

36/2012

April 2012

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*Luis F. Astorga González**

WORLD STAGE: TRANSITION TOWARDS
MULTIPOLARISM

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WORLD STAGE: TRANSITION TOWARDS MULTIPOLARISM

Abstract:

The United States is still the first world superpower, and will retain this position for a while; but we can already forecast that it will lose this preeminent place during the 21st century. The huge economic and political changes that the world is currently going through are transforming the International Relations system as well, and giving new strength to the old fashioned neo realist paradigm, which the new emerging superpower, China, seems to feel particularly comfortable with. In this process the world is becoming increasingly multipolar, what does not necessarily mean safer.

Keywords: International Relations, neorealist, multipolar, China, USA, hard/soft power, unrestricted war, Qiao Liang, Wang Xiangsui, globalization.

***NOTE:** The authors of the *Opinion Documents* are responsible for the ideas contained in the articles, and they do not necessarily express the thoughts of the IEEE neither those of the Spanish Ministry of Defence.

INTRODUCTION

For a brief period of time, since the end of the Cold War, the world has been unipolar and the USA has enjoyed a hegemonic position. However, as the 21st century advances, we walk towards a multipolar world, which may become bipolar in the medium/long-term, depending on the Chinese evolution. There will be lots of ups and downs along the way and sometimes the USA will seem to win back its hegemonic position; nevertheless, these will be only the ascending cycles of a tendency going down in the long-term.

In this document we will take a look at the historical context of the Cold War, the changes in the world economic structure, the transformation of the ideological disputes of the 20th century and China's emergence with the aim of supporting the thesis previously described. Through the analysis of these elements we will conclude that the decline of the USA will radically change the international relations system in the following decades, probably before the first half of the 21st century is over.

HISTORICAL CONTEXT OF THE LATE 20TH CENTURY

From the end of the Second World War until the fall of the Berlin wall, the world has remained bipolar. The confrontation between the USA and the USSR was one of the biggest issues of the geopolitical scenario and it conditioned the strategic options of the rest of the countries, determined by the conditions of both superpowers.

However, despite the extreme rivalry between the two great powers there was no war. They both had enough nuclear weapons to destroy the planet but the fear of a total war¹ worked as deterrent to prevent direct military conflicts. When war broke out directly (it happened many times), it was always through third countries, like medieval lords sending their champions to joust. This situation of veiled hostility was called the "Cold War"².

The contenders were a big maritime power (United States) –in the sense expressed by Alfred

¹ According to the model of Clausewitz interaction leads to an "extreme", that is to say, an extreme use of force by the rivals (Carl Von Clausewitz, *On war*, first book, chapter 1).

² This term was created by the Spaniards of 19th century referring to their difficult coexistence with the Muslims of the Mediterranean, as states Samuel P. Huntington in *The Clash of Civilizations and the remaking of world order*, chapter 9, p. 227, Simon and Schuster (1996).

T. Mahan³— and a continental empire (the Soviet Union) which controlled and occupied almost the whole Eurasian heart⁴ of the Earth except for Western Europe, India and a zone of Southeast Asia.

However, the Cold War was not only a fight between a big maritime power and a continental one to conquer the economic and military supremacy; that was not the essential. The real reason was an ideological dispute⁵ between two different social and economic models which in the end were incompatible: Marxism and liberalism, a “war of ideas”, was the real motor of a confrontation which only could be solved by the victory of one model.

The USA won the fight because of its dynamism and its economic progress which resulted unbearable for the communist bloc that started disintegrating (China was the first one). The consequence of this victory was the fall of the Soviet Union and the USA becoming the only great power for twenty years. The Anglo-Saxon economic and social archetype subdued the communist model and it seemed that societies in future would conform following the lines of the democratic western countries. That was the end of History that Francis Fukuyama “announced” with great impact on the media⁶. There was no rival to the maritime power of the USA nor an ideological alternative to the Western way of life. According to Henry Kissinger, with the arrival of the 21st century the USA “is enjoying preeminence unrivaled by even the greatest empires of the past”⁷.

However, the country didn’t feel quite comfortable with this power: it was argued whether they should return to their own internal affairs and forget foreign politics or act as the world’s police force. Given the role and power that history seemed to have conferred on them, they didn’t know which strategy to use in international relations neither how to balance correctly their own interests and idealism; they didn’t even know whether they should follow a strategy or act on a case-by-case basis.

³ To him sea power determined inevitably the victory between a maritime power and a continental one, as he claims in his most known work: *The influence of sea power upon History, 1660-1783*, Dover Publications, New York (1987).

