

The Rise of China:  
The international hegemonic stability and the Consequences  
of Chinese and American power strategies



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## Abstract

This bachelor thesis examines China's rise as a global power through its strategic use of hard and soft power. The paper explores the concept of international hegemonic stability and its relationship with the power strategies of China and the United States. Using a theoretical framework that draws on international relations scholarship, the paper argues that hegemonic stability theory offers a helpful lens for understanding the evolving power dynamics between China and the US in the global order. The paper reviews the key features of hegemonic stability theory, including the role of the dominant power in providing stability and the conditions that lead to instability. It then analyzes the power strategies China and the US pursued, focusing on their respective economic and military approaches to global leadership. The paper analyzes how the international system reacts to the power strategies and how it affects the international system. The paper concludes by assessing the potential consequences of these strategies for the future of the international system and the prospects for hegemonic stability in a world increasingly shaped by the competition between China and the US.

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## 1. Introduction

From being a relatively impoverished nation “to the economic giant it is today has arguably been the most important geopolitical development of the past two decades” (Maher, 2022, p. 960). Scholars, along with the international system, take notice of China's rapid developments. The rise of China is possibly challenging the traditional dominance of the United States in the international system. US Secretary of State, Antony Blinken, puts the rise of China this way: “China is the only country with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to do it” (Blinken, 2022). Tensions persist between countries such as China and Japan, Japan and Korea, and Korea and China due to unresolved historical issues. (Alison & Glick-Unterman, 2021).

Southeast Asian countries collectively possess some of the highest levels of military spending in the world, and some policy-makers attribute this mainly to China’s rise (Laksmana, 2018). China has caused disputes with several neighbors due to China’s territorial claims in the South China Sea and decisive actions, more specifically, the conflict around Taiwan. China’s military buildup has also raised questions about the country’s intentions and a possible conflict. Conversely, China has softly increased its power during the last years, for instance, through the Belt and Road initiative. According to the Pew Research Center survey conducted March 20-26, 2023, an increasing number of Americans are concerned about tensions between China and Taiwan (Huang, 2023).

**Table 1:** Frequencies of “ How much of a problem is the tension between China and Taiwan”

<b>How much of a problem is the tension between China and Taiwan?</b>	<b>Counts</b>	<b>% of Total</b>	<b>Cumulative %</b>
Very serious	47	46.078 %	46.078 %
Somewhat serious problem	37	36.275 %	82.353 %
Not too serious of a problem	13	12.745 %	95.098 %
Not a problem at all	2	1.961 %	97.059 %
DK / Refused	3	2.941 %	100 %

N=3576

Source: Pew Research Center. <https://www.pewresearch.org/>, 2023.

Concerns about China’s military modernization and growth have been expressed by the US, and the nations surrounding China, escalating regional tensions and fostering military rivalry. According to research on US citizens' attitudes toward China, nine out of ten US adults (89%) regard China as a competitor or enemy rather than a partner. In order to investigate American attitudes towards Taiwan and its relationship with mainland China, Pew Research Center conducted a study that surveyed 3,576 U.S. adults from March 20-26, 2023. All participants in the survey were members of the Center's American Trends Panel (ATP), an online survey panel recruited through national, random sampling of residential addresses (Huang, 2023).

**Table 2:** Frequencies of “How much of a problem is China's growing military power for the US?”

How much of a problem is China's growing military power for the US?	Counts	% of Total	Cumulative %
Very serious	52	52.00 %	52.00 %
Somewhat serious	34	34.00 %	86.00 %
Not too serious	10	10.00 %	96.00 %
Not a problem at all	2	2.00 %	98.00 %
DK/Refused	2	2.00 %	100 %

N= 2,596.

Source: Pew Research Center. <https://www.pewresearch.org/>, 2021.

On the other side, The United States has the highest expenditure on the military globally, with estimated spending of 800,67 billion USD in 2021 (SIPRI, 2021). This has facilitated the amplification of US influence across the globe. Furthermore, the US has a sizable and significant economy which enables it to exert economic power in various ways, such as trade policies or sanctions. Earlier literature has covered broad scopes of the topic of China's rise, ranging from China's power strategies and China's rapid evolutions within economy and technology to the tension between China and the US regarding whom will hold the status as the global power in the coming years. In this paper, we aim to examine how the challenges concerning China's and the US's power strategies are managed and how this can shape the future of the international system. How do China's and the United States' power strategies affect international hegemonic stability?

We approach this issue with a comparative within-case analysis. We will go forward with a review of definitions to specify the intended context of rapidly mentioned concepts and themes throughout the paper. Further on, we will go through some existing literature and theories before we eventually elaborate on our chosen research method further. After that, we will walk through US and China's power strategies before we finally end the paper with a discussion of how the international system responds to the strategies and how the hegemonic stability is affected.

## 2. Earlier literature and existing theories

Earlier literature has covered a broad area of China's rise as a growing influential state en route to potentially becoming the next global power and the growing tension and rivalry between China and the dominant global power, the US (Alison & Glick-Unterman, 2021; Beeson, 2009; Dobbins, 2012; Laksmana, 2018; Lu, 2023; Maizland, 2023; Schweller, 2018; Webb & Krasner, 1989). Extensive research has also been done on theorizing the concepts of hegemonic power (Glassman, 2009; Golub, 2009; Ikenberry, 2007; Kindleberger, 1967; Milner, 1998; Rosecrance, 1986; Liu & Ming-Te, 2011; Webb & Krasner, 1989), power (Dahl, 1957; Pop, 2017; Tammen et al., 2017), and power strategies (DeLisle, 2020; Nye, 1990; Shambaugh, 2015; Wilson, 2008). American political scientist Joseph Nye will frequently occur throughout this paper as he has contributed significantly to the studies of power and power strategies (1990; 2023).

There has been extensive research on China's growing economy and its impact on the global power balance. Economists and political scientists have studied the economic and political implications of China's rise, including its effect on global trade and international relations (Morrison, 2019; Lee & Maher, 2022; Wang, 2017; Baruah, 2022; Grosse et al., 2021). Grosse et al. in *China's Rise, World Order, and the Implications for International Business* (2021, p. 4) even go as far as stating that "China's rise is, perhaps, the single most important economic and political phenomenon in the twenty-first century." and that "it has implications for global security, for global governance, and for human rights, among other things". With an already substantial role in international trade, its global power is also taking leaps.

**Table 3:** Economic comparisons of China and the USA (in billions of US dollars)

Size/ country	GDP 2019	GDP (in PPP). 2019	Exports 2019	R&D spending 2019	Manu- facturing spending 2018	Stock market cap 2019
USA	21,430	20,500	1645	580	2335	22,900 (NYSE)
China	14,140	27,310	2499	293	4003	5036 (Shanghai)

From: Grosse, R., Jonas, G., & Nelson, R. C. (2021). China's rise, world order, and the implications for international business. *Management International Review*, 61(1), 1-26. p. 5.

Sources: US Department of Commerce, Bureau of Economic Analysis; World Bank <https://data.worldbank.org>; CEIC <https://www.ceicdata.com>; National Association of Manufacturers.

Scholars have also looked at the potential consequences of a shift in the balance of economic power from the Western world to China (Ikenberry, 2008). The main question is whether China will become a significant political, military, and economic power, similar to its status during the Middle Kingdom period. The potential rise of China could serve as an alternative to American global dominance, but whether this alternative is a form of complementary balance or dangerous competition for global hegemony is still being debated (Alison, 2021).

There are various ways to define "global power," including being a member of an international community that uses a balance of power to prevent one state from dominating others or a nation that meets traditional criteria of being a great power and having a strong military and can also perform on a transnational level. The term "global power" is a more contemporary and better fit for 21st-century conditions than "superpower." (Dellios, 2005). China's economic growth and diplomatic efforts are currently reshaping East Asia, and in the coming decades, we can expect to see even greater increases in China's power and influence.



China's unique characteristic that sets it apart from other states and previous global powers is that it's not only rising within a more developed international institutional framework than ever before but actively utilizing these institutions to further its global power status. This means that China is increasingly operating within, rather than outside, the Western order. (Ikenberry, 2008). Some scholars doubt that China will be able to overtake the Western order any time soon, even if it surpasses the United States. To explain how shifts in the power dynamics between states affect the international system, we will employ the power transition theory and the hegemonic stability theory.

