Final Report on

The Dominant Power of China and Its Effects toward U.S Hegemony Stability in Contemporary International Relations

Name of Students:
Mr. MOM SAMBATHRITHIK
Mr. EAK SOKNA

Name of Academic Advisor:
Ms. LY MOUY

International Program
Bachelor’s Degree of International Relations
Cohort 7
Year of Submission: 2019
ACKNOWLEDGEMENT

The final thesis on The Dominant Power of China and Its Effects toward US Hegemonic Stability in Contemporary International Relation would not be done without so many great deals of supportive people. Plus, we would like to take this chance to submit our heartiest gratitude to the people who are truly passionate encouragement made it possible for us to complete this thesis.

Taking this opportunity, we extremely thankful and pay the respect to our thesis mentor and our lecturer Ms. LY Mouy, who dedicated her time to advise, scholarly advice, for her patience, motivation and scientific approach have helped us to a very great extent to accomplish this task. Without her guidance and persistent help, this thesis would not have been possible.

Additionally, we would like to extend our sincere gratitude to His Excellency Channa LUY, the rector of the Royal University of Law and Economics, who always supports the International Relations program. we also owe a deep sense of gratitude to thank Mr. Kiri KHIM who has been made a big effort in International Relation program as well. Moreover, we would like to thank lecturers and professors of the International Relations program for their insightful comment, always gave their motivation and the most important is their immense knowledge to both of us.

Last but not least, we would like to thank our family who always support and encourage me throughout my life. Besides our advisor, lecture and family, we also thank our friends, co-workers, relatives for their unlimited helped and supported.
ABSTRACT

After the end of the Second World War, the United States has asserted their position as Global Hegemonic State after the failure of Great Britain hegemony stability. After the end of the Cold War in 1991, the United States becomes a unique superpower and leading the world order. However, the United States hegemony began to partly decline with the rise of China.

With different approaches to the concept of Hegemony, the hegemony stability of the United States can be assessed in many ways. It will help in analyze the hegemony stability of the United States through many aspects such as Politic, Economic, Military, and Technology domination to the world. Regarding the rise of China, it was considered as a threat to the hegemony stability of the United States. Moreover, there is a never stopping debate regarding this hot issue. Some scholars mentioned that the United States hegemony has declined, but they are still the global hegemonic state. While other scholars stated that the rise of China will affect the hegemony stability of the United States. Furthermore, other scholars also thought that China can be the hegemon of their region and the United States will maintain their position as a global hegemonic state. Will there be a replacement of the global hegemony by another superpower country soon?

This thesis aims to investigate and elaborate on whether the rise of China and its dominate power has impact or affect toward the hegemony stability of the United States. The main finding of this research is to answer the question “Will China’s rising power affect the United States’ hegemony stability?”.
# TABLE OF CONTENTS

LIST OF ABBREVIATION .................................................................................................................. iv

LITERATURE REVIEW ...................................................................................................................... 1

CHAPTER 1: INTRODUCTION .......................................................................................................... 3

1.1. Background of Study .............................................................................................................. 3

1.2. Research Objectives .............................................................................................................. 5

1.3. Research Question ................................................................................................................ 6

1.4. Scope and Limitation of the Research .................................................................................. 6

1.5. Research Methodology ......................................................................................................... 6

1.6. Structure of Research ........................................................................................................... 7

CHAPTER 2: OVERVIEW OF HEGEMONY STABILITY THEORY .............................................. 8

2.1. Four Approaches to Hegemony ............................................................................................. 8

2.2. Source of Hegemony ............................................................................................................ 9

2.3. Forms of Hegemonic Strategy ............................................................................................. 10

2.4. From British Hegemony to the United States Hegemony .................................................... 11

2.5. The Maintaining of Hegemony Stability by the United States ............................................. 13

CHAPTER 3: THE ROLE OF THE UNITED STATES AS HEGEMONIC STATE .............. 15

3.1. Political Aspect ..................................................................................................................... 15

3.1.1. Aftermath of the Second World War ............................................................................... 15

3.1.2. During 21st Century ....................................................................................................... 16
3.1.3. Military Focus ................................................................. 17

3.2. Economic Aspect ........................................................................... 21

3.2.1. Aftermath of the First World War .................................................. 21

3.2.2. Aftermath of the Second World War ................................................. 22

3.2.3. During 21st Century .................................................................... 23

3.3. Technology Aspect ......................................................................... 23

3.4. Indo-Pacific Region .......................................................................... 25

3.4.1. Overview of Indo-Pacific ............................................................... 25

3.4.2. The United States Power and Aids toward Indo-Pacific Region ........... 25

CHAPTER 4: THE POSSIBILITY AND IMPOSSIBILITY OF CHINA HEGEMONY

STABILITY ............................................................................................. 29

4.1. Possibility ..................................................................................... 29

4.1.1. One Belt One Road ..................................................................... 30

4.1.2. Economic Aspect ........................................................................ 32

4.1.3. Demographics Aspect ................................................................. 33

4.1.4. Soft Power .................................................................................. 34

4.1.5. Technology Aspect ...................................................................... 35

4.1.6. Military Aspect ........................................................................... 36

4.2. Impossibility ................................................................................ 36

4.2.1. Military Aspect ........................................................................... 36
4.2.2. Technology Aspect ................................................................................................. 38

4.2.3. Economic Aspect .................................................................................................. 39

4.2.4. Political Aspect ..................................................................................................... 39

CHAPTER 5: ANALYSIS AND FUTURE PREDICTION .................................................. 41

5.1. Analysis ..................................................................................................................... 41

5.1.1. Comparative Analysis in Political aspect ............................................................ 41

5.1.2. Comparative Analysis in Military Aspect .............................................................. 42

5.1.3. Comparative Analysis in Economic Aspect .......................................................... 42

5.1.4. Comparative Analysis in Technology Aspect ......................................................... 43

5.1.5. Comparative Analysis in the Willingness to Rule the International Community .. 44

5.1.6. Comparative Analysis in Democracy and Human Rights ..................................... 45

5.2. Future Prediction ...................................................................................................... 46

CHAPTER 6: CONCLUSION ............................................................................................. 48

6.1. Summary of the Main Finding .................................................................................. 48

6.2. The Further Research ............................................................................................... 49

BIBLIOGRAPHY
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>United State of America</td>
</tr>
<tr>
<td>PRC</td>
<td>People’s Republic of China</td>
</tr>
<tr>
<td>USSR</td>
<td>Union of Soviet Specialist Republic</td>
</tr>
<tr>
<td>ASEAN</td>
<td>Association of Southeast Asia Nations</td>
</tr>
<tr>
<td>UN</td>
<td>The United Nations</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>HST</td>
<td>Hegemony Stability Theory</td>
</tr>
<tr>
<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
</tr>
<tr>
<td>NSF</td>
<td>National Science Foundation</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>Science and Technology</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>FMF</td>
<td>Foreign Military Financing</td>
</tr>
<tr>
<td>INCLE</td>
<td>International Narcotics and Law Enforcement</td>
</tr>
<tr>
<td>MDA</td>
<td>Maritime Domain Awareness</td>
</tr>
<tr>
<td>OBOR</td>
<td>One Belt One Road</td>
</tr>
<tr>
<td>MSR</td>
<td>Maritime Silk Road</td>
</tr>
</tbody>
</table>
LITERATURE REVIEW

Studies of the international system have been the central topic of International Relations with attempts to explain and understand the nature of international order. Hence, concepts like hegemony, dominance, and superpower are broadly discussed within the literature on the topic. According to Gokhan Ozkan, the international system is a complex system with the interaction of economic, political, technology, and military factors.¹ Based on the research of Francois Joseph Nkounga, China could rely on its large population to maintain economic growth, while the United States will use all it has to maintain its leadership and power in this globalized world.² With many discussion on whether the United States will maintain its power as hegemon state, there is an international journal written by Hawre Hasan Hama, concluded that according to Hegemony Stability theory and Structural Power theory, the United State hegemon is declining, but the United States is still a global hegemonic power.³ Moreover, based on Min Hua Chiang’s point of view, the domination of the world by the United States is not stable, but none of the current viral of them appeared to be a replacement of the current United States led world order.⁴ Another point of view from Suisheng Zhao, although China’s rising power and initiatives such as the Asian Infrastructure Investment Bank and One Belt One Road may give China more recognition as a rising power, but it is still difficult for China to rival the United States led world order due to the comparison of the level of power that the United States is having.⁵ Economically and Militarily, China is the fastest-growing in the world and has been involved in a global affairs and is a strong member of the United Nations Security Council. Talking from the aspect of

³ Hawre Hasan Hama, “Is the United States Still a Global Hegemonic Power?,” Pg. 115.
⁵ Suisheng, Zhao, “China as a Rising power versus the US led world order,” Pg. 19.
Kamal Taisu Abdullahi and Joseph Phiri, they stated that there is no doubt that China’s influence is growing especially in the Asian region, but on a global scale, its influence is not as high as the United States.\(^6\)

However, this thesis is also similar to the view of the scholars above. This thesis aims to analyze and investigate the concept of hegemony stability theory. Furthermore, it will look through the hegemony stability of the United States and the rise of China in contemporary international relations. Last but not least, this thesis will answer to the following questions “Will China’s rising power affect the United States’ hegemony stability?”.  

