a) *World Economic Outlook, April 2019*. Database. DOI= <https://www.imf.org/external/pubs/ft/weo/2019/01/weodata/index.aspx>.
- IMF (2019b) Direction of Trade Statistics (DOTS) dataset. DOI= http://data.imf.org/?sk=9D6028D4-F14A-464C-A2F2-59B2CD424B85_
- IMF (2019 c) *Members' Quotas and Voting Power, and IMF Board of Governors*. Last Updated: June 11, 2019. DOI= https://www.imf.org/external/np/sec/memdir/members.aspx_
- Kennedy P (1987) *The Rise and Fall of Great Powers: Economic Change and Military Conflict from 1500 to 2000*, 1st ed. New York, NY: Random House.
- Kissak R (2016) IMF Reform: What has Been Achieved and What Does it Mean?“, *Opinion* 01/2016. DOI= https://www.cidob.org/en/publications/publicationseries/opinion/seguridad_y_politica_mundial/imf_reform_what_has_been_achieved_and_what_does_it_mean
- Krueger A O (2002) *Supporting Globalization*, Remarks September 26, 2002. DOI= <https://www.imf.org/en/News/Articles/2015/09/28/04/53/sp092602a>.
- Marsh D (2018) *China's international investment position*. Speech to International Monetary Institute at Renmin University 14 Jul 2018.
- Mastro O S (2019) The Stealth Superpower How China Hid Its Global Ambitions, 1 January/February 2019
- Milanovic B, (2016) *Global Inequality: A New Approach for the Age of Globalization*, Cambridge, Mass.: Harvard University Press.
- Nathan A J (2019) How China Really Sees the Trade War Xi Still Believes He Has the Upper Hand, Foreign Affairs, June 27, 2019
- Nathan A J and Scobell A (2016) Globalization as a Security Strategy: Power and Vulnerability in the ‘China Model’ 131(2) Political Science Quarterly: 313-39.
- Nye J S (1990) *Bound to Lead. The Changing Nature of American Power* New York, NY: Basic Books
- Powers S (2019) Partnered with Strategic Marketing & Exhibitions to Announce: One Belt, One Road Forum. CrowdReviews 25 March 2019 DOI= <https://www.pr.com/press-release/780645>
- Rodrik D (1997) *Has Globalization Gone Too Far?* Washington, DC: Peterson Inst for Intl Economics.

- Rodrik D (2011) *The Globalization Paradox: Democracy and the Future of the World Economy* 1st ed. New York, NY: W. W. Norton & Company.
- Rodrik D (2017) *Straight Talk on Trade: Ideas for a Sane Economy* 1st ed. Princeton, NJ: Princeton University Press.
- Rudd K (2018) *Rudd Speaks to the US Military Academy West Point: Understanding China's Rise under Xi Jinping* March 5, 2018. DOI=<http://kevinrudd.com/portfolio-item/kevin-rudd-speaks-to-the-us-military-academy-west-point-understanding-chinas-rise-under-xi-jinping/>
- Saul J (2004) The Collapse of Globalism And the rebirth of nationalism Harper's Magazine, March 2004: 33-43. Available at <https://harpers.org/archive/2004/03/the-collapse-of-globalism/> (accessed
- Saul J (2005) *The Collapse of Globalism: And the Reinvention of the World* 1st ed. New York, NY The Overlook Press/Peter Mayer Publishers, Inc.
- Shambaugh D (2013) *China Goes Global. The Partial Power* 1st ed. New York, NY: Oxford University Press
- SIPRI Military Expenditure Database. DOI=<https://www.sipri.org/sites/default/files/Data%20for%20all%20countries%20from%201988%E2%80%932018%20in%20constant%202017%29%20USD%20%28pdf%29.pdf>
- Stiglitz JE (2002) *Globalization and Its Discontents*, 1st ed. New York, NY: W.W. Norton & Co.
- Stiglitz JE (2006) *Making Globalization Work* 1st ed. New York, NY: W.W. Norton & Co.
- Stiglitz JE (2017) *Globalization and Its Discontents Revisited: Anti-Globalization in the Era of Trump*, 1st ed. New York, NY: W. W. Norton & Co.
- UNCTAD Statistics Foreign Direct Investment flows and stock. DOI= <https://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx>.
- Woetzel J and others (2018) *China and the World: Inside a changing economic relationship* McKinsey December 2018. DOI= <https://www.mckinsey.com/featured-insights/asia-pacific/china-and-the-world-inside-a-changing-economic-relationship>
- World Bank Open Data (2019) DOI=<https://data.worldbank.org>.
- World Inequality Report 1918*. DOI=<https://wir2018.wid.world/files/download/wir2018-full-report-english.pdf>.
- WT0 (2019) Press Release Press/837 *Trade statistics and outlook - Global trade growth loses momentum as trade tensions persist*, 02/04/2019. DOI= https://www.wto.org/english/news_e/pres19_e/pr837_e.pdf
- Xi Jinping (2017) *Full Text of Xi Jinping Keynote at the World Economic Forum*. DOI= <https://america.cgtn.com/2017/01/17/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>
- Xinhua (2019a) *China-ASEAN trade continues to boom amid global growth slowdown, uncertainties*, July 23, 2019
- Xinhua (2019b) *China-ASEAN trade hits record high in 2018*, March 13, 2019
- Zoellick R. (2005) *Robert Zoellick's Responsible Stakeholder Speech*. DOI= <https://www.ncuscr.org/content/robert-zoellicks-responsible-stakeholder-speech>
- Zyblikiewicz LW (2015) *The ASEAN and the great powers/ASEAN i potęgi światowe* (413) Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu/Research Papers of Wrocław University of Economics. Dimensions of Regional Processes in the Asia-Pacific Region, ed. Drelich-Skulska B and others: 103-17