There are several ways to describe the term “power.” The power term is a complicated, multidimensional concept, and its implications on society are frequently debatable. For some people to have more power than others is one of the most concrete facts of human existence, which most citizens have thoughts and meanings about (Dahl, 1957). Most people understand that every society is built on power relations, and it is only possible for society to function with it. One definition of power is, “In the most general way, the ability of a political actor to achieve its goals” (Bailys, 2020. p. 547). Scholars from various fields of study have developed several theories of power and the effects of power in various contexts. The American political scientist Robert A Dahl defined *power* as ‘A has power over B to the extent that he can get B to do something that B would not otherwise do’ (Dahl, 1957, pp. 202–3). Also, the German sociologist Max Weber defined *power* as “the ability of an individual or group to achieve their own goals or aims when others are trying to prevent them from realizing them” (Engelstad, 2005). According to American political scientist Joseph Nye, the term depends on the exact situation and how it is distributed, while the distribution also varies between different distributors. He divides power between political-military, economic, and transnational relations. Each he acknowledges as equally important to wield (Nye, 2023, p. 54-55). In international relations, the concepts of hard power, soft power, and smart power are often used to describe a country’s ability to influence the behavior of other countries and shape the international system (Nye, 1990). The three concepts of power need to be understood to understand the impact of power from an international political perspective.

Hard power strategies focus on military intervention, coercive diplomacy, and economic sanctions to enforce national interests (Willson, 2008). An example of hard power is when Donald Trump proposed sanctions on imports from China to lessen Chinese influence on the

domestic manufacturing sector (Haas et al., 2018). In this century, economic sanctions and threats exert hard power by force instead of physical force (Nye, 2009). In contrast, according to Nye, soft power highlights the importance of persuasion, attraction, and emulation, getting people to agree with you rather than forcing them to do what you want them to do through coercive and military power. Nye identified three primary sources of soft power as he developed the idea. Soft power defines a country's influence on others through political values, culture, and foreign policy (McClory, 2019. p.26). By combining these two forms of power, Nye (2009) defines the concept of smart power. The main goal of this concept is to find effective strategies to achieve wanted results based on the context. Both hard and soft power are related because both want to achieve their goals by influencing the other (Wilson, 2008).

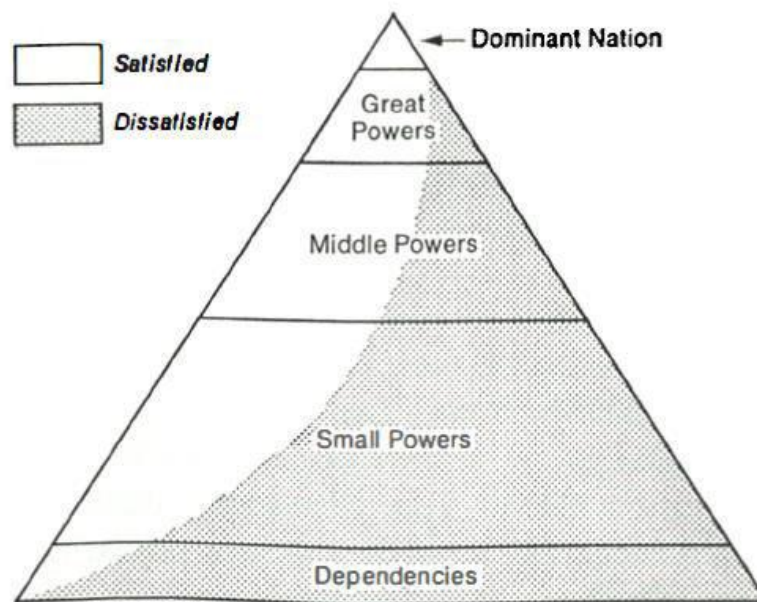
To understand how these power strategies affect international hegemonic stability, we need to understand what hegemony is. Hegemony is “a system regulated by a dominant leader, or political domination of a region, usually by a superpower” (Bailys, 2020, p.539). The term originated from a term used in ancient Greek to describe dominance or leadership, particularly that of a state or country within a confederation (Wilkinson, 2015). However, the writings of the Italian Marxist thinker Antonio Gramsci significantly changed this idea of hegemony, turning it into a phrase used to describe aspects of class relations and define a specific relationship between domination and leadership (Glassman, 2009). “Since the mid-20th century, US leaders have thought of themselves as having a unique historical responsibility to lead and govern the globe” (Golub, 2007). American hegemony dates back to 1945. The United States first appeared as a potential hegemon in the early decades of the 20th century. Still, it was not until 1945 that it became acknowledged as the global hegemon and has maintained that status ever since (Clark, 2009). Today the American military has the highest global expenditure, is comprehensively integrated into international relations with bases in several nations around the world, the American economy is the world's largest, American culture is dispersed transnationally, and English is a common language across the globe (Nye, 2023, p. 54).

A concept in international relations known as “Power Transition Theory” aims to clarify how changes in the balance of power between states affect the global order. According to the theory, the likelihood of conflict and war increases as the relative power of states shifts. Kenneth Organski' developed the term at the end of 1950 in his classic work *World Politics*

(1958). Other scholars in the field of international relations have further developed it. “Power Transition theory is a dynamic and structural model for analyzing fundamental shifts in global power” (Tammen, Kugler & Lemke, 2017, p.1). According to A.F.K. Organski, a hierarchy of power centered around a hegemonic power and its allies achieves the distribution of power at the international level rather than the existence of a power balance (Pop, 2017). Organski (1958) argues that a stable international system requires a hierarchical power structure in which a dominant state provides stability and security for other states. He contends that the dominant power can stabilize the international order by ensuring the safety and stability of the other states that comprise the system (Organski, 1958).

As Figure 1 shows, The Power Transition Theory’s hierarchy of power can be represented graphically as a pyramid-shaped structure, which can be used to explain the theory more efficiently. The hegemonic or dominant power in the international system is at the top of the pyramid. The other great powers, the middle powers, and finally, the smaller states comprise the pyramid below the hegemonic power.

**Figure 1: The Hierarchy of Power**



Source: Organski, A. (1968). *World Politics* (2). New York: Knopf, p. 364.

The hegemonic power heavily influences the international system, which has the most power over the other states' behavior. It typically involves significant military, economic, and diplomatic influence, and the hegemon's actions can significantly affect the global order. The smaller countries are at the bottom of the international system's power and influence hierarchy. They might ally with the more powerful states to obtain security or financial advantages (Organski & Kugler, 1980, p. 19).

The power transition theories' logic and arguments, such as the hegemonic arguments of Gilpin (1981), the liberal arguments of Keohane (1984), the status quo and the power proposals of Nye (1990), as well as others, have had an impact on theoretical proposals related to power transitions (Tammen, Kugler & Lemke, 2017). Various theories surround China's rise and a possible hegemonic transition. Beeson (2009) expresses that a potential hegemonic transition by China will be far from easy, considering that the US' persistent power grip proceeds to affect "international economic, political and cultural practices in ways that are not captured easily by an exclusive focus on foreign policy or strategy" (p. 96). According to Beeson (2009), changes in the economy within states are a source of instability and tension, which further opens the door for blossoming states to attempt to change the international system in a way that favors their own interests. Beeson states that declining powers will oppose descending, which is bound to lead to conflict.

Charles P. Kindleberger (1973) proposed the concept of hegemonic stability theory (HST) in his book "The World in Depression, 1929-1939". The theory contends that "states can only cooperate economically with one another when a hegemonic power holds the ring, economically or militarily" (Rosecrance, 1986, p. 55). A hegemonic power's long-term support and direction are necessary to maintain a liberal international economic order (Ikenberry, 1994). The power must have the economic, political, and military resources to control the configuration of global political and economic norms. (Kindleberger, 1973). The theory states that "whelming dominance of one country was necessary for an open and stable world economy. Such a hegemon sees down on and disciplines other countries so that each co enough to open its markets and avoid beggar-thy-neighbor policies" (Milner, 1998, p.113). Kindleberger based his theory on game theory and "the logic of the collective goods." He concludes that it should only be one stabilizer, where all the small and medium countries would benefit from one hegemonic power (Krasner & Webb, 1989). Other vital actors defining the theory are political scientists like Robert Keohane, Stephen Krasner, and Robert

Gilpin, that introduced the term "Hegemonic Stability Theory" in the second half of the 20th century to describe the workings of the post-World War II global economic order (Milner, 1998, p.122).

