

From the End of History to the Post-American World

Global Politics, Economy and Security
at the Turn of the Epoch

Miloš Balabán

The author analyses a number of major works by American scholars (Fukuyama, Huntington, Zakaria, Nye, Haass, Mearsheimer, Brzezinski, Jentleson, Wright, Ikenberry, Jones) that examine the global power shifts, especially with regard to the changing position and role of the US as the leading Western power. The United States is coming to terms with the end of the unipolar moment and adapting to new political, economic and security realities ushered in by the rise of non-Western powers. The above-mentioned scholars agree that, while this adaptation is not a smooth process, America's substantial economic, military and research power still guarantees it a major role in the inevitable transformation of the international order. The article confronts academic concepts with the dynamics of global power shifts and the mistakes of American policy (e.g. in the Middle East) that undermine America's global position. The erosion of American power and the power of the West is also bound to the economic and political problems generated by the US-triggered financial crisis of 2008. The last-mentioned factors help strengthen the role of non-western powers, especially China, in international politics, highlighting the need for a broader dialogue between them and the West about the future world order and forms of global governance.

Keywords: great power, West, United States, China, crisis, influence multipolarity, dominance, global order

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The Dynamics of Power Shifts

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The late 1980s saw the demise of the bipolar system of two superpowers, the United States and the Soviet Union, which had lasted more than forty years. It ended in a collapse, for the project of a new communist society, based mostly on ideological tenets, proved economically unviable, despite the attempts to spread its model worldwide with political, economic and military means.

The end of the bipolar system, the breakup of the USSR and the USSR-controlled Socialist bloc¹ brought new dynamics to the international system and relations. The United States became the sole global superpower. At the turn of the 21st century, the US and the West dominated global affairs, and the Western political and economic model was at the height of its appeal. In the early 1990s, the US journalist Charles Krauthammer coined the term 'unipolar moment' for the new epoch.²

But the international order, the wealth and power of individual nations and their economic and military strength, are all relative things, subject to change, as shown by Paul Kennedy's major book *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000*.³ The central claim of this book, published as early as 1987, has held true throughout the three decades following the end of the Cold War.

On the one hand, this period saw the enlargement of the EU and NATO, growing economic prosperity, and major advances in science, research and information technology, all of which strengthened the economic and security position of the West.

On the other hand, the West has gone through several unsuccessful wars and military interventions. The export of democracy and western values to the non-western world has not been very successful, and – paradoxically – many of the exporting countries now face the need to defend the very same values back at home. The situation has been further exacerbated by the economic crisis and rising sovereign debt. Last but not least, the West must come to terms with the strategic challenge represented by the increasing economic and political clout of non-Western actors, with China in the lead. All the above is, moreover, taking place at a historical crossroads: the epoch of Pax Americana, which had long ago succeeded Pax Britannica, is coming to end, and with it several centuries of Anglo-Saxon economic and ideological hegemony.

Is the West ready to face this process? What can it lean on? What are its strengths and weaknesses in the rapidly changing world? What concepts and strategies should be devised and implemented to make sure that the West preserves sufficient influence in global politics and the world economy? These are four basic groups of questions to which answers have recently been sought, most frequently by American scholars.

Miloš
Balabán

Despite the great diversity of arguments and facts presented and despite some differences between the authors' views of the West's present and future role in global politics, economy and security, all the books and studies agree on one thing: the changes in the global power relations are inevitable and the West will have to accommodate to them. The global power shifts are so dynamic and complex a process, however, that many academic concepts and strategies are continually having to be adjusted, revised, or even discarded.

The End of "The End of History"

A case in point is the end-of-history hypothesis, put forward shortly before the definitive end of the Cold War by the Japanese-born US historian Francis Fukuyama, first in a 1989 issue of *The National Interest* and later, in 1992, in his book *The End of History and the Last Man*.⁴

Fukuyama drew on the philosophy of Hegel, who believed that the modern constitutional state with its liberal system based on the principles of the French and American revolutions represented the final stage of history. Inspired by this thought and anticipating the imminent collapse of the Soviet system, Fukuyama proclaimed the final victory of capitalism and liberalism, which was also interpreted as the end of history.

His words were rather strong: 'What we may be witnessing is not just an end of the Cold War (...), but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government'. (...) 'In the universal homogenous state, all prior contradictions are resolved and all human needs are satisfied'. It is no great exaggeration to say that the concept suggested a world in which nothing was left to argue about or struggle for, since the only project on hand was the fine-tuning of liberal democracy. The broad expert debate sparked by Fukuyama's claims eventually came to an almost unanimous con-

clusion: the participants agreed that the dispute over the best form of government had indeed been resolved in favour of the liberal democratic 'civil society'. However, some questioned the claim that its victory was final and unequivocal, and with it they questioned also the whole end-of-history hypothesis.⁵

Fukuyama did not take into account that a number of non-Western actors – China in particular – continued to grow and develop without being greatly affected by the collapse of the Soviet Union and the Socialist bloc. In the late 1980s and early 1990s, a decade into Chinese economic reforms, the country experienced another period of rapid growth, which would make it a new global power of the 2010s and America's principal challenger.

New economic and political processes were also underway in India and Brazil. Non-western powers wanted to solve their problems independently, and were beginning to assert their national interests more strongly. At the same time, they did not fully accept the principles of western liberal democracy, notwithstanding their economic ties with the West. This aspect is the most marked in China, with the leading role of the Communist Party in politics and the economy.

Fukuyama himself admitted that China was the only country that could prove incorrect his claim about the end of history and the final victory of liberalism. In his view it was the only real alternative to liberal, capitalist democracy – a country that carried out modernization without implementing democracy. He wondered about the reasons for this phenomenon and the degree of stability of the Chinese system, but eventually stated he did not believe that the Chinese model could be successful in the long term.⁶

In this context it is interesting to note the opinion of Lee Kuan Yew, the long-time Prime Minister of Singapore, whose autocratic rule changed what used to be an impoverished naval port into a prosperous metropolis, a feat that won him the admiration and respect of many western political figures. With his indisputably thorough knowledge of Asian and Chinese realities, he questioned the suitability of liberal democracy for China. Its introduction would lead to the country's collapse, he claimed, because without the Communist power monopoly the huge country would disintegrate and plunge into wars similar to those of the 1920s and 1930s.⁷

A fundamental if indirect challenge to Fukuyama's claims was put forward by Samuel Huntington, director of the Institute of Strategic

Studies of Harvard University. His major 1993 article 'The Clash of Civilisations?' was first published in that year's summer issue of *Foreign Affairs* and in 1996 expanded into the book *The Clash of Civilizations and the Remaking of World Order*.⁸

Huntington identifies seven great civilizations: Western, i.e. Euro-Atlantic, with emphasis on Western Europe, the United States and Canada, Confucian, Japanese, Islamic, Hindu, Slavic-Orthodox and Latin American. He also tentatively posits the existence of an eighth – African – but leaves the question open. He believes that tensions are most likely to appear along the cultural fault lines separating civilizations and also predicts that the central axis of future world politics is likely to be the conflict between 'the West and the Rest'.