⁴ According to Sir Haldford MacKinder the power in control of the *heart-land* of the Earth (Eurasia) would control the world.

⁵ “The soviet Union was an ideological state and the cold war an ideological conflict”, Thomas Nichols, *Winning the World*, p. 22, Praeger publishers, Westport (2002).

⁶ Francis Fukuyama, *The end of History and the last man*, London, Penguin Books (1992).

⁷ Henry Kissinger, *Does America need a foreign policy? Toward a diplomacy for the 21st century*, p. 14, Simon and Schuster, New York (2002).

All the discussions finished on 9/11 when it was established that at least a big part of the Muslim world followed the “realism of civilizations”⁸ model described by the famous work of Huntington⁹. The war of ideas “liberalism against communism” was replaced by the confrontation between *Dar al Islam* and *Dar al Harb*¹⁰.

The reaction of the USA to the terrorist attacks is well known; Bin Laden, leader of Al Qaeda and instigator of the attacks was protected in Afghanistan, where he organized his network with the collaboration of the Taliban government. The USA supported a group of Afghan rebels, the Northern Alliance, to bring down the Taliban (an aim which was achieved in a few months); later on they started looking for Bin Laden who was hidden in the Afghan mountains until he was finally captured 10 years later. During these years the West has remained bogged down in the Afghan conflict, which is not easy to put an end to.

The 2003 Iraq invasion to overthrow Saddam Hussein was the next step of the USA within its “global war against terrorism”. The doubts on the necessity of intervention in the global arena were removed, as well as the discussions on a balance between interests and idealism. The “neocons” promoted an action based exclusively on the interests of the USA and its allies, forgetting the long idealist American tradition started by Woodrow Wilson at the end of the Great War. The intervention in Iraq was carried out with this mentality which was a huge succession of tactic and strategic mistakes, according to many analysts¹¹.

The second war of Iraq led the US Army to an extreme situation, since it damaged severely the country’s economy and decreased its international prestige; in short, this war jeopardized seriously US position as world superpower. It mainly showed uncovered the limits of the country’s power.

THE ECONOMY OF GLOBALIZATION

The power of a nation is not only measured in military and economic terms. There are more factors: prestige, cultural influence, tradition, etc. In this sense it can be distinguished

⁸ In the neorealist approach civilizations -and not countries- are considered a unit of analysis.

⁹ Samuel P Huntington en *The Clash of Civilizations... Op. cit.*

¹⁰ “House of Islam against House of Unfaithful”. Salafist definition of the world, as described in the works of Walid Phares, *Future Jihad* (Palmgrave MacMillan New York, 2005) or *The War of ideas* (Palmgrave MacMillan New York, 2007).

¹¹ Michel Gordon book, *Cobra II*, Pantheon Books, New York (2006) is an objective account of the mistakes done within the invasion.

between *hardpower* and *softpower*¹². A country cannot be a true power until it achieves the right combination of these elements. For example, Germany is a very powerful nation from the economic point of view; it also has a great cultural wealth; however, its prestige was severely damaged after the Second World War and it does not have an army which matches with its economic power. Furthermore, Germany is not able to use its military forces.

Economy, military power and culture: these are the three pillars of the power of a nation, and the trident on which is based its geopolitical strategy. With regard to economy, globalization has produced deep changes within the structure of international commerce; those changes have been promoted by the West through mechanisms like GATT¹³ and have mainly reinforced South-East Asia (China and India) at the expense of the West.

The economic liberalization stimulated by Den Xiaoping in China since 1970s and the incorporation of the country to the GATT in 2002 gave the opposite effect of the one which was thought with the deregulation of the global markets. It was feared that the already developed countries would flood the markets of the emerging nations with their manufactured products and although it was true in some cases, the most important process was the opposite: China, with its industrial production (the factory of the world”), and India, in the markets of telecommunications, are the real winners of globalization¹⁴. In 2010 China was the second economy of the world measured in purchasing power parities (2/3 of the numbers of USA¹⁵) and it is estimated that it could reach the USA by 2027¹⁶. However, China’s growth rates between 1990 and 2005 (10%) allowed that country to triple its economic weight, while the relative contribution of USA and EU remained stable¹⁷. Future perspectives show that the growth of emerging countries will keep high but it will not be the same in the West. This process will change drastically the international economic structure; by 2050, the Asia-Pacific region will produce 50% of the global production, while Europe and

¹² This terminology was created by Joseph Nye in its work *Bound to lead: the changing nature of American power*, Basic Books, NY (1991).