However, their explanations for the instability of non-hegemonic systems emphasize the effects of global economic interactions on state power and national security. As Gilpin (1987, p. 76) points out, the hegemon is provided with leadership over other economies by controlling financial capital, particular technologies, and natural resources. With a hegemonic balance of power, the dominant state can advance liberalization without jeopardizing crucial security goals (Webb & Krasner, 1989). According to Keohane's (1980, p. 72) argument, the hegemonic stability theory posits that structures of power in which a single country holds dominance is the most effective in fostering the development of strong international regimes characterized by well-defined rules highly respected. One of the arguments for why the theory is good is that the hegemon can establish and maintain the rules and norms of the international system. While the theory has many strengths, there are also some criticisms. The hegemonic stability theory has been criticized for assuming that the hegemon will always act in the interests of the world community rather than just looking out for itself (Snidal, 1985).

In this paper, we argue that the hegemonic stability theory works in such a way that when the international system faces two powerful states in competition to become the global hegemony, or a powerful state aiming to take over as global hegemony, it affects the international system. As history shows, it creates disorder and conflicts when a powerful state seeks more power or something that initially belongs to another state, such as a land area or a coastal area. An example is the cold war. After the cold war ended, a global order commenced with the US in the lead, crystallizing as a hegemonic superpower. They dominated technology, economy, politics, and culture (Ikenberry, 2001). However, while the cold war unfolded, it was a tense period of time when two competing global hegemonies, the US and the Soviet Union, were a severe threat to international order and peace. It was a dispute caused by diversities between transnational ideologies (Leffler, 2005). Further examples of significant international conflicts with powerful competing states are World War I and II and the Napoleonic Wars (Rothschild, 1995).

### 3. Method

To examine our research question, we will use comparative within-case analysis. The comparative within-case analysis is a research method used to study a particular case or phenomenon in-depth by comparing different aspects of the case over time or across different contexts. This approach involves examining multiple case instances and identifying similarities and differences in key variables or factors to conclude how these factors may be influencing the outcome. A comparative method is a research approach that involves analyzing and comparing multiple cases to identify patterns, similarities, and differences. The objects of study are often compared over time and/or space and can be measured quantitatively and qualitatively (NUPI, 2023). A challenge in comparative research is that what may seem like the same category across countries is defined very differently in the same countries.

In this paper, we will be using different cases to explain the different power strategies and how these cases affect the stability of the international system. We are comparing the power strategies of the US and China to identify common patterns or differences in their use of military and economic tools of power. By analyzing these factors, we hope to conclude the weaknesses and strengths of the two countries' approaches to power strategies and how these affect the stability of the international system. Using the comparative method to compare the cases we are using on the power strategies of the US and China can reveal important details about how these two powerful nations function within the global order and how they will probably interact with each other and the international system in the future.

Stability, as we want to measure in this paper, can be difficult because it is a complex and multi-dimensional concept that can manifest differently depending on the context and perspective. It can involve various dimensions, including political, economic, social, and security factors. Analyzing the interactions of different actors on the international stage, such as states, non-state actors, and international organizations, can be challenging when attempting to measure stability in the international system. Therefore we have included economic indicators and indicators for military spending for both countries. Overall, comparative analysis in multiple case studies is valuable for developing a deeper understanding of complex social phenomena.

For our data and numbers, we have mainly been using data from the World Bank, one of the world's largest sources of funding and knowledge for developing countries (World Bank, 2023). We have been making our graphs using DataBank. This analysis and visualization tool contains collections of time series data on different topics (Databank, 2023). We could therefore say our numbers are trustworthy. We have also been using statistics from Pew Research Center, a "nonpartisan fact tank that informs the public about the issues, attitudes, and trends shaping the world" (Pew Research Center, 2023). For our numbers regarding US attitudes against China, we have used two public opinion surveys by a representative panel of randomly selected adults in the U.S.

### 3.1 Quantitative vs. qualitative studies

Qualitative and quantitative research differ in their approach to causal inference. Qualitative research analyzes specific events and processes within each case using process tracing and counterfactual analysis methods. This requires identifying key observations within the case. (Goertz & Mahoney, 2012). Comparative research or analysis is a broad term that includes both quantitative and qualitative comparisons of social entities (Mills, Bunt, & Bruijn, 2006). There is a tendency to associate case studies with qualitative research, but this is not always true, as there are numerous quantitative case studies. Quantitative research is based on numerical or measurable data. Qualitative studies, on the other hand, rely on personal accounts or documents that detail how people think or respond within society (Hoover, 2021). Our paper will use quantitative data presented in graphs and qualitative data presented in different cases.

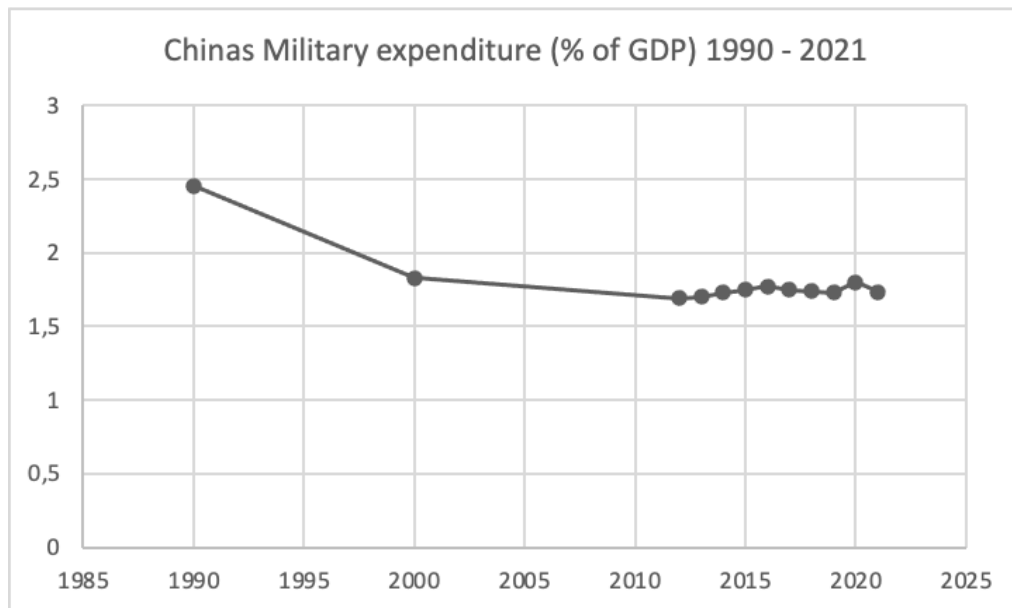
## 4. Empirical analysis

### 4.1 China's strategy with hard power

The fast growth of the economy has made it possible to build hard power in China and increase how other countries should act in a way that China prefers. China can potentially become the most powerful opponent the United States has ever faced. If China's economy goes beyond the US during the next few years, China could thus become a more competent opponent than either the Soviet Union or Nazi Germany at their peak; neither of them ever approached America's economy (Dobbins, 2012). The effectiveness of China's long-growing hard power, including its significantly increased military capability, could be limited,

especially when influencing American positions on issues important to both Beijing and Washington (deLisle, 2020). According to the Ministry of Finance, China is set to increase defense spending in 2023 by 7.2% to 1.56 trillion yuan, equivalent to 230 billion dollars (CNBC, 2023).