Huntington also discusses both the question of Western dominance and the decline of Western power. As for the Western potential for dominance, in Huntington's eyes the West was, after the breakup of the Soviet Union, at the peak of its power in relation to the other civilizations. In his book, published in the early 1990s, Huntington claimed that the most important global political and security issues were settled by the directorate of the United States, Britain and France, which at the time seemed a simple statement of fact. Economic issues were decided by the same group, with the addition of Germany and Japan. Huntington quotes Jeffrey Barnett, who identified fourteen features that contribute to the dominance of Western nations: they own and operate the international banking system, control all hard currencies, are the world's principal customer, provide the majority of the world's finished goods, dominate international capital markets, exert considerable moral leadership within many societies, are capable of massive military intervention, control the sea lanes, conduct most advanced technical research and development, control leading edge technical education, dominate access to space, dominate the aerospace industry, dominate international communications, and dominate the high-tech weapons industry⁹.

However, Huntington also sees the weaknesses of the West. In his view its situation is that of a civilization on the decline, increasingly preoccupied with its internal problems. He mentions the slow economic growth, the stagnating population numbers, unemployment, large deficits, social disintegration, drugs and crime. We are witnessing the transfer of economic power to East Asia, and with it also military power and the ensuing political influence. The West has to face the

Post-American World

hostile attitude of other civilizations, unwilling to accept its dictates, while its own self-confidence and will to govern is gradually evaporating. Huntington adds that the influence of the US is also on the wane; the country is in a decline.

Huntington also predicted major changes in the balance of power between civilizations: according to him, the West's position vis-à-vis the other civilizations would steadily weaken until Western dominance would be a thing of the past. The greatest rise would be experienced in Asia, China in particular, which he identified as the main global rival of the West.

In some ways, Huntington's vision of the erosion of western power comes close to Oswald Spengler's *Decline of the West* (1918).¹⁰ Spengler concluded that Western civilization, for all the fantastic power and efficiency of its technical advancement, had in fact been declining for centuries and would eventually face extinction, because the natural life cycle – birth, infancy, youth, maturity, old age, death – applied to human societies as well as to individual living creatures.

In Huntington's view, however, the decline of the West may still be a long-term process since 'economic growth and other increases in a country's capabilities often proceed along an S curve: a slow start, then rapid acceleration followed by reduced rates of expansion and levelling off (...) The decline of the West is still in the first slow phase, but at some point it might speed up dramatically'.¹¹ Looking at the accumulation of parallel crises that Europe and the US have had to face in recent years, and considering that many of them entail serious long-term complications for security and economic stability, one may reasonably ask whether this speeding up has not already begun.

Today we can confidently claim that in the Huntington/Fukuyama dispute it was Huntington who was closer to the truth. Liberal democracy is not the world's winning political system; moreover, even in Western countries it is now seriously threatened by growing nationalism and populism. Neither the US nor the EU is a melting pot in which people of other civilizations would automatically 'blend in' and, after two or three generations, become new Americans or Europeans, having learnt to share and respect our values. The 2015-2017 terrorist attacks in Western Europe (France, Germany, United Kingdom) illustrate this; the terrorists – descendants of immigrants from Muslim countries – have lived all their lives in a democracy. Another exam-

ple was the referendum on whether to extend the powers of Turkey's president Erdogan, held in April of 2017. Ethnic Turks who have for several generations been living in European democracies – Germany, France, Austria or Belgium – supported Erdogan much more emphatically than people back in Turkey. This second example also shows that we are, indeed, witnessing a 'clash of civilizations' and the West's key task may be to keep it non-violent and make it follow an evolutionary rather than revolutionary scenario.

Miloš
Balabán

The United States as the First Among Equals

The American political scientist Fareed Zakaria looks at the potential of the West from a different angle. His book *The Post-American World*¹² tries to position itself outside what may be seen as a dichotomous opposition between Fukuyama's end-of-history hypothesis and Huntington's clash of civilizations. It also offers a much more optimistic outlook than Huntington's rather "depressing" book.

Zakaria notes that the West has continually risen since the 15th century. Its development ushered in the modern era with all its characteristics: an increased focus on science and technology, commerce and capitalism, agricultural and industrial revolutions, and also the long-time global political hegemony of the Western nations. From the late 19th century, the ascendancy of the West had been tied with the rising international status of the United States: from 1991, the US, like a modern-era empire, ruled a historically unique unipolar world, with a dramatically expanding and accelerating open global economy.

According to Zakaria, this expansion has contributed to another change, which would eventually lead to a different type of international order. His scenario, however, does not speak of an 'end of the West' or a 'decline of the US', but a 'rise of the Rest' - not just China and India, but also other Asian, South American and African actors, whose economic output and prosperity have been increasing partly because of their exploitation of American know how.

Zakaria thus presents a vision of a 'multispeed, post-American' world where the US remains the sole political and military superpower while in other areas – industry, finance, education, social welfare, culture – American hegemony is coming to an end. However, the United States still retains considerable comparative advantages in the soft

power realm, such as the educational system and demographic aspects. While the US share in world population is mere five per cent, its share of the world's top universities is approximately fifty per cent. This increases America's appeal: thirty per cent of the global number of students who study abroad do so in the US.

Demographic trends, positively influenced by relatively large-scale immigration and the ability to integrate newcomers, also speak in America's favour.¹³ These advantages can be significant in relation to America's potential challenger, China, and to its economic competitors (Europe, South Korea, Japan). The United States thus still seems able to retain its privileged global position even in an increasingly pluralistic international system.

It should be added, however, that Zakaria's optimism does not blind him to America's deficiencies. One year after the publication of *The Post-American World*, he wrote that the US economy was in many aspects still dependent on the achievements of the 1950s and 1960s: free-way construction, the funding system for science and research, the public education system, and immigration policy. He also noted that there was at present little visible innovation drive and impetus to build on these past achievements: the infrastructure was deteriorating (the US infrastructure ranks 23rd in the world, far behind the world's most developed countries), and life expectancy was rather low (the US ranks 27th according to this criterion, but takes the first place worldwide in obesity rate). America also had the highest crime rate of all the developed countries and the largest number of weapons among the population.¹⁴

Zakaria's general conclusions are endorsed and developed by another leading American political scientist, Joseph Nye. In his article "The Future of American Power," published in *Foreign Affairs*¹⁵, the Harvard professor of international relations compares the world to a three-dimensional chessboard. The top chessboard is a military one, where the United States will retain their global pre-eminence for a long time to come: its defence spending equals that of the rest of the world. The middle, or economic, chessboard is already multipolar: there are other major actors apart from the US, namely Europe, Japan and China. The bottom chessboard is the realm of transnational relations, comprising a number of non-state actors such as bankers trading on electronic exchanges, terrorists or hackers, and involving many global challenges, e.g. the fight against climate change or pandemics.