CHAPTER 1: INTRODUCTION

1.1. Background of Study

International System cannot be defined easily due to its complexity of the structure including economic, political, technological and military systems.7 In the current International System, there are three types of polarity systems such as unipolar system (one state the has power to influence others), bipolar system (two states have the majority to influence others), and multipolar system (more than two states have almost the same power to influence others).8 However, many politicians believe that we are in a multipolar world today where there are at least three centers of power such as the United States, China, and the European Union.9 At the same time, there is also a debate that we are living in a one superpower world which lead by the United States (Unipolar system).10 Even though there are other states that rival the United States in different areas such as economy, technology, military, the United States is still the one who is leading in those categories.11

The stability and improvement of the International System need a powerful state to lead and enforce the common rules for its members to have common interests by following the system.12 It is important for every state to interact with each other and move forward in the same direction. Historically, the world order has been governed by the superpower countries or we called them “Hegemonic state”.13 To be a global hegemonic, a state must have three attributes such as the capability to enforce the rules of the system, the will to do so, and a commitment to a system that is perceived as mutually beneficial to the major states.

---

7 Supra note 1, at Pg. 120.
8 Ibid, Pg.108.
11 Ibid, Pg. 03.
12 Jame Lull, “Hegemony,” A Cultural Studies Approach to Media: Theory, Pg. 34.
13 Ibid, Pg. 33.
However, the capability of them is also defined by three attributes such as a large growing economy, dominance in a leading technological or economic sector, and political power backed up by projective military power.¹⁴

There has always been changed about the hegemon state since the past until now by main superpower countries such as Spain, England, France, Germany, the United States, and the Soviet Union.¹⁵ However, there is a historical example of a liberal hegemon which is “Great Britain”. During the late nineteenth century, Britain was known as a hegemon state and global trading power with a profound interest in maintaining an open world economy on free trade.¹⁶ However, Britain lost its position of hegemony in the early twentieth century when other powers began to rival and surpass it.¹⁷ After the Second World War, the United States took the lead in ruling the world order by setting up new institutions such as the United Nations, the International Monetary Fund, the World Bank, and the General Agreement on Tariff and Trade (now replaced by the World Trade Organization).¹⁸ The United States’ economic achievement, political powers, and strong military powers are the important factors that contributed to the United States is a hegemon state. The political and economic factors of the United States were important in shaping international structure.¹⁹ After the end of the Cold War in 1991, the United States hegemony became a unique superpower in the world.²⁰ Only the United States remain strong and could take a lead to become a new hegemonic power.

¹⁵ Ibid.
¹⁷ Ibid.
¹⁸ Ibid.
²⁰ Supra note 5, at Pg. 33.
However, the United States hegemony began to struggle with the rise of China due to its strong foreign policies. In 1950, China started the economic revolution with the transition from the Marxist oriented system to be a more socialist market dominated system. In the early 1980s, Deng Xiaoping opened China’s economy to foreign trade and development such as trade liberalization, removal of trade barriers, and attract Foreign Direct Investment. Later on, in 2013, President Xi Jinping has proposed an initiative which called “One Belt One Road” with the purposes to connect all the people around the world in term of political dimensions, economic dimension, and cultural dimension. These changes in foreign policies made the Chinese economy grow rapidly. According to IMF (2018), China is the fastest-growing economy in the world, which has increased at roughly 10 percent annually for two and half decades and surpassed the United States as the number one of foreign investment and the number one exporter of information technology products. Hence, it has led to a debate on whether China will become the next hegemonic state or the United States will maintain its hegemony stability.

1.2. Research Objectives

The United States is considered as the hegemonic state after the end of the Second World War with its strong economic, politic, military, and their willingness to protect international community. At the same time, China as a rival is rising its power and recognized as the fastest economy grows in the world.

21 Ibid, Pg. 12.
22 Supra note 6, at Pg. 137.
23 Ibid.
25 Supra note 6.
This thesis aims to investigate and elaborate on the rising power of China to see whether China’s rise is considered as a threat to the United State hegemony stability in contemporary international relations.

1.3. Research Question

To deeply understand the dominate power of China and its effects toward the United States’ hegemony stability in the contemporary international relations, this study seeks to address the following question:

Will China’s rising power affect the United States’ hegemony stability?

1.4. Scope and Limitation of the Research

This study no doubt cannot be flawless. Its scope is limited to the context of hegemony theory of the United States after the end of the Second World War until today. Moreover, for the United States, this research will scope on how strong their economic, politic, technology, and US Indo-Pacific strategy. Furthermore, for China, this research will also scope on their rising on economic, politic, technology, and their successful One Belt One Road strategy, and if they can defeat the United States.

As for the limitations, this thesis is not a research-based, meaning that the finding is based on secondary data. Therefore, all findings are extracted from previous research studies, which limits the originality of ideas in this review. The quality and comprehensiveness of the paper is also another issue that should be tolerated and understood because the researcher had limited access to the body of available literature while conducting this research.

1.5. Research Methodology

This study will be conducted through a qualititative method to attain the aim and to answer the research question. The method used in this study will be done with the support of secondary sources. Secondary sources are materials written by other authors. This fact can be
considered a great weakness for conducting such a study. Aware of this weakness, this research will try to use credible and reliable secondary sources.

For this thesis, there are used of the diversity of materials for example edited books written by well-known authors in International Relations such as the book from Oxford University. As mentioned above, the sources used to answer the research question are secondary sources. This means that several of the sources may have been affected and the information that they have chosen to develop and disclose may have been biased. To try to reduce the risk of using less reliable materials, this research used materials for example reports, scientific papers, edited books and data from non-governmental organizations and also from International institutions, for instance, the International Monetary Fund, World Trade Organization, and the World Bank.

1.6. Structure of Research

This thesis is organized in five chapters. The first chapter is concerned with the introduction, research objectives, research question, scope and limitation, research methodology, and structure of research. The second chapter consists of the theory of hegemony stability. The third chapter will prove that the United States is still a strong hegemonic state based on economic, political, technology, and US Indo-Pacific strategy. The fourth chapter will showcase on the rising power of China in term of economic, political, technology, and One Belt One Road strategy and its impossibility to defeat the United States’ hegemony stability. The fifth chapter regards the analysis and the discussion of the main finding. Finally, the sixth chapter focuses on the conclusion and further research.
CHAPTER 2: OVERVIEW OF HEGEMONY STABILITY THEORY

Contemporary International Relations has used the concept of hegemon and hegemony to examine and analyze strategies, attitudes, and focuses on the World Politic. Historically, the term Hegemonic signified Leadership or Sovereign Ruler which includes the military, economic, and political dominance of one nation-state over another. The concept of Hegemony is to give a better understanding of current International Relations and power distributions. According to Antonio Gramsci, a Marxist Philosopher, he distinct the Hegemony between coercion and consent as alternative mechanisms of social power. Moreover, he also mentioned that Hegemony represents the status of the most powerful country in the international system or the position of a dominant state in a specific region. The term Coercion is referring to the state’s capacity for violence, which uses against those who refuse to participate in the concept of hegemony. By contrast, Consent use to convince individuals social class to subscribe to the social value and norm that voluntary on participation. Hegemony appears as the common sense that guides our everyday understanding of the world. Thus, the concept of hegemony does not cover forms of domination such as annexing, occupation, foreign territory, and population.

2.1. Four Approaches to Hegemony

- The Conventional Approach: One state becomes so powerful that can exercise leadership or dominate the international system. The state often referred to as

---

26 Andreas Antoniades, “From Theories of Hegemony to Hegemony Analysis in International Relations,” Pg. 02.
27 Andrew F. Herrman, “Hegemony,” Pg. 01.
30 Supra note 28, at Pg. 194.
31 Supra note 29, at Pg. 02.
32 Supra note 26, at Pg. 03.
hegemonic or hegemonic power and has the capacity to exercise fundamental control over the structure of the international system.  

- The Neoliberal Approach: The liberal world economy requires the existence of hegemonic or dominant power. This assumption was challenged by the neoliberal literature on regimes and international institutions. According to the neoliberal approach, International Organization could has affected in the world politics and the international system should continue to function through international institution even after the collapse or decline of a hegemon.

- The Gramscian Approach: As claimed by Antonio Gramsci’s theory of hegemony, Gramsci argued that there are two types of political control such as the domination based on coercion and consent. Coercion is using force and threat to influence others, while consent is using persuasion and convince to subscribe or follow the theory.