**Table 4:** China's military expenditure (% of GDP)



Source: Stockholm International Peace Research Institute (SIPRI)

#### 4.1.1 The Taiwan-China military balance:

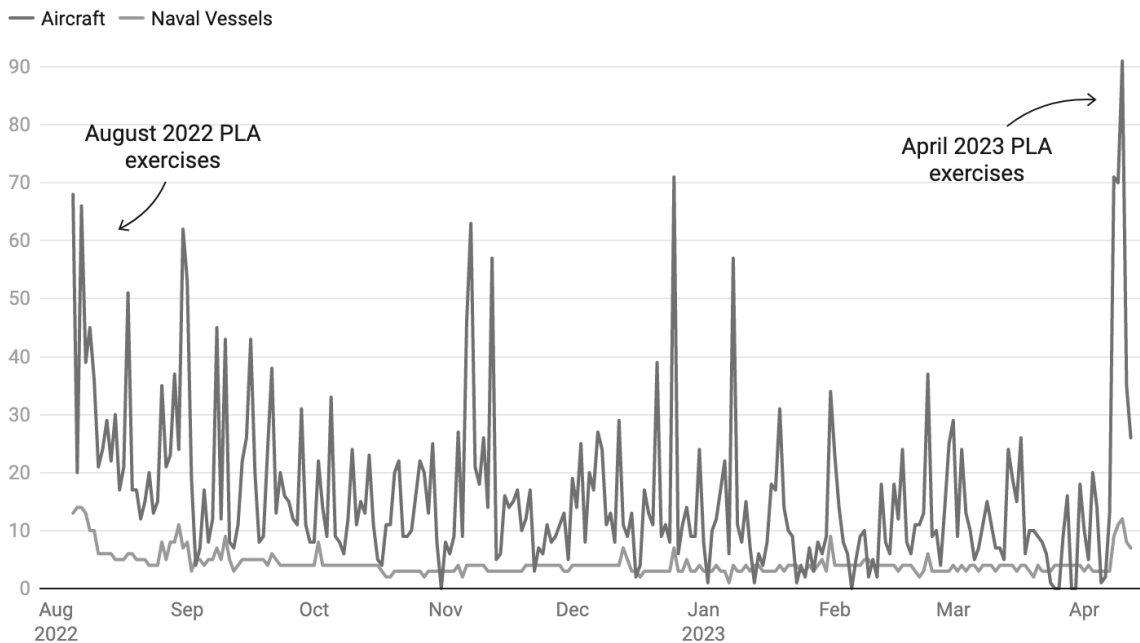
As previously stated, hard power refers to using economic and military tools to achieve national goals. Some scholars fear that the United States and China could go to war over Taiwan because of rising tension between the island and mainland China (Maizland, 2023). According to historical records, the Qing dynasty assumed complete control of the island in the 17th century, lost it to Japan in 1895, and reclaimed it in 1945 following the Second World War (Brown, 2023).

Taiwan is in the "first island chain," comprising several countries essential to US foreign policy and Chinese maritime security. It is an area concerned about a possible strategic encirclement by American forces (Yoshihara, 2012). Taiwan has its own democratically



elected president and government but has been governed separately from mainland China as the People's Republic of China (PRC). Today, 13 countries recognize Taiwan as a sovereign country (Brown, 2023). However, China still views Taiwan as a breakaway province that needs to be reunited with the motherland “using force if necessary” (Maizland, 2023). There are several examples of China's use of hard power over Taiwan. First, China has increased its military presence near Taiwan, conducted military exercises, and flown fighter jets and bombers near Taiwan's airspace (Reuters, 2023). As the graph shows, China’s People’s Liberation Army (PLA) is having military exercises in Taiwan. Multiple ballistic missiles were fired over the main island of Taiwan by the PLA Rocket Force, with some of them landing in the exclusive economic zones of Japan and the Philippines. In addition, Beijing imposed limited economic sanctions on Taiwan and canceled or postponed certain areas of the U.S.-China engagement and cooperation (ChinaPower, 2023). This kind of action and use of hard power could possibly lead to instability in Taiwan and across the region (Davidson, 2023). It could be seen as a way China uses hard power to claim Taiwan as a Chinese province.

**Table 5:** Daily Number of PLA Aircraft and Naval Vessels around Taiwan

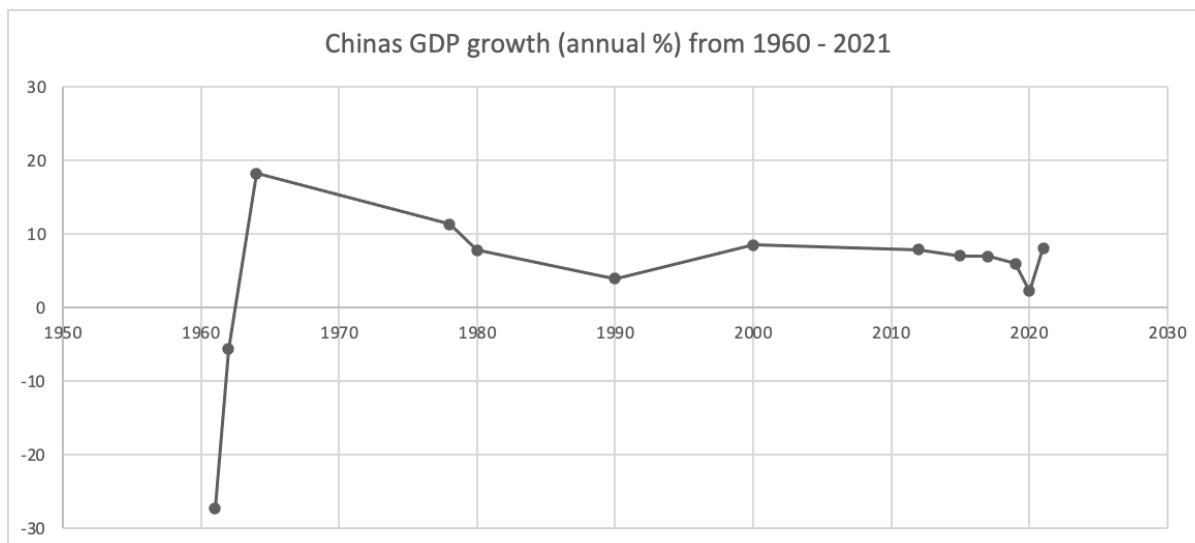


Source: CSIS China Power Project; R.O.C. Ministry of National Defense; Gerald C. Brown and Ben Lewis

By doing this, despite the outrage this causes in Taipei, China has claimed that its actions in the region are justified because it wants to protect its territorial integrity and warn the United States against "colluding" with Taiwan (Reuters, 2023). As a currently democratic de facto state, Taiwan is also crucial for the rest of the world. Taiwanese computer chips power many of the world's everyday electronic devices, including phones, laptops, watches, and game consoles (Brown, 2023). In the case of the Taiwan conflict and China's use of hard power, both China and Taiwan have significant military capabilities, and the potential use of force is a key aspect of the conflict. China can affect international hegemonic stability by increasing the risk of conflict due to territorial disputes with its neighbors of China. This conflict can destabilize the international system and threaten global peace and security.

#### 4.1.2 Currency manipulation and trade barriers:

Another form of hard power is through the economy. Because economic tools and resources, like sanctions, embargoes, and economic incentives, can be used to achieve political and strategic goals, the economy is frequently regarded as a form of hard power. A strong economy can enable a nation to project its global influence and values and influence other nations and international organizations. Since 1978, when China started to open up and reform its economy, the GDP has grown by an average of over 9% annually, and more than 800 million people have been lifted out of poverty. Over the same time period, access to health, education, and other services has also significantly improved (World Bank, 2023). Many regional and international development issues revolve around China through trade and financial issues.

**Table 6:** Annual percentage growth rate of GDP at market prices based on constant local currency from 1960-2021.

Note: Aggregates are based on constant 2015 prices, expressed in U.S. dollars.

Source: World Bank national accounts data and OECD National Accounts data files.

China could be seen as using hard economic power through currency manipulation. Currency manipulation is a term that describes a country's deliberate and systematic intervention in the foreign exchange market to weaken its currency relative to other currencies (AAPC, 2015). Some people claim that China has historically kept its currency, the yuan, undervalued compared to the US dollar through various measures, including buying large amounts of foreign currency, holding them as reserves, and setting the exchange rate through its central bank (Yang & Bajeux-Besnainou, 2011). Most American critics claim that because China's currency is undervalued, American exports to China are more expensive, while Chinese exports to the United States are less expensive (Mercurio & Leung, 2009). For instance, in October 2008, President Obama claimed that China's current trade surplus is "directly related to its manipulation of the value of its currency." (Palmer, 2008). Currency manipulation can make it more difficult for a dominant power to provide these public goods because they increase protection and economic instability. China could, therefore, affect the stability because the dominant power may find it harder to sustain its hegemonic position in the long run.

## 4.2 China's Strategy with soft power

China's hold on soft power has expanded over the past few years. China has strengthened its relationship with other East Asian countries through the Association of Southeast Asian Nations (ASEAN) and other third-world countries politically and economically.