The United States, according to Nye, has several global comparative advantages which are also mentioned by Zakaria. It can take advantage of the dollar's position as the world's principal currency. It invests huge sums into R&D and also wields incomparable soft power, which increases its appeal with the young generation worldwide. Another plus is America's favourable geopolitical location, or its network of allies. Here, Nye makes a strong point by highlighting that two of the actors with comparable economic output – the EU and Japan – are America's allies. From the viewpoint of the traditional realist paradigm based on the balance of power, this increases total American power.

For these and other reasons, Nye rejects the conclusions of those who speak of the decline of US hegemony. He stresses the need to redefine the future of American power, whose decline is far from universal. There is still a relatively high probability that, in the coming decades, the United States will remain the strongest actor in the international system characterized by a diffusion of power.

The diffusion of power and its consequences for the United States have also been discussed by Richard Haass, president of the influential Council on Foreign Relations and former Director of Policy Planning at the US Department of State (2001–2003). Haass puts forward the concept of a 'nonpolar world'.¹⁶

According to him, today's world is dominated neither by one, nor by two or even several powers. Rather, it is shaped by dozens of state and non-state actors pursuing widely different interests. In addition to six great powers – these being, in Haass' view, the United States, the EU, Japan, China, Russia and India – there are a number of regional powers (e.g. Brazil, Mexico, Egypt, Nigeria, South Africa, Iran, Israel, Saudi Arabia, Pakistan, South Korea, Indonesia, Australia). A significant role is also played by international organizations: global (United Nations, IMF, World Bank), regional (EU, African Union, ASEAN) or those with a specific agenda (OPEC, IEA, Shanghai Cooperation Organization).

Within some nation states there are also entities that are to some extent autonomous, having considerable economic power and consequently also political influence (California, New York, Shanghai). Other important actors include large international corporations, global media (BBC, CNN, Al Jazeera), military groups (Hamas, Taliban, Hezbollah) or influential global non-governmental organizations (Médecins sans frontières, Greenpeace). Haass does not, however, view this diffusion of power as a positive factor. Rather, he sees it as a drawback both for

the United States and the whole world since it makes collective response to regional and global challenges more difficult and multiplies both US-targeted threats and America's vulnerabilities.

Nevertheless, Haas does agree with Nye and Zakaria that the United States is the strongest economic and military power, with considerable global cultural and informational influence. Still, the relative decline of America's global position should not be overlooked. Haas points to the fact that the US share in global imports has fallen to 15 per cent. While it is true that its share in global GDP is currently about 25 per cent, this figure is bound to decline, given the current and likely future differences between the growth rate of the United States and the growth rates of the Asian giants and many other countries, most of which are growing twice or thrice as fast.

Haas also points to the fiscal and political impact of the Iraq war, citing the 'imperial overstretch' hypothesis put forward by the above-quoted historian Paul Kennedy. The United States might overestimate its strength, just like other great powers (e.g. the USSR in Afghanistan) have done in the past.

The respected economist Linda Bilmes of Harvard analysed both wars in detail, concluding that they would cost the United States four to six trillion dollars in the long term. This figure represents approximately one third of the US debt in 2015. The US has already spent USD 2 trillion; further funds will be needed in the long run for veteran care.¹⁷

Eventually, Haas reaches the surprising conclusion that the nonpolar world has not emerged only due to globalization – which increases the volume, speed and importance of all kinds of cross-border flows, from drugs, emails, greenhouse gases, industrial goods and people to tv/ radio signals, manmade or real viruses, and weapons. The growth of other states and organizations – and also the failures and foolishness of American policy – have been crucial as well.

For these and other reasons, the United States now faces a weakening of its global leadership. Other factors that have contributed to the erosion of US power include insufficient regulation (the chief cause of the financial crisis), an overly aggressive national security policy which disregarded international law, but also domestic incompetence of the US administrations and a dysfunctional political system.¹⁸

The post-Cold War international order, based on the absolute hegemony of the US, is disintegrating under the pressure of three parallel processes: the diffusion of global power among a large number of

actors, a diminishing respect for the American economic and political model, and doubts or outright distrust regarding American policy, especially in the Middle East. The net result, according to Haass, is that American influence has diminished, despite the fact that absolute US strength remains considerable.¹⁹

*Miloš
Balabán*

Haass' conclusions also suggest that the US hegemony is waning mainly because of two factors: America's exhausted potential for 'leading by example' and its economic problems. These are the main factors that will force the US to give up (even if begrudgingly) its role of the global number one, a step that would, of course, have a strong impact on Europe.

From Global Dominance to a Power Triangle?

A strategy for accommodating to this new reality has been put forward by John Mearsheimer, professor of international relations at the University of Chicago. Mearsheimer, too, speaks about the failures of American policy and even about a decline of America's global position. According to him, it has been caused by an ill-chosen strategy of global dominance: the "imperial" idea born out of post-Cold War euphoria. In his view, the strategy of global dominance was doomed to fail and, what is more, to backfire dangerously if it relied exclusively on military means. The role of a global policeman, provoking both hatred and violent resistance, is extraordinarily exhausting.²⁰

Mearsheimer advocates a strategy of 'offshore balancing'. According to him, the US should focus only on three key areas: Europe, Northeast Asia and the Persian Gulf. In each of these regions, it should use both diplomatic and economic means to support the regional balance of power and make sure no other great power becomes clearly dominant. It must be capable of intervening rapidly and effectively in regional armed conflicts, but only when this is clearly necessary. Only in such a case would the US be able to pursue its interests in the future and cope with threats such as terrorism, proliferation of weapons of mass destruction or increasing competition between great powers.

The Obama administration (2009–2017) pursued the strategy advocated by Mearsheimer, but it did not quite work out in practice. This is most visible in the Middle East where, however, the administration's maneuvering space was limited by the grievous strategic mistake of the Bush administration (2001–2009): the ideologically motivated in-

tervention in Iraq (2003), which triggered a wave of regional instability that led to the formation of ISIS and the strengthening of Al-Qaeda.

A further conflict in Syria where the US tried to support the anti-Assad opposition eventually led to the involvement of Russia, clearly motivated by Putin's awareness of America's weakened position and its reluctance to intervene. In consequence, Russia consolidated its position in the Middle East and strengthened its ties with the other regional powers, Turkey and Iran, as the three divided Syria into spheres of influence. The United States was excluded from the process.

As shown by the situation in the Middle East, that neuralgic spot of global security, the United States, with all its military and economic strength, will have to adjust to the changing realities of global power.

The same point has also been made by one of the most influential US political scientists, Zbigniew Brzezinski, former national security adviser to President Carter. In April 2016 *The American Interest* published his analytical article "Toward a Global Realignment,"²¹ which lists five principles that signal the coming of a new global realignment.