- The Radical Approach: Hegemony acquires universal signification and is a discursive order. It does not influence, control, invest only the economic or cultural dimension of the society and it is not locating the subject of hegemony in any powerful state or group of states, but directly at the level of the individual.

2.2. Source of Hegemony

Traditionally, to evaluate and understand the capacity of a nation, the power status of a state needs to be understood. However, the sources of power have changed gradually with new innovations over the centuries. According to the Critical theory presented by the Frankfurt school, there are three dimensions of power such as Open power, Convert power, and Structural power. Open power referring to active power which applied to affect the

33 Ibid, Pg. 03.
34 Ibid, Pg. 03
36 Ibid, Pg. 04.
37 Supra note 28, at Pg. 195.
attitude of another state. In contrast, Covert power is more on passive and organized to make agenda of the powerful side. On the other hand, Structural power defined the attraction and limitation system of the relations of parties.\textsuperscript{38} According to Sait Yilmaz,

\begin{quote}
"In international political economy, the nation which has those elements more than the others is the most powerful; (1) Maintaining the capability to influence the other states through threats, defense, denial or escalation of violence. (2) Keeping in hand the control of goods and service production systems. (3) Holding the authority of determination and management possibilities in finance and credit institutions. (4) Retaining the most effective instruments to influence the knowledge and informatics either technically or religiously through acquiring, production, and communication."\textsuperscript{39}
\end{quote}

As claimed by Joseph S. Nye, he listed the source of hegemonic power as following technological leadership, supremacy in military and economy, soft power, and control of the connection points of international communication line.\textsuperscript{40}

2.3. Forms of Hegemonic Strategy

On the report of Sandra Destradi of German Institute of Global and area, there are three forms of hegemony to outline the different specifications of this concept such as Hard Hegemony, Intermediate Hegemony, and Soft Hegemony.\textsuperscript{41}

First of all, Hard Hegemony is referring to a system of domination based on coercion which means a state using threat, force, and sanction to dominate over other states.\textsuperscript{42}

Second, Intermediate Hegemony is a fairly share of benefits and rewards to subordinate states. In this case, the hegemon state also pursues its narrow national interest and

\textsuperscript{38} Ibid, Pg.195.
\textsuperscript{39} Ibid, Pg. 195.
\textsuperscript{40} Ibid, Pg. 196.
\textsuperscript{41} Sandra Destradi, “Empire, Hegemony, and Leadership: Developing a Research Framework for the Study of Regional Powers,” Pg. 15.
\textsuperscript{42} Ibid, Pg. 16.
goal to emphasize the existence of common interests and objectives to share with the subordinate states.\textsuperscript{43}

Last, Soft Hegemony is a strategy to modify and reshape the norms and values with the engage of socialization and ideological persuasion without sanctions or forces. \textsuperscript{44}

\section*{2.4. From British Hegemony to the United States Hegemony}

In the mid 19\textsuperscript{th} Century, the British dominated the international economy due to their rapid improvement in term of transportation, technology, and economic growth. After the end of the Napoleonic War, France and Russia have expanded their power in Europe Continent, but the British have expanded extra continental which is outside Europe.\textsuperscript{45} At the same time, Great Britain was a fully protectionist state which is still not strong enough to afford free trade. They prohibited the navigation act for foreign ships from trading in British colonies and allow only ships who export goods to Britain. Then, British policy was moving from prohibitionism to protectionism which means from no trader to free trade of some goods but hardly to free trade in a period from 1820 to 1879.\textsuperscript{46} The free trade era only started in 1860, when Britain and France signed the Cobden-Chevalier Commercial Treaty.\textsuperscript{47}

Unfortunately, in a period from 1873 to 1896, British Hegemony was beginning to decline and protectionism was renewing. Over the entire period, the European economy continued to grow and some countries such as France, Germany, Switzerland, Italy, Russia, and the United States all passed their revision on tariff law, while British become one of the slower-growing economy.\textsuperscript{48}

\textsuperscript{43} Ibid, Pg. 16.
\textsuperscript{44} Ibid, Pg. 17.
\textsuperscript{45} Timothy J. McKeown, “Hegemonic Stability Theory and 19\textsuperscript{th} Century tariff level in Europe,” Pg. 04.
\textsuperscript{46} Arthur A. Stein, “The Hegemon’s Dilemma: Great Britain, the United States, and the International Economic order,” Pg. 08.
\textsuperscript{47} Ibid, Pg. 12.
\textsuperscript{48} Ibid, Pg. 15.
The aftermath of the First World War, during the 1920s, most countries attempted to reconstruct the trade and finance system. All of the nations had restricted commerce during the war and states reacted to the Great Depression by raising their tariffs and devalue their currencies. Britain failed to enforce free trade and unable to carry the burden of others’ increasing defections. This was the time the British retreated from leadership or hegemony and the United States got recognition to be the next hegemonic state, but they refused to do so.  

Until the end of the Second World War, the United States started to assert as hegemonic power when Great Britain was too weak to do so. A state will become a hegemonic state when there are strong and stable combinations of the military, economic, political, institutional and ideology. However, the Soviet Union also became a strong powerful state and challenge the United States Hegemony stability. Sadly, due to unstable economic, the Soviet Union was failed to maintaining their power in 1991. The experience of Great Britain in the early twentieth country and the Soviet Union in 1991 were the two examples of the importance of economic factors in maintaining and surviving the position of hegemonic power.

However, China is rapidly growing in term of economic in this century and there are debates over this hot issue, whether China will be the next hegemonic state or not since they are the fastest growing economy and number one exporter of information technology products, according to the International Monetary Fund in 2018.

---

49 Ibid, Pg. 23.
50 Supra note 19, at Pg. 70.
51 Ibid, Pg. 72.
52 Ibid, Pg. 73.
53 Supra note 16.
2.5. The Maintaining of Hegemony Stability by the United States

There are main 6 strategies that the United States used to maintain as the global hegemony states:

- Enable regional authorities to pursue their objectives while preserving their independence and dignity. The result is the establishment of alliances between countries like Iran and China or Iran and Russia. These alliances take on an anti-American flavor from the very start.

- Develop a strategic plan to guide it in a world midst of basic transformation.

- As the main worldwide hegemon, the United States carries moral duties as well as military and political duties. For instance, promoting human rights and political growth reasonably across the globe is in the American interest. While ignoring the allies in the region such as Saudi Arabia, Egypt, and Israel, it is not appropriate for the global hegemon to identify national hegemons such as Iran, Syria, and Libya for special consideration.

- As a worldwide hegemon, the United States ends its office and bureaucratic abuse of uncooperative national hegemons against individual people. It is under the United States to punish people requested only because they come from nations like Iran and Libya.

- The United States foreign-policy makers must not contaminate their policies towards one problem area by formulating policies based on conditions that dominate in other

---

54 Addison Daniel Huygens, American Decline and Changing Global Hegemony (Iowa State University), Pg. 5.
56 Supra note 54.
problem areas.59 This is particularly true in the Middle East, where US policy toward Israel takes priority over other significant regional problems. The global hegemon’s close and uncritical views of Israel compete directly against the interpretations of other major countries in the region. Iran, which was particularly outspoken about the condition of the Palestinians, was chosen by pro-Israeli voices in the United States for unique consideration.60

- The global hegemon requires to develop a strong knowledge of other cultures and civilizations. American leaders have shown their awareness of changes in Iran and are often highly educated about Shii Islam.

The worldwide hegemon must interact and collaborate with the other country’s hegemon of the Persian Gulf in the lengthy-term. For example, Iran-U.S. rapprochement is in the Islamic Republic’s interest. If the leaders in both nations acknowledge this truth, they must start developing new diplomatic strategies closely and cautiously. According to the theory of hegemonic stability, the role played by a hegemonic power is very important in creating stability in international politics and the economy. We have done discussing with the political and military aspects. So now let’s move on to the economic aspect.

59 Ibid.
CHAPTER 3: THE ROLE OF THE UNITED STATES AS HEGEMONIC STATE

The rise of China will not affect the United States hegemony stability, this section will examine four major aspects to support this argument. First of all, this chapter will prove that the politic of United States is still influence to most of the powerful countries. Second, the United States is still maintaining as a top world’s economy. Third, the United States is the main researcher of technology. Forth, the strong implementation of Indo-Pacific strategy.

3.1. Political Aspect

3.1.1. Aftermath of the Second World War

The United States became the unrivaled worldwide hegemonic with the fall of the Soviet Union. In the absence of a powerful opponent, the hegemonic need to scanned for the world new country to claim for “Hegemonic Country”.61 Not surprisingly, it was found and that Country was “The United States”. The United States found a group of comparatively independent regional hegemons whose influence and controlled specific areas of the globe, constantly supporting the worldwide hegemony's pressure as well.