¹³ General Agreements on Tariffs and Trade, agreement created in 1947 that is considered the precursor of the World Trade Organisation.

¹⁴ As Isidro Sepúlveda explains in his article “Eastphalia: Asia en la Geopolítica global”. Cuadernos de estrategia 143, Instituto de Estudios Estratégicos, Madrid (2010).

¹⁵ According to data of the IMF, the American GDP was 15,500 billion dollars and the Chinese one 10,100.

¹⁶ According to Goldman Sachs previsions quoted in the article of Joseph S. Nye “¿China está superando a los EE.UU.?”, available in Spanish <http://www.project-syndicate.org/commentary/nye93/Spanish>

¹⁷ Pablo Bustelo *¿El banquero del mundo? Sobre el peso financiero internacional de China ARI 147/2011*, Real Instituto Elcano

North America will just produce 15% each of them¹⁸.

China is already a big financial power. Its exchange reserves were 3,200 billion dollars on September 2011; more than 1000 billion dollars are supposed to be part of the US public debt¹⁹. In order to locate these numbers in this context, it must be said that Chinese reserves are third times the reserves of Japan, and they exceed the addition of the following eight countries in the list of countries with the highest reserves (like for example Russia, Saudi Arabia and India²⁰). Without any doubt this power allows China a main role in the world's financial stability. However, the opposite point is also true: according to the ideas of Coronels Qiao Liang and Wang Xiangsui in their book *War without Restrictions* in order to defeat a more powerful military enemy it is necessary to use indirect resources, like for example the economy.

One of the basis of the current financial crisis is the Asian financial crisis of 1997, which damaged the emerging economies of the region and which “was originated by the IMF and speculators like Georges Soros”, according to many countries like China and India. After 1997 emerging economies of the region implemented exchange rate policies to sustain their undervalued currency. It was a defensive mechanism to prevent a crisis like the one of 1997. However, these measures stimulated real estate bubbles in the West which, in the end, created a new financial crisis, but this time in the West. It might be important to highlight what is said in the aforementioned book by Coronels Liang and Xiangsui about the intentionality of the Asian financial crisis of 1997: “A surprise financial war attack that was deliberately planned and initiated by the owners of international capital, ultimately served to pin one nation after another to the ground —nations that not long ago were hailed as “little tigers” and “little dragons”²¹. According to the Coronels, the Asian financial crisis of 1997 was an “act of war” —an intentional attack against the economy of the emerging countries.

Unrestricted warfare is without any doubt based on Sun Tzu's philosophy in *The Art of War*, which corresponds to Chinese military thought. Sun Tzu said: “Ultimate excellence lies not in

¹⁸ Federico Steinberg, *¿Se está reconfigurando el orden económico internacional?*, ARI 156/2011, Real Instituto Elcano.

¹⁹ Pablo Bustelo, *Op. cit.*

²⁰ *Ibidem.*

²¹ Qiao Liang y Wang Xiangsui, *Unrestricted warfare*, available at <http://www.cryptome.org/cuw.htm>.

winning every battle, but in defeating the enemy without ever fighting". The financial situation of China and USA in 2012 is completely the opposite to the 1997 situation, and the conjuncture of the international financial system will allow China to use its high currency reserves as a decisive weapon in a military confrontation with the West, a weapon which will lead China to the "ultimate excellence": defeating the enemy without ever fighting.

China might not reach the per capita income of the USA by 2050. It is also possible that India, and not China, will be the first economy in the world, due to its population pyramid, much younger than the Chinese one and also much younger than Asian pyramids as a whole, which face serious ecological and social problems, due to the huge growth and the lack of balance. In any case, it is clear that one of the factors that built USA power, its economic superiority, will disappear before 2050.

THE TRANSFORMATION ON THE IDEOLOGICAL STRUGGLES

The victory of the Cold War did not only imply the unipolar hegemony of the USA, but also involved the moral rearm of the West which planned to extend its values with renewed spirit to the whole world: human rights, freedom, gender equality, democracy, and a pacific solution to disputes. "Realist" and "neorealist" theories of international relations were thought as outdated and gave way to transnational models or even "constructivist" within the wealthy states of the north and "structuralists" within the countries of the Third World. Structuralism²² had gained strength since 1960 and anti-globalization movements gave it a new main role, with neo-Leninist²³ theoretical approaches (instead of neo-Marxist approaches) based on structuralism which blamed the West for their underdevelopment. Political Islamism is partly based on this theoretical basis, and it is, after the fall of socialism, the only current ideology which can be opposed to the liberal model and that holds some theoretical basis unlike the anti-globalization movements²⁴, the South American indigenism or Chinese postmarxism, which will probably be subject to cyclical conditions.