According to Brzezinski, the United States remains the world's strongest political, economic and military power, but, given the complex geopolitical shifts in regional balances, it is no longer *the* decisive global power. The same is true for other key world powers, however.

Russia is going through the last stage of imperial devolution, a complex and painful process, which, however, does not preclude it (if it pursues wise policies) from eventually becoming a leading European state (however improbable this prospect seems at present when it is at odds with a number of other post-Soviet states).

China as the assumed future rival of the US is growing steadily, but so far has been careful not to challenge America openly. Nonetheless, it acknowledges the importance of acquiring state-of-the-art weaponry and enhancing its naval power.

Europe is not currently a global power, nor can be expected to become one in the future. Even so, it can play a constructive role in addressing many transnational threats to global wellbeing and survival. Moreover, it is an important ally of the United States.

The last principle listed by Brzezinski is the political awakening in post-colonial Muslim countries – to some extent a belated reaction to their brutal suppression, mostly by European powers.²² This reaction combines a delayed but very strong feeling of injustice with religious motivation, causing large numbers of Muslims to unite against the

outside world. At the same time, however, historical sectarian schisms produce further divisions within Islam, which have nothing to do with the West.

Brzezinski's description of the global power chessboard is followed by an interesting definition of America's role. When faced with eruptions of violence within the Muslim world, especially in the Middle East and former Third World countries, the US must take the lead and act in such a way that the violence is contained without destroying the global order. This task, according to Brzezinski, can only be successfully tackled by a coalition of the US, Russia and China.

At the same time he sees Russia and China as the two countries that could challenge the military superiority of the United States and put an end to its global role, with the consequent risk of global chaos. In its quest for regional and wider global stability, the United States should therefore partner with one of the two countries, thus containing the other likely rival that might try to undermine its position. Nowadays this potentially dangerous rival is more likely to be Russia, but in the long run it might be China.

Like Mearsheimer, Brzezinski, too, relies on a balancing strategy, in his case a global one. Interestingly, Brzezinski claimed as early as 2009 that, despite the competitive nature of the US-China relationship, the extent of their mutual interdependence required that they not only cooperate bilaterally, but also jointly address global issues. He said specifically that China and the US needed to widen and deepen their geostrategic cooperation beyond the immediate need for close collaboration on purely economic issues (such as addressing and eliminating the impacts of the economic crisis). He therefore suggested an informal 'G2' model of US-China cooperation: cooperation much needed in an era when the risk of a massively destructive clash of civilizations is high and the scenario must be avoided. The Sino-American dialogue should therefore include a very broad range of both regional and global issues.²³

Interestingly, Brzezinski's idea has been echoed by the influential Chinese political scientist Yan Xuetong, Director of the Institute of International Studies at Beijing's Tsinghua University. In an article published in late 2011, Yan Xuetong concludes that, as the United States and China are the only countries that can afford to spend over USD 100 billion on their militaries, the world is moving toward a new model of global order, "from one superpower and several strong powers to two

superpowers and several strong powers”, a phrase that found its way into the very title of his article.²⁴

Notwithstanding the above, China’s reaction to the G2 idea seems to have been rather lukewarm if judged by concrete political steps. This may be partly due to the influential legacy of Deng Xiaoping, the father and moving spirit of Chinese reforms, who declared in the 1990s that China should maintain a low profile and be a calm observer of international affairs, never claiming leadership, hiding its capabilities and biding its time.²⁵

While China has already moved toward greater engagement on some global issues, on the whole it still follows Deng Xiaoping’s dictum. One of the reasons may be its still persisting self-perception as a developing state, in other words, one that cannot justly be called upon to assume global responsibilities (at an international conference, the author heard a Chinese academic use an interesting phrase, describing China as ‘the most developed of the developing economies’).

China may wish to continue its long-term trend of confident but cautious foreign policy with emphasis on ‘non-interference in internal affairs’, but, given its rising global status, its leaders can hardly avoid greater engagement in conflict resolution in the near future, including engagement by military means.

The Transformation of Global Order

Brzezinski’s suggestion of the G2 model confirms that the global order is, indeed, changing irreversibly, notwithstanding the still existing dominance of the United States. Professor Bruce W. Jentleson of Johns Hopkins University described the current situation with an interesting simile. According to him, we are seeing the transformation of a Ptolemaic world into a Copernican one: a world in which one planet (the United States) was the centre of the universe and the others revolved around it has been replaced by a world of multiple planets, each following its own trajectory around the Sun. In a Copernican world the United States is not the centre, but has its own orbit, and the same is true for other countries, each of which has its own sources of influence, its own national interests, identity and domestic politics.

It is a world composed of powers rising (China), recovering (Russia), seeking to reinvigorate (European Union) or only just emerging (Brazil, Turkey, South Africa and others) and of powers engendering their

own political revolutions and counter-revolutions (Tunisia, Egypt, Syria, etc.). It is also a world in which globalization has less of a 'Made in the USA' character. It can be characterized more generally as 'less Western'.²⁶

This conclusion is supported by economic data. It is interesting to examine World Bank statistics and look at the speed of changes over the period of approximately thirty-five years – since the beginning of Chinese economic reforms in the late 1970s and early 1980s.

In 1980 there were six countries with a more than 5 per cent share in global GDP. Four Western states and Japan had strategic links to the United States. Ten countries had a more than 2 per cent share of global GDP and only Brazil and what was then the Soviet Union could be regarded as actors outside the western sphere of influence. China was, economically, a negligible quantity, with less than 2 per cent of global GDP (1.7 per cent).

After a relatively short period of thirty-four years, in 2014, the situation was vastly different. Only three countries – the United States, Japan and China and one regional organization – the EU – had a more than 5 per cent share in global GDP. Eleven countries had more than 2 per cent, with four of them being non-Western actors (China, Brazil, India, Russia).

The countries of the West still maintain their dominant position: together with Japan they account for 52 per cent of global GDP. But this figure, in fact, signifies a rapid decline: in 1992 it was 75 per cent (this indicates an annual drop by approximately 1 per cent). Given the expected further growth of non-Western actors, this downward trend may well continue. The United States will retain its economic dominance and thus its key influence in international affairs, but the economic growth of non-Western actors will in turn strengthen their own international standing. A new world thus emerges in which economic differences between Western and non-Western actors will be all but negligible. This will necessarily equalize their respective political positions and lead to changes in the international order. So far, however, the international order is still dominated by the United States as the leading world power. The us-led international order, as described by Thomas Wright, director of the 'International Order and Strategy' project at Brookings Institution²⁷, has several components:

1. A series of defensive alliances ensuring regional security in Europe and East Asia. In the transatlantic space it is NATO as an in-

*Miloš
Balabán*

stitutionalized multilateral defensive alliance. In East Asia there are several bilateral alliances between the region's states and the us - this has been called a 'hub-and-spoke' model.