During World War II, the United States planners recognized that the US would emerge from the war in a position of overwhelming power.62 By promoting the organizations that incorporated domestic economies after World War II, it seems that the United States acted as predicted by the theory of hegemonic stability (HST).63 The United States had to keep “Unquestioned power" with "Economic and Military Power," while ensuring that countries

62 Ibid.
might interact with the world and would limit any exercise of sovereignty or not.\textsuperscript{64} The United States still maintain the name as the world's richest country for a lengthy time. The war nearly increased the Depression and U.S. industrial ability, while rivals were destroyed. At that time, The United States has pursued strategies intended to safeguard and expand its hegemonic authority to the weak country and spread to the world as well.\textsuperscript{65} The United States has continuously recognized these "outlaw countries" (in descending offensive order) as Iraq, Iran, North Korea, Libya, and Cuba over the past two centuries.\textsuperscript{66} For this list of political infamy, China, Russia, Syria and Sudan are also often regarded. However, no wonder whether the United States was a globally hegemonic power, since all of those country still keep following the United States strategy.\textsuperscript{67} Since, The United States is enlisting assistance from regional allies as part of its containment and control strategy.\textsuperscript{68} If the United States is still the global hegemon, will it continue to be so in the future, and what are the United States principle or policy have to keep maintain the hegemonic stability? This research will explain more in the next part which is about the current politic situation of the United States.

\textbf{3.1.2. During 21st Century}

For much of the 20th century and the first decade of the 21st century, the United States still maintain and play a big role as a dominant player in the international states system.\textsuperscript{69} The United States strength and impact is now the defining feature of world relations. Indeed, the United States is a hegemonic power, it has been able to impose its set of rules on

\begin{itemize}
\item \textsuperscript{64} K. Branning, (2009), In today’s world, power is determined by economic success, not military might, (November 2009), 23.
\item \textsuperscript{67} “The American Russian Rivalry in the Middle East,” October 2008, 28.
\item \textsuperscript{68} Ibid
\end{itemize}
the international system. So, there are more country has followed the U.S. step and built friendly relations.\textsuperscript{70} Currently, the United States have the most important material benefits over the world, by also offers so many public goods to the system, such as an international economic, commercial and financial order and a global political and security order.\textsuperscript{71} In term of non-material assets, the United States and its strong allies in the west still have a broad lead around the globe, not only in Western cosmopolitan values like consumerism prevalent, it still leads the world in innovation ability and the United State is also the world’s prestigious universities and business schools.\textsuperscript{72} The Western liberal democracy system, of which the United States seems to be the main representative, the number of countries that follow the model nearly doubled between 1990 and 2014. To evaluate whether the United States is still a global hegemon, only its capacities need to be compared with those of the order's second power.

3.1.3. Military Focus

Apart from the current politic situation toward the world, now let’s take a look at military aspect: America power and pervasive impact is now the defining feature of world relations. Since, one battle group of American aircraft carrier can project more force than most of the armies of the world put together.\textsuperscript{73} Nevertheless, despite an enormous defense budget and developed weapons, the United States has found that its power is not unlimited, as proved by the conflict with Iraq. In the short term, we must recognize that no single power is anywhere near balancing the US militarily. In view of the distinctions that occur between

\textsuperscript{70} Ibid
\textsuperscript{73} David R. Sands, “International Republican Institute,” “A country that makes a film like ‘Star Wars’ deserves to rule the world,” International Republican Institute (December 27, 2004), Accessed June 06, 2019, https://www.iri.org/resource/washington-times-quotes-iri-president-0
large nations like China, India, and Russia that have no ability to challenge US hegemony, a military coalition against the US is even less probable.\textsuperscript{74}

Over the past century, more than 700 Tomahawk cruise missiles have been launched by the United States against Iraq and objectives in Sudan and Afghanistan at a price of nearly $1 billion.\textsuperscript{75} Moreover, the United State have important material benefits over China at the moment. By Militarily aspect, the United States spent more than $600 billion on its armed forces, more than four times the annual quantity spent by China's second-largest budget ($166 billion), and more than the massive military budget of all the next 13 nations.\textsuperscript{76} Not only does the US possess huge military capacity, it is able to project it worldwide: it has ten active aircraft carriers, compared to China's only one (the Liaoning has not yet been equipped with any aircraft for periodic operation), and it has military facilities on all major continents.\textsuperscript{77}

3.1.3.1. Relation with others Region

A. The United States and ASEAN Relations

For the past 41 years, the United States has partnered with ASEAN and its member states on economic engagement, security, rule of law, sustainable development, human rights, and people-to-people programming.\textsuperscript{78} The United States will stay as a powerful, reliable, and active partner in the region, investing resources from diplomacy, public diplomacy, military, and aids with the extensive United States commitment. However, As Southeast Asia's ten countries move towards the global marketplace obviously and in line with 21st century data and technology requirements, the United States has a distinctive chance to help shape the

\textsuperscript{74} Ibid
\textsuperscript{77} Ibid
development of this region and the lives of its peoples. The United States businesses in Southeast Asia and the United States generate millions of jobs. They introduce technology, train local employees, and commit to local societies on a long-term basis.

**Economic Relations:** As the United States deepens its dedication to Asia, the Association of Southeast Asian Nations (ASEAN)'s ten members are prominent on its strategy horizon. It has a stable economy with almost 400 million people, with the intersection of huge markets, it straddles critical shipping route and it controls significant agricultural, mineral and power resources. It is important both strategically and economically. ASEAN member states, taken together, rank 4th after Canada, Mexico, and China as a goods exports market for the United States, and the US is the 4th largest trading partner for ASEAN. In 2018, United States exports goods to ASEAN amounted to $86.2 billion, up 10.6% from 2017 ($8.2 billion) and up 28.9% from 2008. In 2018, U.S. exports to ASEAN accounted for 5.2% of total U.S. exports.

**B. The United States and Latin America relations**

During the Cold War, U.S. relations with Latin America showed significant continuity with previous U.S. policies. The Cold War years were unique, because anti-communist ideological goals overshadowed other U.S. foreign policy goals towards Latin America in each case when the U.S. decided to deploy its army or to overthrow a government in Latin America. The relations between the United States and the various countries of Latin America

---

79 The Future of the Global Economy, Pg.07  
were multifaceted and complicated sometimes characterized by powerful regional collaboration and others faced with economic, and political tension or competition. The United States-Latin America Relations not only include the political relationship between the United States and governments of the continent but also the economic, social and cultural exchanges that often have a profound impact on diplomatic behavior.

**Economic Relations:** The United States and Latin America pursued a strong and reliable trade liberalization with mixed outcomes through multilateral, regional, and bilateral agreements. Latin America remains a main factor for the United States. United States manufacturers export to Latin America three times as much as to China. Central and South America (excluding Mexico) buy 50% more products from the United States than from the Chinese. Compared to the $555 billion in annual trade, the $600 million in U.S. poverty-oriented assistance to Latin America every year. The United States therefore has a significant chance for further economic development through trading.

**C. The United States and European Union relations**

Bilateral relations between United States and the European Union (EU) have been interacting for over sixty years. Together, the United States has been the strongest ally with European Union, with mutual interests and values, including a shared view of the world view that guides bilateral relations and joint actions. Both countries account for 80% of formal

---

84 United States–Latin American Relations, 1850–1903: Establishing a Relationship, Pg.12
87 “LLORENTE Y CUENCA,” We need to further develop the relations with our natural allies, October 2015, Accessed June 07, 2019, https://www.uno-magazine.com/number-21/we-need-to-further-develop-the-relationships-with-our-natural-allies/
development aid and an even greater share of worldwide humanitarian aid.\textsuperscript{88} Both are devoted to combating poverty and assisting developing nations achieve their Millennium Development Goals by 2015. Both the European Union and the US are committed to promoting development process nation 'ownership' as a requirement for effective growth.\textsuperscript{89}

**Economic Relations:** The United States and European Union share a great relation in term of economic side. Both countries have the strongest trade data and enjoy the world’s most integrated economic partnership.

To sum up, the United States has such a really strong relation and cooperated with reliable active partner with the other region. To admit, the United States still a globally dominant power, given its significant material and ideational advantages over the world as well.

### 3.2. Economic Aspect

#### 3.2.1. Aftermath of the First World War

This section will examine how the United States rise their economic in the twenty centuries. Just before the World War I, the U.S. boosted its industrial authority, which accounted for 32\% of world industrial manufacturing.\textsuperscript{90} In addition, Britain's share of world trade fell from 24\% in 1870 to 14.1\% in 1913, while Germany's share grew from 9.7\% to 12.2\%, while the U.S. share grew from 8.8\% to 11.1\%.\textsuperscript{91} Just before the WWI, the U.S. increased its industrial power that represented for 32 percent of world industrial production. For the first time in history, the United States became a powerful creditor. The U.S. unorganized pre-war trade, and the monetary systems that England had managed to keep. The United States surpassed Britain in economic power and Germany also surpassed Britain 15


\textsuperscript{89} Supra Note87.