²² Structuralism is an economic theory developed by the CEPAL (Comisión Económica para América Latina de NN.UU) by the Argentinian economist Raul Prebisch, who queries the classical theories of international commerce and states that, within the exchanges between an industrialized center and the agricultural periphery, commerce is unfair for agricultural periphery and it deepens the income difference.

²³ In the sense of transfer of the exploitation rate between capitalists and workers to colonialist countries and their colonies, theory which justified to Lenin that the capitalist system hadn't collapsed following Karl Marx predictions.

²⁴ The new international economic order makes the classical distinction of center and peripheries as well as the "fair commerce" theories get obsolete, as Federico Steinberg points out, *Op. cit.*

Focusing on the Muslim world, the reasons for its poor development are very complex and they differ from one nation to another; for instance, the situation in Pakistan does not have much in common with the situation in Mauritania. However, in all these countries there is a shared awareness of the necessity of a deep and revolutionary change, a change in order to transform society. Since Marxism has disappeared as ideology, masses see Islam as a point of reference. In the Muslim world, Allah has replaced Marx. Muslim societies are steadily making headway towards Islam like form of government. Good or bad, concepts like “State”, “separation of powers”, “democracy” or “gender equality” are more and more strange to the political-religious thought in the Muslim world. Its theoretical basis can be found in the Muslim Brotherhood and its most well-known ideologist, Sayyid Qutb²⁵: “Islam will prevail or jahilyya”²⁶. Islam cannot accept a situation which is half Islam and half jahilyya. In this sense, Islam is very clear and says: there is only one truth and it cannot be divided”²⁷.

The majority of the Arab-Muslim world considers that the political and governmental system created in Rome and developed 2000 years later, based on the ideas of Montesquieu and Locke, is not the right for them. The Western political system rejects their values, ideas and their conception of the world. One thousand million Muslims find that one of the elements of power and influence of the “hegemon” (its “softpower”, the one expressed by its culture and moral principles) has lost its value.

THE EMERGENCE OF CHINA AS MILITARY POWER

As explained before, the American economy will no longer be the first of the globe in a few years time and Islam considers that the cultural and moral values of the West are no longer valid. In this sense, the Muslim world is the most combative with the West, although China and India do not share the Western moral standards either.

The economy and culture of the “hegemon” are in relative decline. The third element of the trident of powers is the military power and in this field the USA has not yet a rival worthy of the name.

²⁵ Sayyid Qutb, (1906-1966), main ideologue of the Muslim Brotherhood was imprisoned and hanged by Nasser.

²⁶ Jahiliyya : State of ignorance before the revelation of the Profet Mohhamed

²⁷ Sayyid Qutb, in Arabic معالم في الطريق (Signs in the way), his most known work with في ظلال القرآن (in the shadow of Coran).

Until recently the US spent almost as much money on its armed forces as the rest of the world together, and US nuclear, air and naval powers are unique. They can intervene anywhere in the world in a very short period of time by taking advantage of the resources provided by the air and naval groups of its navy. The capabilities of the US Army are incomparable. However, many analysts consider that the conflicts of Afghanistan and Iraq have challenged and stretched the power of the US Army to the limit. It is highly unlikely that in the coming decades the US dare to get involved once more in conflicts that require the occupation of a territory for long periods of time. In fact, President Obama has just announced a major cut in defense budget –they will mainly reduce their ground forces in order to develop their air and naval forces²⁸.

According to SIPRI estimates, in 2010 the USA devoted USD 698 billion to defense, while China was already the second in the world ranking in that same year, but only with USD 119 billion. China increased its military budget between 2010 and 2011 by 12.7%²⁹ and intends to continue to raise prices in the future, while the USA will carry out a significant reduction³⁰ that, although is not completely defined, should set its military spending at around USD 450 billion/year for 2020 (as disclosed in 2010 by the then Secretary of Defense, Robert Gates). If China kept its annual defense budget growth by 12% over the next ten years, spending in 2020 would reach USD 370 billion. The difference between the two countries would only be 20% approximately, and they would, therefore, have similar military capabilities.

China, which enjoys great ground forces, the largest in the world, and nuclear power enough to use it as a deterrent mechanism (at least under the parameters of the “simplicity school”)³¹, is trying to acquire a deep-sea navy with force projection. China is aware of the fact that its status as world power requires this capacity, which is essential to strengthen the element of the trident (economy, culture and military power) that we mentioned before.