2. An open global economy based on liberal trade, the free movement of goods and capital, and foreign direct investment. This model crucially depends on several institutions and platforms – International Monetary Fund (IMF), World Bank (WB), World Trade Organization, and G20 – two of which (IMF and WB) are dominated by the United States.
3. The existence of the UN and international law – while the us does not always abide by UN resolutions or international law, both play an important part in American policy and the worldwide advancement of America's strategic interests.
4. The promotion and strengthening of liberal values such as democracy and human rights, mostly through international institutions and sometimes in "coalitions of the willing".
5. An intensification of bilateral engagement with Russia and China together with strict limitations on security competition with both.

The last conclusion presented by Wright can perhaps be seen as doubtful in the light of Russian and Chinese attempts to create an alternative to the 'us-made' world order and considering the many points of contention that exist between the us and the two powers (Ukraine, the Crimea, Syria, South China Sea etc.).

However, Wright also shows that, despite their frictions with the us, both Russia and China were able to benefit from certain post-war geopolitical changes: Russia from the pacification of Europe and the transformation of Germany, China from a subdued Japan. In the case of China, Wright also mentions the role of the us as the guarantor of open sea lanes, a fact that has substantially facilitated China's economic expansion.

Wright does, nonetheless, acknowledge that the financial crisis that broke out in the us in 2008 discredited the us model of international economic order. In its first year it was worse than the crisis of 1929 in all major economic parameters: industrial production, world trade, and capital markets. For China it became a confirmation of America's decline. With regard to the actual state of American power it can perhaps be more accurately called a symbolic 'beginning of the end' of the unipolar moment.

Another well-known American political scientist, John Ikenberry, presents a yet another hypothesis concerning America's place in the international order. In his view, we may be witnessing merely a crisis of us leadership within the western liberal global order, not a crisis of this order as a whole.²⁸ The liberal economic order – the Liberal Leviathan created after the Second World War and expanded after the end of the Cold War – still exists. It has crystallized around big ideas such as free trade, multilateralism, alliances and partnerships, democratic solidarity or human rights and also around large institutions: the UN, International Monetary Fund, World Trade Organization, World Bank. This global institutional framework is still in place despite the diminishing strength of the us and the rise of non-Western powers.

Capitalist democracies also hold a majority of global power, and the existing system of rules, institutions and networks can easily accommodate new powers, making itself hard to overturn. The newcomers will also never be able to form a cohesive counter-bloc against the existing hegemonic order, given their different histories, identities and interests. And, let us not forget what Ikenberry sees as perhaps the most important point: all major world powers, established and rising alike, wish to maintain the status quo. The new powers are only mildly revisionist: they do not want to overhaul the existing order but gain greater voice and weight within it.

Ikenberry also believes that the liberal international order still has a future, that there are no big ideological alternatives to the liberal economic order and that the western Anglo-Saxon system will retain its universality.

Ikenberry's conclusions have been endorsed by Bruce Jones of the Brookings Institute, Washington, who makes two points. First, the new powers have no stake in a potential 'global revolution'; they view the existing world order pragmatically, well aware that it gives them good opportunities for pursuing their interests, even if some of its aspects may not be optimal in their eyes. This is also why they do not and will not form any alternative geostrategic blocs to those of the West, i.e. to the EU/NATO/G7.²⁹

The Rise of Non-Western Actors and the Crisis of the West

From the vantage point of the late 2010s, however, it is not irrelevant to ask whether we are not, after all, witnessing some attempts to create

alternative power structures. A closer look at the development trajectory of China and its position on human rights, interventions, sovereignty and trade shows that the country pursues its interests ever more assertively, *inter alia* by establishing new institutions with regional or even global significance. This trend was evident in 2016 with the foundation of the China-led Asian Infrastructure and Investment Bank, a project attractive also for many Western countries.

The founding states of AIIB include fourteen EU members (among them the largest EU economies: Germany, France, Italy and the UK), which joined despite the strong statement by Jack Lew, US Treasury Secretary under the second Obama administration, who said that AIIB posed a threat to US credibility and influence.³⁰ The EU members' decision indicates, however, that there was no coordination within the Union itself on this important question. The key US allies in the Asia-Pacific region, Australia (the fourth most important economy of the Asia-Pacific and the sixth largest country in the world) and South Korea acted similarly to the European countries, and both also signed free trade agreements with China. China thus further consolidates its influence in the Asia-Pacific at the expense of the United States.³¹

The establishment of the AIIB also proves China's ability to create a new multilateral institution that would be accepted globally. Among the fifty-eight founding members there are countries of all continents, including both emerging powers – fast-growing and developing economies – and countries of the Euro-Atlantic area, despite the opposition from the US.

In any case, the foundation of AIIB proved China's ability to win the support of a wide range of politically and economically different states, and not only drive a wedge between Western countries, but also, to some extent, discredit and isolate politically its main adversary – the United States. This is a rather significant event in global power politics, which confirms that China is beginning to find effective instruments for revising the existing multilateral system.

While leaning on the newly established institution, China will undoubtedly also strive to gain more voice within the existing multilateral structures under western leadership. Under the active pushing by China and other developing countries, the World Bank (WB) and the International Monetary Fund (IMF), which are two major international organisations, have both completed their latest round of governance reform (2015-2016). China has increased its voting power to 4,42 per-

cent in the WB as well as its share in the IMF to 6,39 percent, reaching to the third place in both organisations (in the WB has a first place US with 15,85 percent and second Japan with 6, 84 percent, in the IMF is US leading country again with

17, 4 percent and Japan second with 6, 46 percent). In November 2015, the IMF decided to add the Chinese yuan into its basket of global reserve currencies alongside the US dollar, the euro, the British pound sterling and Japanese yen.

Chinese efforts are supported by other non-Western powers which likewise want to revise the rules of the international order, aligning them more closely with their own interests or cultural, ideological and political preferences. This trend manifests itself not only in BRICS (the grouping of Brazil, Russia, India, China and South Africa founded in 2009), but also in the visible deepening of Eurasian integration, based on the close political, economic and security cooperation of China and Russia. This boosts the influence of the Shanghai Cooperation Organization, which has become the most influential international forum for security and development issues in continental Asia.

Economically, Eurasian integration is also enhanced by the Chinese Belt and Road strategy, which has become a key Chinese geopolitical project to be implemented over the coming decades. The Belt and Road strategy or, more specifically, the Silk Road Economic Belt as its land-based component, can greatly advance Chinese interests by creating a huge integrated Eurasian territory with strong economic links to China where China can also exert political influence. But the initiative also has a significant strategic dimension: China is doing away with its former heavy dependence on maritime transport of goods and raw materials. With the sea lanes controlled by the US Navy, such dependence might prove a major disadvantage in case of a serious crisis in Sino-American relations.