\textsuperscript{90} The Return of the Reciprocitarians-US Trade Policy Today, 111

\textsuperscript{91} The Return of the Reciprocitarians-US Trade Policy Today, 110
years later. The U.S. economy increased to two times the British’s economy by the first World War. The U.S. emerged as the country with the largest manufacturing capacity from the First World War. It was also becoming the principal creditor of the world.

3.2.2. Aftermath of the Second World War

America’s economic power is still strong since its objective over Japan was to incorporate Japan into the bigger international economy and reduce the attractiveness of the Communist bloc-controlled markets. Economic collaboration with Japan would reinforce the Asia Pacific region's American economic situation and political impact and started encouraged the making of close trade relations with Japan. This is called “The triangle of economic relations (the United State- Japan- Southeast Asian countries) gave positive impact to the American economic stability under American control. The United States also show their power by sponsored Japanese membership into the International Monetary Fund (IMF), the General Agreement on Tariffs and Trade (GATT) and other international organizations. America signed a security agreement with Japan and the American alliances in the region of North East Asia (South Korea and the Republic of China, Taiwan) in offering government goods to Japan. The Japan-U.S. Alliance was signed in September 1951. It was essential to create a stable and conducive economic growth condition during the 1950s and 1960s Cold War period.

---

92 Diplomatic Bluebook 1992-Japan’s Diplomatic Activities, Pg.06
93 Ibid.
95 “The 1950s,” History (June 17, 2010), Accessed June 08, 2019, https://www.history.com/topics/cold-war/1950s
3.2.3. **During 21st Century**

To begin with the argument that China economy raise will not affect to U.S. economy, this part will show with a strong hegemonic economic power like the United States, the creation of strong and stability in economic condition is possible. As the U.S. global economy stake has grown, a dual strategy has been pursued by American policy. Efforts to promote chances for American exporters and foreign investors remain focused on their multilateral drive to remove others obstacles, while it unilateral and bilateral policies have increasingly erected obstacles to safeguard American companies competing with imports. Economically, the GDP of the United States more than $15.68 trillion in 2012 is almost twice that of China about $8.23 trillion; nearly the European Union. The United States enjoys an advantage from the "universal dollar" composing 61.94% of total allocated foreign reserves in the world, which gives the US much more flexibility than other countries in keeping trade deficits. Moreover, economic power is transformed into powerful impact in global financial organizations, leveraging the US even more: US voting power in the International Monetary Fund (IMF) and the World Bank (WB) is 16.75% and 12.87% respectively. In addition, more than 30 percent of the total world product is produced by the United States economy.

3.3. **Technology Aspect**

The United States gained world leadership as the technologies and industries of the technologies and industries of the “First industrial revolution”, through the development of large-scale mass technology techniques. As mentioned before, the United States is still a

---

96 Bruce E.Moon, The United States and Globalization, Pg.2
98 Supranote 95.
99 Ibid.
hegemonic power. Strange by looking at the access to new technology toward to the world. Technology have an inherent power advantage to control market and the capability enough that are spread all around the world. It was shows many indicators supporting the United States domination un the manufacturing structure: The top six companies producing computer are still American. Among them, they generate 62.3% of total world manufacturing and have over 50% of world sale. Moreover, the United States keep maintaining their power by sharing as high-technology country, AT&T and ITT are the leading two corporations in terms of sales in telecommunications.

According to the National Science Foundation’s (NSF) Science and Engineering Indicators 2018 report, the United States is the global leader in Science and Technology (S&T). The 2018 report demonstrates that the United States invests the most in research and development (R&D), it can attract and offer the most company, economic and information services, it’s also the biggest producer in high-tech production as well. As a consequence, the United States was the birthplace of 161 of Britannica's 321 Greatest Inventions, including products such as aircraft, web, microchip, laser, cell phone, fridge, email, microwave, personal computer, liquid crystal display and light-emitting diode technology, air conditioning, assembly line, supermarket, bar code, automated teller, and many more. We note that massive decreases of the United States remain very powerful in innovation, especially in information technologies and related fields, including biotechnology and other new techniques.

---

101 Joint Economic Committee Congress of The United States.
104 Ibid
3.4. Indo-Pacific Region

3.4.1. Overview of Indo-Pacific

Before turning into the discussion of Indo-Pacific region, this part will give you a brief the significant part of Indo-Pacific. As its simplest, the Indo-Pacific means recognizing that the economic and security connections between the Western Pacific and the Indian Ocean region are creating a single strategic team, there are the United States, Japan, India, Australia, and Southeast Asian Countries that are involve in the Indo-Pacific strategy. A strategic system can be understood at its core as a set of interactions of geopolitical authority between countries where major changes in one portion of the scheme influence what occurs in the other components. The Indo-Pacific system is defined in part by the geographically expanding interests and reach of China and India, and the continuing strategic position and involvement of the United States in both the Pacific and Indian Oceans. This recognizes the range of trade paths, energy flows, diplomatic bonds and strategic connections between the two oceans.

3.4.2. The United States Power and Aids toward Indo-Pacific Region

The United States is still the "Indo-Pacific Strategy" leader. Currently, the U.S. has power toward the "Indo-Pacific Strategy," reflecting U.S. attention to the Indian Ocean area. The Asia-Pacific region's allies were skeptical about Trump's foreign policy. The goal for Trump to return to the "Indo-Pacific Strategy" this time is very clear. For more than seven decades, U.S. involvement has been advancing freedom, openness, and prosperity in the Indo-Pacific region. Among our most significant priorities, the National Security Strategy of the

109 Ibid.
President recognized promoting a free and open Indo-Pacific. In addition, the United States is aimed at ensuring the freedom of the seas and skies, promoting market economics, support good governance and isolating sovereign nations from external coercion, while allowing partners to safeguard and advance rules-based order.\footnote{Wales Summit Declaration, NATO (September 05, 2014), Accessed June 10, 2019, https://www.nato.int/cps/ru/natohq/official_texts_112964.htm?selectedLocale=en} At the ASEAN Regional Forum, the United States announced the intention of providing around $300 million in security help to enhance safety relations across the Indo-Pacific region.\footnote{“Fact Sheet: U.S. Security Cooperation in the Indo-Pacific Region, U.S. Embassy & Consulates in China (August 04, 2018), Accessed June 10, 2019, https://china.usembassy-china.org.cn/u-s-security-cooperation-in-the-indo-pacific-region/} This aid involves $290 million in Foreign Military Financing (FMF) to enhance maritime security, humanitarian aid, disaster relief and ability for peacekeeping, and $8.5 million in International Narcotics and Law Enforcement (INCLE) funds to counter transnational crime.\footnote{Ibid.} I strongly believe that the U.S. still funding commitment and announced on new economic and development at the Indo-Pacific strategy by demonstrating a strong U.S. government to put their commitment to both economic, security engagement and assistance in the Indo-Pacific. The financing for safety aid will cover projects in the following fields: Bangladesh, Indonesia, Mongolia, Nepal, the Pacific Islands, the Philippines, Sri Lanka, Vietnam and others.

- **Maritime Security**

As part of this approach, the U.S. will maintain their power and help by work with partners across the Indo-Pacific region to create coastal radar-enhanced maritime domain awareness (MDA) with manned and unmanned aerial systems, maritime platforms for rapid deployment of HA / DR efforts, and enhanced mechanisms for data sharing to connect safety and defense organizations at operational level.\footnote{Supra note 110.}
Southeast Asia and the Pacific Islands: The United States will work with partners in Southeast Asia and the Pacific to assist countries successfully track and solve transnational threats to their Exclusive Economic Zones.\textsuperscript{114} Assistance will concentrate on training and logistical support to enhance the ability of MDA and patrol as well as professionalization and maintenance capabilities to help partners in the development of defense and safety organizations.\textsuperscript{115}

Bay of Bengal Initiative: Bengal Bay is wealthy in natural resources and home to essential sea routes that connect the Indian Ocean area with East Asia.\textsuperscript{116} The United States presently shares data on business shipping with India and will work with other Bay of Bengal partners, including Bangladesh and Sri Lanka to increase the ability if civilian and military maritime actor in the Indian Ocean Region to improve target region for identification, and also sharing an information and reaction to emerging threats.\textsuperscript{117}

- **Peacekeeping Operations:** The Indo-Pacific nations are constant contributors to UN peacekeeping missions, regularly including Bangladesh, India, Indonesia, Fiji, and Nepal among the top ten nations contributing to the troops.\textsuperscript{118} The United States keep playing as an important role to work with Indo-Pacific partners to enhance regional and international peacekeeping capacities and solve critical mission by concentrating on deployment of enabling capabilities.

- **Countering Transnational Crime:** The United States still promote regional initiatives to combat transnational crime in South and Southeast Asia by enhancing border safety,

\textsuperscript{114} Ronald O’Rourke, (2017) “Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress,” Pg.42

\textsuperscript{115} Ibid.


\textsuperscript{117} Ibid.

such as trafficking in human being, drug and product, increasing safety sector and law enforcement collaboration with emerging democracies; encouraging secure and effective trade; and enhancing the rule of law to counter corruption.  