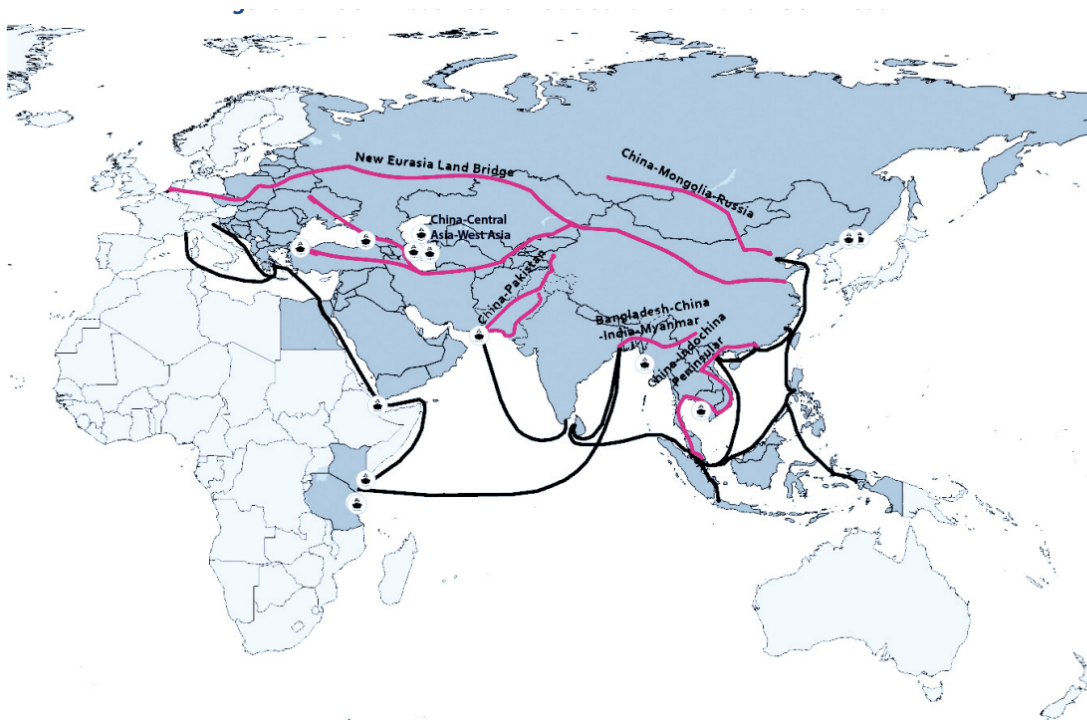
In 2014, Chinese President Xi Jinping said, "We should increase China's soft power, give a good Chinese narrative, and better communicate China's message to the world." (Shambaugh, 2015). For some scholars, this way of the rise of China is defined as a "peaceful rise" and a "harmonious society" (Albert, 2018). This way of looking at the rise of China could be aimed at putting down the perspectives from other countries that the rise of China is a threat to the international system. China has been investing heavily in its soft power in recent years. For instance, during the 2020 election, China disseminated false information in an apparent effort to harm current president Tsai and support the KMT's presidential candidate (Maizland, 2023). These initiatives are part of China's overarching plan to use coercion to undermine Taiwan's political system and spread discord in Taiwanese society. By spreading false information and propaganda, China attempts to shape public opinion in Taiwan and influence the election outcome in favor of candidates more aligned with Beijing's interests.

Another example of China's soft power strategies is its economic aid for developing countries. Emerging as a significant economic contributor and lender, much like the US did after the Second World War, China is now competing with Europe and the US in Asia, Europe, Africa, and Latin America, on both establishing trade agreements with developing countries and subventions of economic aid. While the EU and the US might inflict conditions or obligations on their agreements considering "matters such as improvements in human rights, democracy and the rule of law" (Maher, 2016, p. 973), China exploits this while offering loans without any implications. Consequently, many nations that previously have accorded with Europe or the US for support now turn to China. In 2016, China was the biggest contributor to developing countries, with China Development Bank having a more comprehensive offer for loans, than the World Bank. However, the financial strategies for developing countries are bilateral and not without profits for China. As China provides construction of "roads, airports, hospitals, schools and other vital infrastructure in these countries" (Maher, 2016, p. 972-973), they receive access to their natural resources in return.

#### 4.2.1 The Belt and Road Initiative:

An example of China’s strategy with soft power is The Belt and Road Initiative, also called BRI. China has presented the Belt and Road Initiative (BRI) as an inclusive program that invites participation from all nations. According to official Chinese data, as of March 2019, collaboration agreements had been signed with 125 countries. The BRI's transportation infrastructure is anticipated to enhance global trade. However, due to weak domestic institutions and poor economic fundamentals in many participating economies, BRI projects carry inherent risks common to large-scale infrastructure projects. (World Bank, 2019). As shown in Figure 2 (World Bank, 2019), it consists of two main components backed by substantial infrastructure investments: the Silk Road Economic Belt and the New Maritime Silk Road.

**Figure 2:** The Silk Road Economic Belt And New Maritime Silk Road



Source: World Bank. 2019. Belt and Road Economics: Opportunities and Risks of Transport Corridors.

Notably, economies colored in blue along the BRI transport corridors are not necessarily those that have signed collaboration agreements with China (World Bank, 2019, p.3). China launched the Belt and Road Initiative (BRI) in 2013, a global infrastructure and development initiative. The initiative is based on the idea that countries can experience significant trade and economic activity gains by enhancing connectivity and lowering supply chain obstacles. The initiative aims to build a network of infrastructure projects, including roads, railways, ports, airports, and pipelines, to improve connectivity and economic cooperation among more than 70 countries in Asia, Europe, Africa, and the Middle East. The initiative was initially referred to as One Belt and One Road. However, the project came together and now consists of the terrestrial Silk Road Economic Belt and the sea-based 21st Century Maritime Silk Road (McBride, Berman & Chatzky, 2023).

“Belt” refers to the overland rail and road routes connecting China to Central and South Asia and Europe. The term “road” refers to the maritime trade routes connecting China with South East Asia, the Gulf Nations, North African, and European nations (Lehmacher, 2019). The Belt and Road initiative has helped to increase China’s influence and attractiveness to other nations, particularly in the developing world.

As introduced earlier, soft power defines a country’s influence on others through economic, political, moral, or cultural influence. An issue with this kind of initiative is the risk of countries putting up projects that fit them best politically and where the country could gain more power. First, one of the Belt and Road Initiative challenges is the debt. During the BRI, China gave high-interest loans totaling more than \$1 trillion to nearly 150 developing and least-developed nations (Wei, 2022). Zambia counts China as its largest bilateral creditor. Zambia had a debt totaling about \$17 billion, making the relationship between the two countries tense (Lu, 2023).

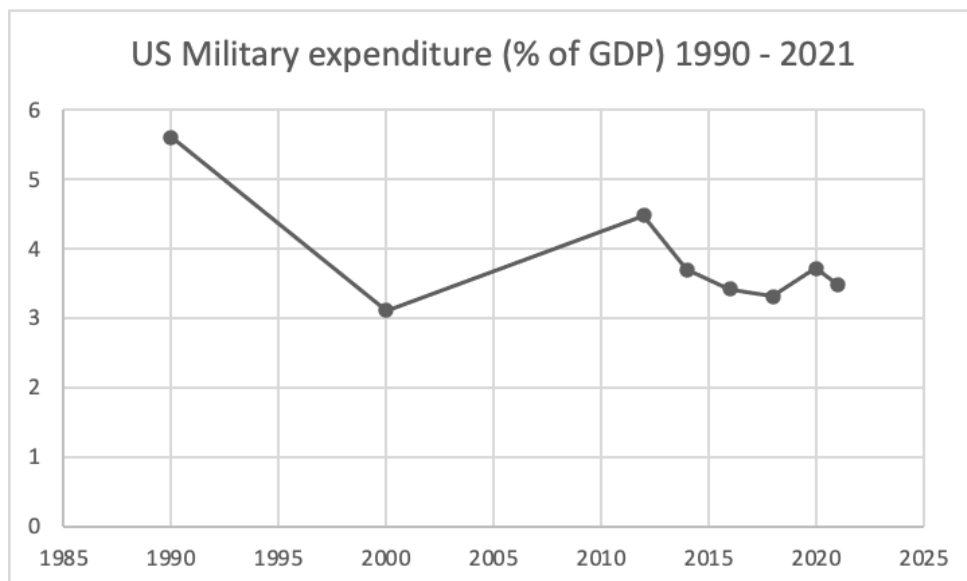
China's increasing soft power affects the hegemonic stability and the power transition theory. This kind of soft power affects the hegemonic stability theory because China’s growing influence and attractiveness to other nations could challenge the current hegemon, the United States, dominance in the international system. The rise of soft power also implicates the power transition theory. As mentioned previously, the theory suggests that periods of instability and international conflicts are more likely during the power transition. This instability could be more likely as China is increasing its soft power and could help the

transition of power from the United States to China by making China more attractive and acceptable to other countries.