The new Chinese strategy has been commented on by Francis Fukuyama. In analysing it, Fukuyama once again mentions 'the Chinese model' as the only alternative to liberal capitalist democracy. Fukuyama sees the Belt and Road initiative through the prism of a competition between the Chinese development model and the Western one. According to him, the Chinese model is based on massive, government-driven investment in infrastructure facilitating economic development: roads, ports, power plant networks, railways, airports. In contrast, the development strategies of Europe and America have in

*Miloš
Balabán*

recent years focused on large-scale investment in public health, support of global civil society and anti-corruption measures.

The West's approach is commendable, Fukuyama says, but no country has ever become rich solely by investing in these sectors. In contrast, the Chinese strategy based on infrastructure is remarkably successful in China itself and has also been a major component of strategies adopted by other East Asian countries, from Japan to South Korea and Singapore. The big question of global politics is clear in Fukuyama's view - whose model will win?

Fukuyama himself gives an answer: if the Belt and Road project 'meets Chinese planners' expectations, the whole of Eurasia, from Indonesia to Poland, will be transformed in the coming generation. China's model will blossom outside of China, raising incomes and thus demand for Chinese products to replace stagnating markets in other parts of the world'. (...) 'And China's form of authoritarian government will gain immense prestige, implying a large negative effect on democracy worldwide'.

Fukuyama doubts that the Chinese model can triumph, because the smooth development of infrastructure in China is due to China's controlled political environment. In unstable countries plagued by corruption and conflict such political control will not be possible. Fukuyama also notes that the strategy of massive infrastructure development may have already reached its limits in China and may not work equally well in other countries.

Despite all the above, Fukuyama recognizes that offering developing countries aid in infrastructure development is an important soft power tool that is currently being neglected by the US. And unless the US and other Western countries become more active in this field, the triumph of the Chinese development model in Eurasia will be a very real danger.³²

What has just been mentioned suggests the emergence of a new *ism* – *infrastructuralism*. In a new context, infrastructure development has gained the potential to transform the global system. From a broader perspective it is also evident that, thirty years after the end of the Cold War, the Belt and Road strategy is more than just another qualitative element of Chinese growth. It is also a stepping up of China's ideological challenge to the democratic liberal paradigm. The combination of 'non-liberal capitalism' (the parallel existence of a free market economy and authoritarian political environment) and 'non-liberal sovereign-

ty' (rejecting all interference of the international community in internal affairs) becomes ever more attractive, especially for 'Third World' countries in Asia, Africa, Latin America and the Middle East (but can Europe be confidently excluded from this list, given the autocratic tendencies in Hungarian or Polish politics?). Ikenberry's and Jones' claims that the Western liberal order has, in fact, no alternative and that non-western powers do not form alternative geostrategic blocs thus need no longer be regarded as dogma.

The political and economic rise of non-western powers, which entails proposals for alternative models of organizing international politics, comes at a time when the West is plagued by a growing number of economic and political problems. Europe has to cope simultaneously with the consequences of several crises. In the late 2000s it was mainly the financial crisis. Since 2010, the financial crisis has been joined by the European sovereign debt crisis. In addition, some parts of Europe are going through an economic slump that forces many countries to implement a series of reforms. No less serious is the crisis of trust in European integration and cooperation, strongly linked to the problems of the single European currency.

Since the monetary union was not underpinned by a full integration of economic and fiscal policies, it failed to bring about the expected gradual convergence of the eurozone economies. Instead, it led to their divergence, jeopardising the whole integration project. While the massive financial interventions have helped avert a collapse of the euro and the banking system, not even the large-scale austerity measures undertaken could reduce debt and unemployment and generate really significant economic growth. The future of the eurozone is still uncertain, given the situation in the countries of its southern wing, especially Italy. The position of the EU has also been rocked by the departure of the UK after the June 2016 referendum. The unstable situation in Europe's backyard affects its manoeuvring space. Europe is not enclosed in a circle of stability as was the aim of its earlier strategies, but rather surrounded by conflicts and uncertainty. This in turn breeds conflicts within the Union itself, as was seen in its management of large migration waves.

The rising political and socio-economic tensions within democratic societies are also a serious problem. What is particularly alarming is the growing inequality. The American economist and Nobel Prize winner Joseph Stiglitz has remarked that the deepening welfare inequality

undermines economic growth and weakens democracy.³³ It also leads to a crisis of governance and a massive increase of popular support for populist or nationalist parties and politicians. European and American politics is thus becoming increasingly unpredictable.

CEJISS
3/2017

In the twentieth century, the United States had to face mainly external threats: during the Second World War it was imperial Japan and Nazi Germany; in the four Cold War decades it was the Soviet Union. These threats were successfully managed mainly thanks to the robust American economy. At present, however, America shows evidence of serious internal problems such as the astronomic rise of public debt. Niall Ferguson pointed out as early as 2010 that, according to Congressional projections, the US debt service would amount to nearly 17 per cent of its budget in the late 2010s. If, to pay off interest on your debt, 'you have to sacrifice one fifth of your income, you are in serious trouble'.³⁴ Such a situation could lead to some drastic cuts in military spending and a scaling down of America's military and political engagements worldwide. Ferguson also noted that an empire's decline is often first signalled by a 'debt explosion'.

The above problem is unlikely to be remedied by the isolationist policies, economic protectionism and the gradual abandonment of free trade principles that have been in evidence since the inauguration of President Trump in January 2017. The most visible step in this respect was the US withdrawal from the Trans-Pacific Partnership, the multi-lateral deal on trade in the Asia-Pacific region.³⁵

The abandoned position of the United States in the fast-growing region, with all the concomitant opportunities for broadening economic cooperation, is likely to be taken up by China. After the announcement of the US decision it openly assumed the role of a new global economic leader, e.g. in a speech made by Chinese president Xi Jinping at the World Economic Forum in Davos in January 2017.³⁶

This may perhaps be regarded as another symbolic landmark in the development of global affairs. That the future would take an 'Asian' turn was predicted as early as 2004 by Professor Timothy Garton Ash, Director of the Centre of European Studies at St. Anthony's College, Oxford. As he wrote at the time, Europe and America would not be able to formulate their political strategies without regard to the intentions and development of the Asian states. 'The Old Atlantic-centred West, which has been shaping the world since about 1500, probably has no more than 20 years left in which it will still be the main world-shap-

er (...) In a longer historical perspective, this may be our last chance to set the agenda of world politics.³⁷

This prediction may already be coming true. Because of the three parallel crises mentioned above, which have been triggered by the us financial crisis of 2008-2009 and have since been succinctly described by Timothy Garton Ash as crises of capitalism, democracy, and European integration³⁸, the West may find it difficult to respond adequately to the tectonic changes in global politics and economy.

*Miloš
Balabán*

These changes require that it embark on a broader dialogue with the rising non-Western powers, discussing the future configuration of the world and forms of global governance with due respect to their own views on governance and international order. Such a dialogue can no longer be avoided, lest the West turn into a sealed fortress in a gradually disintegrating ruled-based international system. The alternative is to agree on new principles of cooperation based on consensus and compromise.