CHAPTER 4: THE POSSIBILITY AND IMPOSSIBILITY OF CHINA HEGEMONY STABILITY

The impact of China’s rise on global affairs has been a hot topic for researchers since the collapse of the Soviet Union. The American objective is not to prevent this development in Chinese strength and governance, but is not used to transform the region into a closed, unilateral influential Chinese sphere. There are reasons both for restraining their geopolitical competition between the United States and China. They will certainly fight and compete, trying to be the region's leading country. But American attempts to contain China and the attempts of China to push the United States out of the region are both self-defeating strategies.  

This Chapter will examine at China is impossible to claim as Hegemonic States from the United States or it’s still lack of ability of claim the hegemony stability from the United States. This section will give you the two majors main point to state between the possibility and impossibility to support that the rise of China can or cannot claim Hegemony Stability from the United States. First, we will outline all the aspect that made China impossible to claim the Hegemony Stability from the United States, and the next one, we will discuss more about the Impossibility aspect that prove to the rise of China can’t claim the Hegemony Stability.

4.1. Possibility

Recently, China has become the world's second biggest economy, although its 2012 military expenditure was also second behind the United States. Many people now believe it’s just a matter of time before the country to takes over as the next hegemony state, some believe that there are many reasons to think that it might not be as there are several issues

---

holding back to China.\textsuperscript{122} It’s not that easy for the country will take over hegemony state anytime soon. To assess whether the United States is still a global hegemony, or Is it possibility that China can claim as the global hegemony?

\textbf{4.1.1. One Belt One Road}

\textbf{4.1.1.1. Overview}

Chinese President Xi Jinping hosted the leaders of 28 countries and representatives from several other countries at the Belt and Road Forum in Beijing on May 14-15, 2017.\textsuperscript{123} One Belt One Road Initiative (OBOR) is the development strategy to promote cooperation and connectivity between Europe and Asian countries.

It has two components of One Belt One Road such as: the 21st Century Maritime Silk Road and the Silk Road Economic Belt. The 21st Century Maritime Silk Road (MSR) connects the European economic industry with the Asia-Pacific financial industry in the east.\textsuperscript{124} The Silk Road Economic Belt is the legacy of the Silk Road, which was launched during the Chinese Western Han dynasty by Zhang Qian. This belt goes through the Central Asian countries, such as Kazakhstan and Afghanistan, to the south.\textsuperscript{125} One Belt One Road covers many African and Asian nations, including Kenya, Indonesia, Israel, and many others, among its 44-country reach. Most of these nations are developing nations, interestingly.\textsuperscript{126} The One Belt One Road of China helps these nations enhance their transportation, energy production, and trade. The plan currently expands to 65 countries with a $23 trillion combined GDP and involves some 4.4 billion people.\textsuperscript{127} As a result, the Silk

\textsuperscript{123} One Belt One Road Initiative of China: Implication for Future of Global Development, 624.
\textsuperscript{124} Ibid.
\textsuperscript{125} Supranote25.
\textsuperscript{127} Ibid.
Road fund have $40 billion in investment funds and is supervised by China’s central bank. The Asia Infrastructure Investment Bank, which now involves Africa, has a $100 billion cash position. Additional funds come from China's foreign reserves and its sovereign wealth fund, respectively holding $7 trillion and $220 billion. However, One Belt One Road Initiative focus on 3 main area such as transportation, energy, and economic.

**4.1.1.2. Transportation**

One Belt One Road has helped many countries in creating transportation to electric infrastructure. For instance, China has invested $14 billion in the Standard Gauge Railway (SGR) of Eastern Africa Kenya. SGR is a 485 km single-track railroad and has been one of the most important projects since the independence of Kenya in 1963. SGR extends from Mombasa to Nairobi, the capital of Kenya, and Kenya borrowed $1.5 billion from China in December 2015 to extend the SGR to Naivasha in the northeast. The SGR also promotes Africa-China local industries and trade.

**4.1.1.3. Energy**

One illustration of a power investment in One Belt One Road is its project in Pakistan the hydropower station Nehru Tim Jelu Mu. Electricity is a major issue in Pakistan; the national grid has a deficit of over 500 million megawatts over the summer. Power cuts are frequent in hospitals, commercial buildings and residential buildings.

**4.1.1.4. Economics**

---


129 Ibid.


131 Ibid.
One Belt One Road supports trade and shared economic advantages between each nation. For example, Kazakhstan is a landlocked country in Central Asia, and as its winters are very cold, there is about vegetable production. One Belt One Road connects Kazakhstan with the Uygur Autonomous Region of northwestern Chinese Xinjiang. Cross-border vegetable trade offers the fundamental requirements of the individuals of Kazakhstan. The total annual trade between Xinjiang and Kazakhstan amounts to more than $11 billion, a figure that makes up 40% of total trade between China and Kazakhstan.

Another example of OBOR comes in the form of the trade routes of Brunei. Brunei has plenty of oil and gas resources, but the country lacks the oil and gas pipeline production material. Liaoning, a northeastern China province, offers loans for $2,123 million and Huludao City Steel Pipe Industrial Co., Ltd. generates 100,000 tons of petroleum and gas pipelines.

However, the United State also competes with China’s One Belt One Road Imitative, by investing $113 million in new technology, energy and infrastructure initiatives in Asia.

4.1.2. Economic Aspect

China has been one of the fastest growing economies in the world since it opened up to foreign trade and investment, with a real annual gross domestic product (GDP) growth averaging 9.5% through 2018.\textsuperscript{132} Described by the World Bank as “The fastest sustained expansion by a major economy in history.” China also has become the world’s largest economy (on a purchasing power parity basis), manufacturer, merchandise trader, and holder of foreign exchange reserves. The rapid growth of the Chinese economy has led many analysts to speculate if China will overtake the United States as the “World Largest economic

Measured in U.S. dollars using nominal exchange rates, China's GDP in 2018 was $13.4 trillion in nominal U.S. dollars, which was about 65.3 percent of the U.S. economy's size, according to IMF estimates.  

However, thing to notice is that a significant segment of the population still lives in poverty. Since the early 1980s, millions have seen their standard of living dramatically increase, yet while the economy is expanding, millions are without electricity or appropriate drinking water.

**4.1.3. Demographics Aspect**

As of September 2017, the population of China stands at over 1.3 billion people. Although the country is geographically the world’s fourth biggest in the world, about 20 percent of the world’s entire population lives inside its borders.  

First of all, China's population is more than four times that of the United States. Its population has more than 1.3 billion, whereas the population of the United States is just over 320 million. This implies that China's manpower is five times that of the United States at any specified moment, with the Chinese being able to call approximately 750 million individuals. As you can see, with these sorts of demographic the number of people reaching military age annually is much higher in China. This figure is around 19.5 million, while the same figure in the United States is just over 4 million. 

However, this one will give the negative side as well. China is now facing a demographic nightmare. While their fertility rates have decreased, they create one-child

---

133 Ibid.
134 “A Weakening Global Expansion,” International Monetary Fund (January 2019)
135 Supra note 122.
137 Ibid.
138 Supra note 128.
policy and it was officially lifted in 2016, many couples in China were now didn’t plan to have more than one child. According to the United Nations, China may have as much as 44 percent of its population retired by 2050. This issue can be a massive strain will be placed on the younger working population to sustain China’s social services, especially considering that the country is a socialist state.  

4.1.4. Soft Power

The soft power of China is the indirect and non-military influence of the People's Republic of China that can be observed outside the country around the world. China spread their soft power by their own culture and language. The number of overseas learners enrolled in China rose about 600,000 student mark for the first time, in an 11.74% increase on 2016, and the number of foreign tourists has also increased dramatically to 17 million last year. Although China remains authoritarian, many developing countries have been attracted by the achievement of its political economy in tripling gross domestic product over the previous three centuries. The so-called "Beijing Consensus" on authoritarian government plus a market economy has become more common in areas of Asia, Africa, and Latin America than the previously dominant "Washington Consensus" with democratic government in market economics.

4.1.5. Technology Aspect

In terms of quality and quantity, the technology performance of science and technology (S&T) in the United States and China was compared. Scientific knowledge and its use in technology and economic and social development has increasingly global. While the United States have traditionally led in scientific development, China in particular has emerged as a new powerhouse for science and technology (S&T). A main factor of China’s growth in science and technology is its spending a lot on research and development (R&D). Chinese research and development investment have risen remarkably, with growth rate exceeding that of the United States and the European Union. China’s National Medium- and Long-Term Program for Science and Technology Development (MLP), launched in 2006, is an innovative plan to turn the Chinese economy into a significant innovation by 2010 and to make it the world’s leading science and innovation by 2050.146

However, while the U.S. still remains the favorite destination for Chinese students, which has led to the development of mutually beneficial U.S.-Chinese science and technology networks and connections. Moreover, U.S. led the world at $496 billion in Research and Development spending (26% of the worldwide total), China was a crucial second at 21% ($408 billion).147 The United States is the biggest manufacturer of high-tech production (31 percent worldwide share). This involves airplane and spacecraft manufacturing, semiconductors, computers, pharmaceuticals, and tools of measurement and control.