### 4.3 US strategy with hard power

The US dollar has remained the dominant currency within international trade since the end of World War II. It is the primary reserve currency in global economics, and the US can cause economic sanctions with deleterious effects on others (Siripurapu, 2020). In addition, the US military ranks highest on the global expenditure for military, spending 800,67 billion dollars in 2021, which positions the US with significant advantages considering the implementation of hard power (SIRPI, 2021). Scholars such as Joseph Nye (2023, p.55) think the US' advanced military power will protect its seat on top of the hegemony for a long time. Further on, we will review some examples of the US' use of hard power.

**Table 7:** United States expenditure (%of GDP)



Source: Stockholm International Peace Research Institute (SIPRI)

### 4.3.1 The invasion of Iraq

In 2003, US forces invaded Iraq on a mission to devastate Iraq's weapons of mass destruction and ultimately terminate Saddam Hussein's dictatorial govern (CFR, 2023). According to the Bureau of Near Eastern Affairs at the US Department of State (2022), the invasion of Iraq was made to "support a stable, prosperous, democratic, and unified Iraq." The invasion sprung out as a war, lasting until 2011 (CFR, 2023). The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction (2005), did, however, prove the invasion to be based on invalid assertions:

We conclude that the Intelligence Community was dead wrong in almost all of its pre-war judgments about Iraq's weapons of mass destruction. This was a major intelligence failure. Its principal causes were the Intelligence Community's inability to collect good information about Iraq's WMD programs, serious errors in analyzing what information it could gather, and a failure to make clear just how much of its analysis was based on assumptions rather than good evidence. On a matter of this importance, we simply cannot afford failures of this magnitude (Silberman & Robb, 2005).

After closer examination, Iraq was not in the disposition of weapons of mass destruction after all. Therefore an enraged revolt emerged in Iraq, and the US lost public support for their invasion. Saddam Hussein was eventually captured, convicted, and hanged. Subsequently, democratic elections were arranged. The war did not result in a stable and secure democratic Iraq but rather an Iraq with the potential for a stable democracy (CFR, 2023). In 2014, ISIS invaded Iraq, and a war was initiated between Iraq and ISIS. The US took the initiative to support and assist Iraq with airstrikes against ISIS. In 2017, Iraq managed to extricate itself from ISIS (Center for Preventive Action, 2023).

### 4.3.2 The Invasion of Afghanistan

The recently terminated US war in Afghanistan is another example of the US' use of hard power. On September 18th of 2001, President George Bush authorized the use of force against all those accountable for the Al-Qaeda terrorist attacks in the US on September 11th of 2001. In a joint resolution, it stated that "the President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned,



authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons” (The U.S. Government, 2001). The joint resolution was made to prevent Al-Qaeda from executing any future terrorist attacks in the US. Later, the joint resolution was referred to as a legal justification by the government in order for them to order drastic maneuvers to oppose terrorism. The maneuvers involved, amongst other things, invading Afghanistan.

In 2011, US troops in Pakistan killed Osama Bin Laden, the Al-Qaeda leader and accountable for the 11th of September terror attacks in the US. As he was the US’ principal target, and it marked the ten-year anniversary of the war, the US government began discussing whether or not to proceed with the war. After years of peace negotiations between the US and the Taliban, countless counter strikes and attacks, President Biden decided to withdraw all US troops from Afghanistan by September 11th of 2021. The withdrawal was problematic and far from organized. President Biden was however resolute on withdrawing the troops, despite the peace negotiations with the Afghan government and the Taliban being deficient and incomplete. Hence, Biden announced that the future US involvement in Afghanistan would emphasize diplomacy (CFR, 2023). With an impaired military to defend Afghanistan against the Taliban, the Taliban invaded the capital, prevailed on the Afghan security forces, and ascended to power, again. Joseph Nye (2023, p.50) states that some “hard-line skeptics” consider soft power to have been inefficient in the US war in Afghanistan and that “Osama Bin Laden and his followers are repelled, not attracted by American culture, values, and policies. Military power was essential in defeating the Taliban government in Afghanistan, and soft power will never convert fanatics”. As a consequence of the US foreign policy concerning hard power strategies, such as the Iraq war and the US war in Afghanistan, some scholars believe the US is facing a decline in foreign civil support, and that anti-Americanism has escalated in recent years (Nye, 2023, p. 47-48). As the popularity and public support is significant to a global hegemon, this can cause negative implications for the US.

#### 4.3.4 US economic sanctions towards Russia

Due to Russia’s invasion of Ukraine on the 23rd of February 2022, the US responded by allying with Ukraine and commenced economic sanctions, among other things, against Russia and its collaborators. The US declared Russia's invasion as unprovoked, unjustified, and unlawful (Belkin et al., 2023; Montgomery, 2022). Deputy Assistant Secretary of State

for the Bureau of European and Eurasian Affairs, Molly Montgomery, stated in the Washington Foreign Press Center on July 13th, 2022, that the US intended to proceed with its sanctions against Russia. Mainly to express their dissatisfaction regarding the invasion and to deliver the message that such actions will affect the actors. She further stated that they were collaborating with “the EU and its member states, G7 countries, and partners in the Indo-Pacific” to achieve “political independence, sovereignty, and territorial integrity of Ukraine” and that their support was resolute.

In the Congressional Research Service, Belkin et al. (2023), summarizes the sanctions the US commenced against Russia. Starting with restricting the Russian central bank from employing dollars, which ultimately makes Russian banks unattainable for transactions in US dollars and with US citizens, and preventing additional US investment in Russia. Expanded export controls have also been initiated, implicating Russia's access to beneficial and attractive US-developed technologies, interdicting several Russian goods, and forbidding Russia from applying airspace and harbors belonging to the US. Economic sanctions have been inducted on nearly 2000 Russian citizens and organizations. At last, “several thousand Russian officials, military personnel, government-connected businesspeople, and others” have been banished and denied entrance to the US (Belkin et al., 2023). Montgomery (2022) announces that the sanctions and export control the US has imposed on Russia are more extensive than ever implemented earlier, resulting in a somewhat successful outcome, with over 700 private-sector companies departing their investments in Russia. Many within the energy sector which is essential to Russia. “These sanctions will continue to add to the extensive economic measures that are imposing significant costs on Russia for its unprovoked war against Ukraine” (Montgomery, 2022).

#### 4.4 US strategy with soft power

Melvyn P. Leffler explains in *Cold War and Global Hegemony, 1945–1991* (2005, p. 65) that the US leaders acquired the role of global hegemony after World War II and became leaders within the international economy. He continues by explicating that scholars have sought an explanation as to why this occurred by scrutinizing how “the world economy and the distribution of power in the international system” works and analyzing “transnational ideological conflict, the disruption of colonial empires, and the rise of revolutionary nationalism in Asia and Africa.” Further on, Leffler states that the US acquired the role by

more than their advanced military, “the success of the U.S. also depended on the appeal of its ideology, the vitality of its institutions, and the attractiveness of its culture of mass consumption? What many scholars nowadays call "soft power" (p.66).

While hard power is pertinent in all international issues, hard power cannot solve all matters exclusively. Many international issues, such as pandemics, epidemics, climate change, international and cyber terrorism, and crimes, require international cooperation. Soft power is necessary and crucial when solving matters regarding transnational relations (Nye, 2023, p. 55). Notwithstanding that the US has the power to execute on its own, “controlling terrorism, curbing the proliferation of weapons of mass destruction (WMD), rebuilding failed states, or maintaining economic stability” is solely done with the assistance of foreign states and international organizations (Larson & Shevchenko, 2010). With another look at the US war in Afghanistan, soft power is necessary to achieve the original reasons for the initiation of the war; to end terrorism. As the US considers the war in Afghanistan as their war against terrorism, it is important to emphasize that terrorism has no borders. To defeat al Qaeda, which is a transnational network with members in different nations worldwide, international cooperation must be initiated (Nye, 2023, p. 50).