With that agreement, there should also come a better understanding of how the China-led non-Western actors build up their power and appeal and what the West can do to not only adjust to the new geopolitical realities, but also benefit from them.



MILOŠ BALABÁN is a Head of the Center for Security Policy, which forms part of the Institute of Political Studies, Faculty of Social Sciences, Charles University and Executive Secretary of the Czech – Chinese Center of the Charles University. He can be contacted at:
balaban@fsv.cuni.cz

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Notes

- 1 The world Socialist community included the members of the military Warsaw Pact and the Council for Mutual Economic Assistance. The Warsaw Pact was founded in 1955. Its members were the Soviet Union, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Romania and, until 1968, Albania.

- The Council for Mutual Economic Assistance was founded in 1949 and included the Soviet Union, Bulgaria, Czechoslovakia, Cuba, East Germany, Hungary, Mongolia, Poland, Romania and Vietnam. There were also other Socialist countries standing outside of this alliance framework: the Socialist Federal Republic of Yugoslavia, Albania, China and the Democratic People's Republic of Korea.
- 2 Charles Krauthammer (1990), "The Unipolar Moment," *Foreign Affairs*, America and the World 1990 Issue, available at: <<https://www.foreignaffairs.com/articles/1991-02-01/unipolar-moment>> (accessed 05 January 2017).
 - 3 Paul Kennedy (1987), *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000*, New York: Random House.
 - 4 Francis Fukuyama (1989), "The End of History?," *The National Interest*, Summer.
 - 5 Another scholar to criticize Fukuyama's conclusions was Emmanuel Todd, a well-known French historian and political scientist who, as early as 1976 (*The Final Fall*), predicted the breakup of the USSR. However, Todd also offered some qualified praise: "... one ought to concede that Fukuyama offers a lively and pertinent empirical glance at contemporary history. To claim as early as 1989 that universalization of liberal democracy was becoming a possibility worth examining was certainly a major achievement. European intellectuals, on the whole less in touch with the future movement of history, were at the time interested in putting communism on trial and thus concentrated on analyzing the past. Fukuyama had the bright idea to speculate about the future, a more difficult task but also a more useful one." (Emmanuel Todd (2006), *After the Empire: The Breakdown of the American Order*, Columbia University Press, 2006).
 - 6 Michael Thumann, Thomas Assheuer (2016), "Francis Fukuyama: Demokratie stiftet keine Identität," *Die Zeit online*, 31. March, available at: <<http://www.zeit.de/2016/13/francis-fukuyama-politikwissenschaftler-populismus-usa>> (accessed 05 January 2017).
 - 7 Zdeněk Zecpal (2013), "Lee Kuan Yew pozdní," *Lidové noviny-Orientace*, 13 April.
 - 8 Samuel Huntington (1997), *The Clash of Civilizations*, New York: Touchstone.
 - 9 Jeffrey Barnett (1994) "Exclusion as National Security Policy.," *Parameters*, Spring 1994, available at: <<http://strategicstudiesinstitute.army.mil/pubs/parameters/Articles/1994/barnett.htm>> (accessed 07 January 2017). The British historian Niall Ferguson sums up the reasons for western dominance more succinctly in *Civilization: The Six Ways the West Beat the Rest* (Allen Lane, London, 2011). He attributes the West's success in overtaking the rest of the world over the last 500 years to its ability to embrace six key areas: competition, science, private ownership, medicine, consumerism and work ethics.
 - 10 Oswald Spengler (2011), *Zánik Západu*, Praha: Academia.
 - 11 Samuel Huntington (1997), *The Clash of Civilizations*, New York: Touchstone, p. 85, p.86.

- 12 Fareed Zakaria (2008), *The Post-American World*, New York: W.W. Norton & Company.
- 13 Samuel Huntington's view of immigrant integration is much more critical. In his last book, *Who Are We? The Challenges to America's National Identity* (Simon & Schuster, New York, 2004) he draws attention to the poor integration of Latino immigrants, the discrediting of patriotism and the erosion of the specific American national identity rooted in the Anglo-Protestant culture of the first settlers. Offering a conservative critique of the present day United States, he claims that, apart from conflicts potentially ensuing from the clash of civilizations, another conflict may arise on American soil. The 2016 presidential election has shown that this topic resonates within American society. The current President's strong criticism of Hispanic immigration (mostly illegal and predominantly from Mexico), which he sees as detrimental to the US, has definitely found support among large parts of the electorate.
- 14 Fareed Zakaria (2011), "Are America's Best Days behind Us?," *Time* 03 March, available at: <<http://www.time.com/time/magazine/article/0,9171,2056723,00.html>> (accessed 08 June 2017).
- 15 Joseph Nye (2010), "The Future of American Power." *Foreign Affairs*, November/December, available at: <<https://www.foreignaffairs.com/articles/2010-11-01/future-american-power>> (accessed 07 January 2017).
- 16 Richard Haass (2008), "The Age of Nonpolarity," *Foreign Affairs*, May/June, available at: <<https://www.foreignaffairs.com/articles/united-states/2008-05-03/age-nonpolarity>> (accessed 07 January 2017).
- 17 Linda Bilmes (2013), "The Financial Legacy of Iraq and Afghanistan: How Wartime Spending Decisions Will Constrain Future National Security Budgets," *HKS Faculty Research Working Paper Series rwp13-006*, March, available at: <<https://research.hks.harvard.edu/publications/workingpapers/citation.aspx?PubId=8956>> (accessed 08 January 2017).
- 18 The leading U.S. political scientist and former national security advisor to President Carter, Zbigniew Brzezinski, says that the United States has "a political system in which privilege has been melded with opportunism. The Congress is a self-perpetuating body of relatively rich and privileged people who are not above passing legislation or making arrangements that favour them as a group. As a result, it's increasingly difficult for us to intelligently address both domestic and foreign problems" (Zbigniew Brzezinski, Robert W. Merry (2012), U.S. Fate Is in U.S. Hands. *The National Interest*, September - October, available at: <<http://nationalinterest.org/article/interview-us-fate-us-hands-7339?page=show>> (accessed 08 January 2017)).
- 19 Richard Haass (2014), "The Unraveling: How to Respond to a Disordered World," *Foreign Affairs*, November/ December, available at: <<https://www.foreignaffairs.com/articles/united-states/2014-10-20/unraveling>> (accessed 08 January 2017).
- 20 John Mearsheimer (2011), "Imperial by design," *National Interest*, January-February, available at: <<http://nationalinterest.org/print/article/imperial-by-design-4576>> (accessed 10 January 2017).
- 21 Zbigniew Brzezinski (2016) "Toward Global Realignment," *National Interest*,