---

145 Ibid.
146 Ibid.
147 Supra note 138.
4.1.6. Military Aspect

In 2019, China is ranked 3 out of 137 countries out of the military power. China has a clear objective aims to create its new weapons system. This is push United States military authority as far away, ideally deep into the Pacific. So, as a military player China play such a big role in a military impact.

However, in GDP on military terms China still spends less than the United States, which is China spend about 2.1% compare to the United States spends 3.8%. the biggest difference between the two superpowers is influence in other parts of the world. The United States has 133 outside its territory military bases, compared to China has none military base.

4.2. Impossibility

4.2.1. Military Aspect

Meanwhile, the defense budget of the United States ensures that it should remain ahead of China militarily for the foreseeable future. In 2018, the defense budget of the United States is $637 billion, which is well over four times that of China, with the most recent Chinese defense budget amounting to the equivalent of $1751 billion.

A. Air Power: The U.S. has nearly 14,000 active military aircraft, compared with China's below 3,000. It can be observed that the United States is greatly superior in number in every region of military aircraft, and it can also be claimed that it also enjoys a clear technological benefit in this department.

---

150 Supra note 140.
B. **Land System:** According to the recent statistics, China has marginally more tanks than the United States, but there is a trivial distinction in this region between the two countries. It is estimated that China has 9,150 active tanks, which is very similar to the United States, which is alleged to have about 8,800 such active cars.\(^{153}\)

C. **Nuclear Power:** Under the terms of the Nuclear Weapons Non-Proliferation Treaty, both the United States and China are among the five states. This multilateral agreement ensures that it is legitimate under international regulations for both China and the United States to retain a certain number of nuclear weapons.\(^{154}\) In terms of complete warheads (although some estimates indicate that Russia slightly exceeds its quotient), the United States continues the world's largest nuclear power with just under 5,000 active warheads.\(^{155}\) It is worth noting that there are significant fluctuations in the estimation of the United States’ nuclear capabilities.

Even though China has invested strongly in its military, and is increasing, they are still behind the most powerful militaries in the world in terms of equipment and training. Importantly, China is lack of the combatting experience. China has not involved in combating with a foreign enemy since Vietnam in 1979, Compared to countries like the US, UK, and Russia, the lack of experience places China at a disadvantage.\(^{156}\)

\(^{154}\) Nuclear Non-Proliferation Treaty, Non-Proliferation of Nuclear Weapons (NPT).
\(^{155}\) Ibid.
\(^{156}\) Study on the rise of China as a dangerous power, 13.
4.2.2. Technology Aspect

As the United States and China are looking to safeguard their national security requirements and economic interests, the struggle between the two financial superpowers is increasingly concentrated on one region: technology. However, as China’s technological development begins to converge with major developed countries, its level of productivity gains, and thus, real GDP growth, could slow significantly from its historic levels unless China becomes a major center for new technology and innovation or implements new comprehensive economic reforms.

However, while the U.S. led the world at $496 billion in Research and Development spending (26% of the worldwide total), China was a crucial second at 21% ($408 billion). The United States is the biggest manufacturer of high-tech production (31 percent worldwide share). This involves airplane and spacecraft manufacturing, semiconductors, computers, pharmaceuticals, and tools of measurement and control. At 27 percent, China is second, more than doubling its share over the last century.

The Chinese telecommunications company faces accusations from President Donald Trump and other leaders that Beijing could use it for cyber spying. The outcome of the struggle could shape the world’s tech and 5G landscape for years to come. The United States also led a crackdown on Huawei by enforcing their nationwide bans on the company’s equipment and encouraging its allies to do the same. Here is the main issue that Huawei company have to face and find another solution to solve this as fast as possible.

---

158 Supranote 45.
161 Ibid.
company getting struggle and find it hard to function such as google, Microsoft, etc. without the United States technology.  

4.2.3. Economic Aspect

Currently, economically decrease, the United States remains the world’s most powerful state when power is measured in terms of economic and military assets. In the future, the U.S. economy will continue to grow, and the United States will remain the most powerful military nation on earth for some time to come. However, America’s economic and military edge relative to the world’s other great powers, will certainly decline over the next several decades. The power of the U.S. economy is reflected by its GDP per capita, which was $59,500 in 2017. There are 19 countries have a per capita higher GDP than America, but that doesn’t make them strong and powerful. Most of these are either financial center, and oil exporting country.

Although China’s economy never catches up with America, notable economic growth has already provided China substantial political impact in East Asia, and that influence will expand China’s economy continue to grow.

4.2.4. Political Aspect

The period of American prominence in world politics, which started with the twentieth century, led to the reconsideration of traditional perceptions about foreign interference and the use of force. The capabilities of the United States are the fact that no other power today can

---


165 Ibid.

166 James Titus, The Home Front and War In The Twentieth Century, Pg.5
remotely match them. The United States today spends more on its military capability than the other powerful countries.

In addition, The United States understands that respect for human rights is key to securing the peace, deterring aggression, promoting the rule of law, combating crime and corruption, strengthening democracies, and preventing humanitarian crises.167 Compare to China, since China is the communist country so Chinese citizen got limit and restriction in some area such as, there are severe restrictions of freedom of speech, With regard to personal integrity rights such as the right to life, liberty of the person, prohibition of arbitrary detention and torture, the state has a general interest in safeguarding such rights.168 So, we can see the different between the United States and China, the United States seek more to stable, and implemented human rights for the citizen. Because China is often singled out as one of the worst human rights in the world today. Since 1990, there have been eleven attempts to China before the U.N. Commission on Human Rights in Geneva, and it was failed.169

167 The White House, A National Security Strategy for A New Century, Pg.1
168 Randall Peerenboom, Assessing Human Rights in China: Why the Double Standard, Pg.78
169 Ibid.
CHAPTER 5: ANALYSIS AND FUTURE PREDICTION

5.1. Analysis

As it is clear in its title, the main purpose of this thesis is to analyze the two hegemonic powers within a comparative perspective in order to support our main argument that the rise of China will not affect the hegemony stability of United States. Therefore, this part constitutes the core of this study, it mostly deals with the comparison between the United States hegemony stability and the rising of China. To explore the analogous movements of maintaining the hegemony stability of the United States, it is compulsory to concentrate on Political Influence, Economy Dominant, Military Power, and Technology Development.

5.1.1. Comparative Analysis in Political aspect

First of all, the politic of the United States influence to other regions around the globe such as Latin America, Association of Southeast Asian Nations (ASEAN), and European Union. After the failure of Great Britain hegemony stability in early twentieth century, the United States started to assert as hegemonic power when Great Britain was to weak to do so. The United States has pursued strategies intended to safeguard and expand its hegemonic authority to the weak country. It has continuously spread such as Iraq, North Korea, Libya, Cuba and more. Currently, the United States still maintain and play a big role as a dominant player in the international states system. The United States strength and impact is now the defining feature of world relations.

In comparison to China, The United States has a lot more and stronger allies than China. So, it can consider the main political difference to be that the United States value stability more.
5.1.2. Comparative Analysis in Military Aspect

In terms of military spending per capita, China is the new kid on the block compare to the United States that have more experience on military aspect. Even though it has grown in latest years, China remains behind Russia, Turkey, South Korea, Japan, Germany, the United Kingdom, France, and the United States.\(^\text{170}\) In terms of GDP, China spends about 2.1% of its annual GDP on the army, and the United States spends 3.8%.\(^\text{171}\)

By Militarily aspect, the United States spent more than $600 billion on its armed forces, more than four times the annual quantity spent by China's second-largest budget ($166 billion), and more than the massive military budget of all the next 13 nations.\(^\text{172}\) Not only does the US possess huge military capacity, it is able to project it worldwide: it has ten active aircraft carriers, compared to China's only one (the Liaoning has not yet been equipped with any aircraft for periodic operation), and it has military facilities on all major continents.\(^\text{173}\)

5.1.3. Comparative Analysis in Economic Aspect

The United States has had the world's biggest economy for 140 years, accounted for roughly 22.44 Percent of the gross world product. It remains top in normal GDP, in terms of purchasing power party (PPP), according to the International Monetary Fund. Moreover, Economically, the GDP of the United States more than $15.68 trillion in 2012 is almost twice that of China about $8.23 trillion\(^\text{174}\); nearly the European Union. It also enjoys an advantage from the "universal dollar" composing 61.94% of total allocated foreign reserves in the world, which gives the US much more flexibility than other countries in keeping trade deficits. For

---


\(^\text{171}\) Ibid.


\(^\text{173}\) Ibid.

more than a century, the United States has been the world's biggest economy, accounting for over 24% of the world’s gross domestic product (GDP) in 2016, according to figures from the World Bank.