An example of the US’ use of soft power is its economic soft power strategy after World War II. To triumph in the transnational ideological conflict with the Soviet Union, the capitalists versus the communists, and to enhance the international trade system to their favor, the US had to make the international capitalist system work efficiently. They, therefore, had to supply dollars for foreign states in order for the foreign states to eventually be capable of reducing exchange restrictions. In 1947 the US delivered a new proposition, the Marshall Plan, which involved the US regenerating Europe. The initial aim was to fund pro-capitalist states in Europe so that they could proceed to develop their “economies, employ workers, ensure political stability, undercut the appeal of communist parties, and avoid being sucked into an economic orbit dominated by the Soviet Union” (Leffler, 2005, p. 67). “Popularity can contribute to stability,” says Joseph Nye (2023, p. 53). He means that when a hegemon is attractive to cooperate with and proceeds to be portrayed as trustworthy to others, the hegemon can cultivate steady international coalitions. Therefore, the hegemon has a greater potential to remain in the position. Therefore, the use of soft power is essential for the US to maintain a global hegemon.

Covering all the scopes of soft power – economic, political, moral, and cultural influence – there are many examples of the US conducting soft power. Looking at the Iraq War again, the US continued its involvement in Iraq after the war ended in 2011, but from then on, rather with a political soft power approach. The Bureau of Near Eastern Affairs in the U.S. Department of State, announced in 2022 that “since 2014, the United States has contributed billions of dollars in humanitarian, demining, and stabilization aid to conflict-affected and displaced Iraqis, including support for communities recovering from genocide.” This implies bilateral assistance to Iraq, which emphasizes democracy, economic reform, governance, human rights, and aid for vulnerable people. The US supports Iraq in their attempt to become “a stable, prosperous, democratic, and unified Iraq” (Bureau of Near Eastern Affairs, 2022). In accordance with the bilateral assistance, the US government seeks to gain a stable “strategic, political, and economic importance of the U.S.-Iraq partnership in a changing Middle East region” (Bureau of Near Eastern Affairs, 2022), which ultimately will benefit the US if they accomplish to build an Iraq which is market oriented and a stable trade partner. Thus far, several US corporations within sectors, such as energy, technology, and transportation, are operating in Iraq.

Furthermore, Iraq is exporting large quantities of crude oil to the US. During the war between ISIS and Iraq, the US utilized both soft and hard power. Simultaneously with the US airstrikes targeting ISIS in Iraq, the US developed an international coalition against ISIS (Center for Preventive Action, 2023). Posterior to the victory against ISIS in Iraq, the US increased its endeavors to stabilize Iraq until they in 2021, diminished their engagement and thus instead proceeded with an advisory role to Iraq.

Nevertheless, the US preserve its “engagement with Iraq on diplomatic, political, economic, and security issues in accordance with the U.S.-Iraq Strategic Framework Agreement (SFA)” (Bureau of Near Eastern Affairs, 2022).

While the US has implemented economic sanctions against Russia after they invaded Ukraine, they have implemented bilateral aid to Ukraine. They aim to assist Ukraine with “security, humanitarian, economic and governance,” and “strengthen societal resilience and civilian security forces, and hold Russia accountable for its actions” (Belkin et al., 2023). In this case, the US is implementing both hard and soft power strategies simultaneously, defined as smart power by Nye (2009).

Moving forward to cultural influence, the US has a comprehensive cultural influence around the globe. Over the past two decades, American music and films have gained more popularity in Britain, France, and Germany, despite a period when American policies were unpopular in Europe. However, the attractiveness of American policies has decreased even more than it was during that period, and there are indications that this unpopularity may be negatively impacting the appeal of some aspects of American popular culture. A study conducted by Roper in 2003 revealed that consumers in 30 countries expressed their disapproval of America by decreasing their likelihood of purchasing Nike products or eating at McDonald's, marking the first time since 1998. Meanwhile, nine of the top 12 Asian and European firms, including Sony, BMW, and Panasonic, experienced an increase in their ratings (Nye, 2023, p. 48).

## 5. Discussion

### 5.1 The US and China's relationship and its impacts on the international system

As China encounters an expeditious economic growth and a rise in the international system, the US aspires to Chinese assistance to control weapons of mass destruction, terrorism, preserve stable energy supplies, and adapt an economical, political and democratic stabilization in Eurasia. Cooperation with China is essential for the US to stabilize security relations in the Indo-Pacific region (Larson & Shevchenko, 2010). Instead, China challenges US security and has become a mark on US security policy. The US seeks to increase their relationship with Indo-Pacific actors, such as Australia and Japan, which can reinforce them in a potential conflict with China (Haroche & Quencez, 2022). If China were to position military facilities in the Pacific, this would ultimately restrain the US influence in the region (Baruah, 2022).

The United States has been a vocal critic of China's use of hard power in Taiwan and has taken several actions in response to this issue. First, the US and Taiwan have deep and growing commercial, financial, and trade ties that advance US interests and help create economic opportunities in the United States (US Department of State, 2023). The United States established formal diplomatic relations with the PRC-China in 1979. Through its policy of strategic ambiguity, the US has for decades attempted to keep the stability between supporting Taiwan and preventing a war with China while also threatening to protect Taiwan

in the event of a war with China (Maizland, 2023). Second, in August 2019, the US Treasury Department formally designated China as a currency manipulator, citing its persistent intervention in foreign exchange markets to artificially devalue its currency, the yuan. This move was largely symbolic but signaled the Trump administration's willingness to take a tougher stance on China's trade practices (U.S. Department of the Treasury, 2019).

On the other side, in 2018, the US and China imposed import tariffs on each other, leading to the US-China trade war. The US imposed tariffs on steel and aluminum, prompt to respond with tariffs on US imports, including aluminum, meat, fruit, and wine. Other countries that exported steel and aluminum to the US also retaliated with import tariff hikes (Itakura, 2020). Robert Grosse et al. (2021) explicates that China's transition to becoming an economic and political power makes them a contender to the US global power. Stressing that China's increasingly more powerful role in the international system might cause an intensified trade conflict between the two powers and “disruption of supply chains, threatening new and ongoing foreign direct investment, and drawing other countries into the jostling for power.” (Grosse et al., 2021, p. 1). An intensified trade war would be especially problematic for transnational corporations, as it implicates substantial consequences for them. Not only does the US-China trade war impact transnational corporations, it also affects countless other countries, in addition to the US and China themselves. The US and China have bilateral benefits from their trading arrangement. While China “offers low-cost manufacturing capabilities that complement US design of manufactured goods and a market for selling them” (Grosse et. al, 2021, p. 6), the US offers fabricated goods to China, in addition to goods that are first assembled in China, thereafter further developed in the US. Not to mention that the US opens their immense market to China, for them to sell their goods and services. Grosse et al. (2021) refers to Kindleberger for his international relations theory of hegemonic stability, as they argue that a bipolar hegemonic system will cause instability in the international economic system:

The hegemon is understood to provide public goods that, in turn, encourage and facilitate economic openness among weaker countries. These public goods include an import market for producers around the world, lending facilities for countries in crisis, and international security, which reduces transaction costs for traders and investors (Grosse et al., 2021, p. 7).

One of Kindleberger's arguments was that public goods dispensation would be intricate in a multipolar hegemonic system, in which two or more states are in disposition of equivalent negotiation strengths. A global economic downfall will accordingly occur in accordance with the hegemonic stability theory. However, Grosse et al. (2021, p. 7) argue that it is highly feasible for both the US and China to provide public goods and act as a “dual hegemon”. Moreover, they argue that in order to furtherance their own interests, both powers will “provide public goods that facilitate free trade, such as support for the multilateral trade regime, lending to countries in crisis, and providing large import markets.” (p.7). On that account, Grosse et al. do not decline that order as such would be with its difficulties. They explicate that it would require a homogeneous interpretation of the global order by the two hegemonies. Thus, accept the international regime (Grosse et al., 2021).

## 5.2 The international system's Response to the Chinese power strategies

The international system's stability is essential for maintaining peace and averting crises. Global stability is a responsibility shared by China and the U.S., and both countries' power strategies significantly impact this objective. In contrast to the U.S., which has long maintained a military presence worldwide to prevent crises, China's Belt and Road Initiative seeks to advance economic stability and connectedness worldwide. However, the two superpowers are now at odds because of their divergent strategies for creating peace and attempts to obtain more power, which could eventually lead to a debilitated international stability. According to the power transition theory, the likelihood of conflict rises when a growing power challenges the established power. The U.S. has responded to China's rise as a global power by pursuing a more assertive foreign policy that seeks to curb China's rise.