²⁸ Found at The Fiscal Times digital newspaper, written by Merrill Goozner (06/01/2012), available at <http://www.thefiscaltimes.com/Articles/2012/01/06/Obamas-Defense-Cuts-Fall-Far-Short-of-Budget-Goals.aspx#page1>.

²⁹ Augusto Soto, *El presupuesto militar chino en su contexto* [China’s military budget in context], ARI 119/2011, Real Instituto Elcano.

³⁰ Found at The Fiscal Times digital newspaper, *op. cit.*

³¹ For the “simplicity school”, nuclear deterrence only requires the ability to respond to a nuclear attack, not the certainty to win a nuclear war: the deterrence mechanism is enough. The “school of difficulties” considers that if a country thinks it will be able to win a nuclear war it might be tempted to start it as long as the benefits outweigh the risk, and that is the reason why it is necessary to have redundant vectors to ensure mutual destruction even in surprise attacks. See Barry Buzan, *Introducción a los estudios estratégicos* [An introduction to Strategic Studies], Ediciones Ejército, Madrid (1987).

They are currently carrying out sea trials on their first large aircraft carrier.

It is clear that they have a lengthy path ahead, but over the last twenty years of the 19th century the USA built a fleet starting virtually from scratch, a fleet that defeated dramatically an old naval power in 1898 and that snatched almost without losses what remained of its once vast empire. China is able to do the same: it has the will and the economic resources. It will not reach the excellence of the US Navy in the short-term, but within two or three decades (2050) it will surely be able to catch up.

CONCLUSIONS

It cannot be said that today the American culture has ceased to be a world leader, that the US economy is not relevant in comparison with the economy of the emerging Asian countries or that the US military power is encroached upon by buoyant China. This is not yet the case, but historical trends must be seen in perspective. It is much easier to appreciate the loss of power of the US if we compare its relative position back in 2000 with its current position.

In 1990, Krauthammer said that the world was clearly unipolar³². In 1997 Brzezinsky stated in *The Grand Chessboard* that “the US was the first global empire of its kind; in times of the Spanish, French or British domination there was always a counter-power, a nation capable of coping with them, or at least partially. This was the only period in which there was no country with enough resources to face the “hegemon”³³.

In 1999, only two years after these categorical statements, Samuel Huntington said that the fact that there was only one superpower did not mean that the world was unipolar, but neither was it multipolar –it was uni-multipolar³⁴. According to Mastanduno, in the 90’s there was a “unipolar moment” that would not last; to him the relevant question was not “whether” the world would turn multipolar, but “when”³⁵. The different analyses have clearly shown over time the existence of this unipolar point of view and its foreseeable end.

Empires are born, then grow and finally die. The mechanism by which they fall usually

³² Charles Krauthammer, *The unipolar moment*, Foreign Affairs magazine (1990).

³³ Zbigniew Brzezinsky, *The Grand Chessboard*, Ediciones Paidós Ibérica (1998).

³⁴ Samuel Huntington, *The lonely superpower*, Foreign Affairs magazine, No. 35 (1999).

³⁵ Michael Mastanduno, *Preserving the unipolar moment. Realist theories and US grand strategy after the cold war*. *International Security*, Vol. 21 No. 4, Spring (1997).

corresponds to a similar pattern which repeats itself throughout history: cultural hedonism, inflation, public finance deficit or excessive state control³⁶. In the US (and in the West in general) all these elements can be found and it should make us think about our future and the survival of our moral values.

The US is in decline and China is rising; the world might become “bi-multipolar” in the following decades (in a scheme like the one suggested by Huntington, but with two great powers, US and China, instead of just one). However, there are more emerging countries which are willing to become superpowers: India, Brazil and maybe the EU. Not all of them will succeed, but some of them (or others) will. The world will then be multipolar, but probably just for a while, because in the end, history always behaves like the Ouroboros³⁷.

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*Luis F. Astorga González**
Navy Commander

***NOTE:** The authors of the *Opinion Documents* are responsible for the ideas contained in the articles, and they do not necessarily express the thoughts of the IEEE neither those of the Spanish Ministry of Defence

³⁶ See Zbigniew Brzezinski, *The Grand Chessboard*, *op. cit.*, or Francisco Simón Segura, *Manual de historia económica mundial de España* [World Economic History of Spain], Centro de Estudios Ramón Areces (1990).

³⁷ Editor's Note: The Ouroboros is an ancient symbol depicting a snake or dragon eating its own tail and represents the eternal return or constant renewal of life through death and birth.