Moreover, the spread of soft power alone does not ensure that the status of superpower will increase. For one, the long-term viability of China's economic partnerships has yet to be witnessed. Moreover, without powerful national organizations, the existence of soft power overseas threatens to undermine the worldwide existence of China. For example, China’s own lack of legal enforcement may not play out well along OBOR, resulting in corruption or project non-viability, particularly since many of the nations in which it will invest have poor legal frameworks themselves.

China lacks the kind of worldwide assistance that the U.S. got after World War II, providing the U.S. with tacit agreement to become the world's financial stability anchor. While China enjoys such support in Asia, enabling it to behave as a center nation on the continent, Western nations are cautious of China, as demonstrated by the TPP's development. Further, China’s living standards are not close to those in the West, and its currency is not considered international yet, as preconditions for becoming a global superpower.

5.1.4. Comparative Analysis in Technology Aspect

Industries like High Performance Computing, Robotic, Artificial Intelligence, Cloud, Nanotechnology, and Biotechnology are the pillars of the United States economics competitiveness. As a leadership in this area, the United States remains a global technological inventor as their strengths in owning innovation ecosystem, Research and

---

175 “High-Tech Development,” Section 1: China’s Pursuit of Dominance in Computing, Robotic, and Biotechnology, Pg. 508.
development (R&D), and High standard of education system. However, the Chinese government has made plan to close the gap and achieve dominances in this area.

The United States still maintain their lead in High Performance Computing production, usage, and software, while China is at the second place. Globally, the United States’ firm such as Amazon, Google, Microsoft, Salesforces, and VMware accounted for at least four out of top five in each cloud computing market in 2016. Moreover, we could not deny the fact that the United States is leading the world in term of Research and Development and following by China as second. Hence, the United States has stronger ability to develop and invent new technology and innovation.

5.1.5. Comparative Analysis in the Willingness to Rule the International Community

The liberal international order was created by the United States with the support of its allies after the end to the Second World War. During that time, the United States was the only country who has both capacity and willingness to establish a new international world order. The United States willingness to establish and playing a leading role in maintaining the liberal international order was because they want to avoid the hurtful history that caused by wars and they do not want to repeat the history. The supporter of liberal international order believed that it could maintain a favorable balance of power on a global and regional level, and they could enjoy the benefits of significant security, politic, and economic.

Although the United States and China shared the same interest in promoting and maintaining global peace and security, the two countries have different approaches,

176 Ibid.
177 Ibid, Pg. 517.
178 Ibid, Pg. 518.
179 Supra Note 171.
181 Ibid.
definitions, and desires toward the issues. Continuously, the United States emphasis on participation of the civil society actors in peace processes and also promoting accountable and transparent international institution to contribute. Moreover, they also provide budget and aid to support world peace and security. However, China has yet to support this approach due to its own policies. Hence, the United States has more willingness to protect the world.

5.1.6. Comparative Analysis in Democracy and Human Rights

In the past two decades, the United States administration has successfully developed programs and policies to promote democracy, human rights, and the rule of law. Moreover, they also try to promote Democracy and Human Rights in China as well. The United States has pressured China openly by criticizing the country’s human rights. China has blocked their citizen from accessing some famous websites which lead them to enable to enjoy their rights. To improve the human rights condition in China, the United States also used sanction and linking bilateral cooperation, but it have not been very effective.

Some scholars viewed over this issue that the United States should take principles stands against China’s human rights abuses more frequently, openly, and forcefully because their goal is to promote democracy and human rights in the world. Hence, this can conclude that China should not be the global hegemonic state because people around the world want to have freedom and enjoy their own rights which is in contrast to what China’s communism works.

---

183 Ibid.
185 Ibid.
186 Ibid.
187 Ibid, Pg. 30.
5.2. Future Prediction

Having examined the rising power of China, a conclusion can be drawn. That is, the rise of China will not affect the hegemony stability of the United States and the United States will still remain their position as global hegemonic state. It is difficult to define the future of hegemonic state. Same goes to with a high degree of certainty which way both countries will go in the future.

However, based on our research, we can conclude and predict that China will take long time to be a hegemonic state. Ideologically speaking, it is lack the types of conventional power and reputation to adopt or exert the global influential to the international system. Although China has a sustain economic and financial growth, their population is still a problem which make their GDP per capita lower than the United States and it need to take into consideration. Moreover, their military is weak to compete aggressively against the United States. Hence, China needs to have calm and stable state system for influence international politics and international economic for domination. This will keep them to continue growing.

Despite the discussion on China, we also could not disagree the fact that the hegemony stability of the United States is relatively decline. For now, they will still maintain their position as a global hegemonic state because they are the current global hegemony which means the policies and norms of world order are influenced by the United States. Hence, the world system is bias to the United States already. Furthermore, the United States another asset namely the U.S dollar which is not the currency of a country but also the currency of the world, which is using by many countries including Cambodia. At the same time, they are also the number one economic in the world. As a result, they could enjoy these exclusive privilege as a hegemonic state. However, in the next future, they have to be fast in
term of bouncing back when they face the problems, quickly come up with the solutions, and finding new initiative for countries to have the common interest. So that, they could be able to maintain their position as a hegemonic state.

To sum up, we can project that in the future of China will possibly gain their position as hegemonic state in their region and will take long time to be a global hegemonic state. For the United States, they will still maintain their position as global hegemonic state, but they could lose its position to other countries if they continuously decline.
CHAPTER 6: CONCLUSION

6.1. Summary of the Main Finding

The future of the world is a big challenge to predict because many changes and events can occur in the international system. Nevertheless, the fact that China is rising and the unstable of the United States hegemony stability can be a precious assert to answer the research question.

The United States will remain its position and image as a hegemonic state for the following reasons. The United States has expanded its authority as a hegemonic state to weak countries and the world. They have continuously recognized outlaw countries such as Iraq, Iran, Libya, and Cuba over the past two centuries and it made them following the strategies of the United States. Currently, the United States has contributed a lot to the International System by allocating their budget as foreign aid to the other states and international organization because this will help to maintain the world peace and security and sustain and improve the global economy. Their economy is the number one largest in the world. Moreover, the United States has a lot of powerful allies and they are also the representative of the Western Liberal Democracy System. Talking about the military aspect, the United States has huge military capacity including the creation of weapons, training, and investment budgeting. In another point of view, the United States also has good relations with other regions such as ASEAN, the European Union, and Latin America. In terms of technology, they are leading since the first industrial revolution and they are also the biggest producer in high-tech development as well as inventors.

Looking back to China, they are truly the fastest growing economy in the world. However, China will no overtake the United States hegemony stability. From the realistic point of view, its rising power is still facing problems that could undermine the economic, politic, and military power. Comparing to the United States, China is still far from having the ability to
influence the world order. For example, the establishment of rules and strategies for the world is still under the United States.

There is no doubt that the rise of China is dominating especially in the Asian region. It plays a big role in influencing the politics of Asia, but on a global scale, its influential is not as big as the United States that dominating the world.

6.2. The Further Research

Due to the fact that, this research is not an empirical study, it is vitally understood that further research should investigate other characteristics of hegemony and understand the controversial issue of China rising and the decline of hegemony stability of the United States. Most importantly, the current world situation especially the global trends and global issues should take into account so that another controversial topic could be discussed, made, and reported.
BIBLIOGRAPHY

• Books

2008. Conceptions of Hegemony in Antonio Gramsci’s Southern Question and Prison Notebooks
2013. Introduction to International Relations
2013. The U.S Economic Hegemony and The Rise of China: What lessons to be learned?
2013. The Role of International Organizations in the Global Economic Governance
2015. World Politics: A Quarterly Journal of International Relations
2016. Is the United States Still a Global Hegemonic Power
2018. One Belt One Road Initiative of China: Implication for Future of Global Development
2019. China’s Hegemonic Intentions and Trajectory: Will it opt for benevolent, coercive, or Dutch-style Hegemony?

• Websites


https://www.nato.int/cps/ru/natohq/official_texts_112964.htm?selectedLocale=en


https://www.forbes.com/sites/anderscorr/2016/03/16/the-tipping-point-of-chinas-authoritarian-capitalism/#3f19f9e93fca


https://www.worldatlas.com/articles/what-are-the-major-natural-resources-of-china.html

Brendan Taylor. “The Indo-Pacific places Australia at the centre of the action.”


https://www.iri.org/resource/washington-times-quotes-iri-president-0


https://www.cfr.org/backgrounder/asean-association-southeast-asian-nations


https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/

https://www.standardmedia.co.ke/article/2001237081/standard-gauge-railway-raises-china-imports-to-sh337b

https://www.telegraph.co.uk/finance/economics/8322550/China-is-the-worlds-second-largest-economy.html


https://www.belfercenter.org/publication/why-united-states-and-china-are-collision-course

http://providingforpeacekeeping.org/2016/02/05/peacekeeping-contributor-profile-indonesia/