China's rise to becoming a global power and the country's power strategies have prompted various reactions from the international system. First of all, China's growing economy and its use of military power have challenged other major powers, such as the United States, as the global hegemon. This could lead to an increased fear of a new great-power rivalry between China and the U.S. in the international system. As a global organization, the United Nations (UN) responds to China's power strategies in various ways. First, the UN was founded in 1945 to maintain international peace and security (UN, n.d). The UN offers member nations a platform for diplomatic communication and negotiations, which can aid in managing tensions and disputes brought on by China's power strategies. Other nations are concerned about

China's military development and territorial claims in the South China Sea, which could result in tensions and a possible conflict (Yoshimatsu, 2017). This may jeopardize the global order's stability and jeopardize the UN's mission to advance peace and security. Taiwan is not a member of the United Nations or its sub-organizations but wants to participate in these decision-making organizations. China also opposes Taiwan's membership in UN agencies, arguing that only sovereign states can join. The United States and Taipei advocate for Taiwan's meaningful participation in these organizations, and Taipei frequently protests its exclusion from them (Maizland, 2023).

On the other side, China's Belt and Road Initiative is connected to the Sustainable Development Goals (SDG) of the United Nations. The BRI's focus on infrastructure development and economic growth could support the UN's Sustainable Development Goals (SDGs), which aim to eradicate poverty, protect the planet, and promote prosperity. By supporting the SDGs, the BRI could contribute to greater stability in participating countries and reduce the potential for conflict and instability (UN, 2019). The BRI also aims to create new trade routes and connect participating countries to international trade networks, potentially leading to increased economic growth and job creation worldwide. Despite many positive factors about the BRI, the impact on stability is complex and multifaceted and would most likely vary depending on the circumstances and the countries involved.

Other organizations affected by China and the United States' hard power strategies are the World Trade Organization (WTO) and the International Monetary Fund, which are responsible for international trade rules and financial stability. First, China can maintain a trade advantage by artificially keeping its currency undervalued, which causes its exports to be less expensive on foreign markets. Article IV of the International Monetary Fund (IMF) Articles of Agreement says that IMF member countries shall “avoid manipulating exchange rates or the international monetary system in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other members.” (IMF, 2016. p.6). On the one hand, China's WTO membership has opened up its market to international trade, allowing other WTO members to access China's large and growing consumer base. On the other hand, other WTO members have expressed concern about China's state-led economic model, which includes subsidies and other forms of support for domestic industries. In 2022, the US Trade Representative reported in a report to Congress on China's WTO Compliance that: «China has not moved to embrace the market-oriented principles on



which the WTO and its rules are based, despite the representations that it made when it joined 20 years ago. China has instead retained and expanded its state-led, non-market approach to the economy and trade. It is clear that in pursuing that approach, China's policies and practices challenge the premise of the WTO's rules and cause serious harm to workers and businesses around the world, particularly in industries targeted by China's industrial plans» (Stewart, 2022).

In recent years, NATO has acknowledged China as a potential challenge and threat, which has initiated a discussion on how to approach the new challenge and prevent future disorder. "This is not about moving NATO into the Pacific, but this is about responding to the fact that China is coming closer to us," stated NATO Secretary-General Jens Stoltenberg. Haroche and Quencez (2022) elucidate that many security issues that NATO faces today are transnational and without borders. Explicitly cyber attacks are an extensive concern, which China is designated for inflicting on NATO allies. Furthermore, China is operating military activities closer to Europe than previously and has formerly collaborated with the Russian navy in exercises. Regarding NATO's relationship with China, some experts envision that the Alliance is impuissant to handle the challenges, as they have inadequate means to contribute with if a potential US military engagement in China would occur (Haroche & Quencez, 2022). Following the NATO seventh military staff talks with China, the Director General of the NATO International Military Staff (IMS), Lieutenant General Janusz Adamczak, conveyed that China challenges NATO on several aspects:

Our new Strategic Concept makes clear that China's stated ambitions and coercive policies challenge our interests, security and values, but that we remain open to constructive engagement, including to build reciprocal transparency, with a view to safeguarding the Alliance's security interests (NATO, 23rd of February, 2023).

Due to the Chinese actions throughout recent years, NATO feels compelled to take action on their own. NATO Deputy Secretary General Mircea Geoană announced in April 2023 that NATO would improve its relations with Indo-Pacific partners to prioritize security challenges and maintain peace. In his statement, Geoană gave a reminder of the defensive Alliance's values, including "freedom, democracy, and the rule of law", which he emphasized are under a progressive uneasiness. He declared, "Russia's war of aggression against Ukraine grinds on. Authoritarian regimes in Moscow, Beijing, and elsewhere are openly challenging the

rules-based international order” (NATO, 21st of April, 2023). Not being an opponent to NATO, China is challenging the international order as China further develops its alliance with Russia. “Instead, it seeks to maintain the appearance of a carefully balanced neutrality while also amplifying Russia’s false narratives and disinformation.”, stated Geoană (NATO, 21st of April, 2023).

For many years, the European Union (EU), has been interested and intent on establishing an alliance with China. Scholars and EU officials have anticipated a strategic partnership in order to accomplish a coherent communication regarding solutions for contemporary global challenges, ultimately with bilateral benefits (Maher, 2016). According to the European Union (The Diplomatic Service of the European Union, 2022), their relationship with China has aggravated in recent years. This is due to several reasons, including “China’s counter-measures to EU sanctions on human rights, economic coercion and trade measures against the single market, and China’s positioning on the war in Ukraine”. Although, the EU has pursued their cooperation and benevolence as China holds power in global and regional issues. The Diplomatic Service of the European Union stated in 2022 that the EU would pursue interaction with China “as a partner for cooperation and negotiation, an economic competitor and a systemic rival”.

While the US has greatly interfered in international politics and issues, such as the invasion of Iraq and the US war in Afghanistan, since they first ascended to the position as a global hegemony, China has not yet interfered directly in any recent international conflicts. This may be due to China's lack of authority compared to the US. If China were to initiate a war or invade a foreign nation, they would undoubtedly encounter resistance from international organizations and the US. While the US, on the other hand, historically has been supported by organizations such as the UN and NATO in their use of hard power. China is, however, under an escalating development, becoming more potent within trade, technology, economy, and politics. “Accompanying China’s economic rise has been an escalating assertiveness geopolitically” (Grosse et al., 2021, p. 2). There is no doubt that China is becoming an increasingly more significant competition to the US hegemony. Many scholars believe China will initiate increased hard power actions forthcoming (Grosse et al., 2021).

## 6. Conclusion:

In this paper, we have discussed how the Chinese and American power strategies have affected international hegemonic stability and their consequences for the international system. The hegemonic stability theory's prevention of confrontations between rival nations is one of its primary goals. China and the U.S. have taken action to avoid wars but have different strategies. While the U.S. has historically depended on military strength and alliances to prevent crises, China has strongly emphasized economic development and regional cooperation. However, the rivalry and strained relationship between these two nations has increased the likelihood of violence, especially in regions where their interests overlap, like the South China Sea. According to the power transition theory, conflict and instability may result if the balance of power between two or more countries shifts. Concerns about a possible power shift from the U.S. to China have arisen due to China's emergence as a global power, notably in economic terms. As a result, the U.S. has pursued a more assertive foreign policy to curb China's ascent, which has increased hostilities and rivalry between the two superpowers. If this competition is not handled correctly, it could result in unrest and conflict.

As stated in the discussion part, the international system's stability is essential for maintaining peace and averting crises. China and the United States are two of the most powerful countries in the world, and their hard and soft power strategies can significantly impact the stability of the international system. As our findings suggest, their military capabilities can serve as a deterrent to potential aggressors, preventing conflicts from escalating. However, if their military capabilities are used to assert dominance over other countries or regions, this could lead to instability and conflict. Economically, the two countries have a significant impact on the global economy, and their actions have the ability to affect the economic stability of other countries. For instance, trade wars or economic sanctions imposed by either country could lead to economic instability and uncertainty for other nations. Their ability to attract and influence others through cultural and ideological means can contribute to the stability of the international system. For example, their support for human rights and democratic values can inspire other countries to adopt similar practices, contributing to greater stability and cooperation. However, if the two countries use their soft power to manipulate or coerce other nations into adopting their values or policies, this could lead to tension and conflict.

To summarize, China and the United States possess both hard and soft power capabilities that have the potential to either enhance or undermine the stability of the international system. In order to foster a stable and collaborative global environment, both nations need to utilize their power while respecting other nations' sovereignty and prioritizing cooperation and stability over dominance and conflict. Striking a balance between pursuing national interests through power and promoting global peace and cooperation is crucial for a stable and prosperous international system.

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