- 17 April, available at: <<http://www.the-american-interest.com/2016/04/17/toward-a-global-realignment/>> (accessed 10 January 2017).
- 22 Brzezinski points out, for example, that the colonizers, most of them from Western Europe, engaged in systematic killings that led to a virtual extinction of some colonized nations over the past two centuries. Hundreds of thousands and sometimes millions of people fell victim to such treatment, which Brzezinski compares to the Nazi atrocities during the Second World War.
- 23 Zbigniew Brzezinski (2009), “The Group of Two That Could Change the World.” *Financial Times*, 09 January, available at: <<http://www.ft.com/intl/cms/s/0/d99369b8-e178-11dd-afao-0000779fd2ac.html#axzzZsW3gt9R>> (accessed 11 January 2017).
- 24 Yan Xuetong (2011), ‘国际格局由一超多强转向两超多强’ (From one superpower and several strong powers to two superpowers and several strong powers), *Global Times*, 30 December, available at: (in Chinese) <<http://www.carnegietsinghua.org/2011/12/30/%E5%9B%BD%E9%99%85%E6%A0%BC%E5%B1%80%E7%94%B1%E4%B8%80%E8%B6%85%E5%A4%9A%E5%BC%BA%E8%BD%AC%E5%90%91%E4%B8%A4%E8%B6%85%E5%A4%9A%E5%BC%BA/ex3w>> (accessed 11 January 2017).
- 25 Miloš Balabán (2014), “The New Age of the US-EU-Chinese Relations and Dilemmas.” *Central European Journal of International and Security Studies*, 3:12-33, available at: <<http://www.cejiss.org/static/data/uploaded/1421787746161647/Article%2001.pdf>> (accessed 11 January 2017).
- 26 Bruce W. Jentleson (2014), “The United States, the West and the 21st Century Global Flows of Ideas.” *Global Flow Security Working Papers, Chapter 11*, available at: <https://transatlanticrelations.org/wp-content/uploads/2016/08/GFS_Chapter-11-Jentleson.pdf> (accessed 12 January 2017).
- 27 Thomas Wright (2015), “The Rise and Fall of the Unipolar Concert.” *The Washington Quarterly*, 26 January, available at: <https://twq.elliott.gwu.edu/sites/twq.elliott.gwu.edu/files/downloads/Wright_finalPDF.pdf> (accessed 12 January 2017).
- 28 John Ikenberry (2012), *Liberal Leviathan: The Origins, Crisis and Transformation of the American Liberal Order*, Princeton: Princeton University Press. John Ikenberry (2016), “American leadership may be in crisis, but the world order is not,” *The Washington Post*. 27 January, available at: <https://www.washingtonpost.com/news/in-theory/wp/2016/01/27/american-leadership-is-in-crisis-but-the-world-order-is-not/?utm_term=.ee1108ca3df9> (accessed 13 January 2017).
- 29 Bruce Jones (2014) *Still Ours to Lead: America, Rising Powers, and the Tension Between Rivalry and Restraint*. Washington: Brookings Institution Press.
- 30 The other founding members from the EU are Austria, Denmark, Finland, Hungary, Luxembourg, the Netherlands, Poland, Portugal, Spain, and Sweden.
- 31 In this context it is worth pointing out the huge rise of China’s trade with South America: in the past fifteen years it has increased 22 times.
- 32 Francis Fukuyama (2016), “Exporting the Chinese Model.” *Project Syndicate*. 12 January, available at <<https://www.project-syndicate.org/onpoint/chi->

na-one-belt-one-road-strategy-by-francis-fukuyama-2016-01?barrier=accessreg> (accessed 08 June 2017).

- 33 OECD data show that the average income of the 10 per cent of highest earning Americans is 19 times higher than that of the lowest earning 10 per cent. By comparison, in the mid-1980 the ratio was 11:1 and in the mid-1990s 12.5:1. Income poverty affects 18 per cent of the population, i.e. substantially more than the OECD average (11 per cent). (In It Together Why Less Inequality Benefits All ...in the United States, *OECD* [online], 21 May 2015, available at: <<http://www.oecd.org/unitedstates/OECD2015-In-It-Together-Highlights-UnitedStates-Embargo-21May11AMPARISTime.pdf>> (accessed 07 January 2017)).

Joseph Stiglitz notes that the top one percent of Americans receive about a fifth of all income and control more than one third of all wealth. More than 80 per cent of income goes to the highest-earning 20 per cent of the population, while the living standard of the middle classes stagnates. (Joseph Stiglitz (2012), *The Price of Inequality: How Today's Divided Society Endangers Our Future*, New York: W. W. Norton & Company).

Even the economic engine of the EU, Germany, shows income disparity. The average income of the 10 per cent highest-earning Germans is 6.6 times higher than the income of the lowest-earning 10 per cent. In 2013, nearly 40 per cent of employees did not have standard work contracts and worked part time. (In It Together Why Less Inequality Benefits All ...Deutschland, *OECD* [online], 21 May 2015, available at: <<http://www.oecd.org/germany/OECD2015-In-It-Together-Highlights-Germany.pdf>> (accessed 07 January 2017)). The number of people who consider themselves middle class has fallen by 15 per cent in Germany; this percentage has fallen also in other EU countries. The southern EU states, which have been hit particularly hard by the crisis, have a devastating youth unemployment rate: in Spain and Greece it is close to 50 per cent.

- 34 Daniel Kaiser (2010), "Až Amerika nezvládne dluh, stáhne se" [America will back off when its debt gets unmanageable], interview given by Niall Ferguson, *Lidové noviny* daily, 02 January.
- 35 Trans-Pacific Partnership, TPP, is a multilateral agreement establishing a trade zone between the signatory states. It was drafted after several years of negotiations led by the Obama administration and signed on 4 February 2016. The parties include Japan, Brunei, Malaysia, Vietnam, Singapore, Australia, New Zealand, Canada, Mexico, Chile, Peru and the United States. The aim of the agreement was to promote growth and strengthen economic relations through the lowering of tariff barriers but also to introduce uniform labour standards.
- 36 The leitmotif of Xi Jinping's speech was the defence of globalization. He said: "Some blame economic globalization for the chaos in the world (...). It is true that economic globalization has created new problems, but this is no justification to write economic globalization off completely. Rather, we should adapt to and guide economic globalization, cushion its negative impact, and deliver its benefits to all countries and all nations (...). Whether you like it or not, the global economy is the big ocean that you cannot es-

Miloš
Balabán

cape from (...) We have had our fair share of choking in the water (...) but we have learned how to swim in this process.” Speech available at: <<https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>> (accessed 22 January 2017).

37 Timothy G. Ash (2004), *Free World: America, Europe and the Surprising Future of the West*, New York: Random House.

CEJISS
3/2017

38 Timothy G. Ash (2017), “Is Europe Disintegrating?” *The New York Review of Books*. 19 January, available at <<http://www.nybooks.com/articles/2017/01/19/is-europe-disintegrating/>> (accessed 22 January 2017).