

**New Cold War between Major Powers:  
Implications for Global Peace and Stability**



**Muhammad Taimur Fahad Khan  
&  
Khawaja Dawood Tariq**



**Institute of Strategic Studies Islamabad**

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# **New Cold War between Major Powers: Implications for Global Peace and Stability**

**Muhammad Taimur Fahad Khan <sup>\*</sup>**  
&  
**Khawaja Dawood Tariq <sup>\*\*</sup>**

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<sup>\*</sup> The author is Research Associate/Media Officer at the Institute of Strategic Studies Islamabad.

<sup>\*\*</sup> The author is an M. Phil Scholar at the Department of Defence and Strategic Studies, National Defence University, Islamabad.

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## **Abstract**

This paper argues that the world is heading towards another era of ‘great power politics’, where United States, Russia and China will compete for hegemony and influence. The era of unipolarity is over and policymakers in Washington have realised that current global order is changing, which has compelled American policymakers to make tough choices sometimes compromising its core interests. The argument proceeds as follows. First, arguing that the United States is an empire in decline; its broad coalition is under threat, while complex societal changes are underway. Second, there also exists issue of multiple intelligence failures which severely hampered projection of American power. Third, the waning US power also faces threat from resurgent Russia and silently progressing China, as both have expanded their economies and achieved exponential military modernisation. The core objective of this paper is to highlight the emerging Cold War between US, Russia and China and assess how the power transition might unfold implicating global peace and stability.

**Keywords:** United States, Russia, China, Power Politics, Cold War, Power Transition.

## **Introduction**

In the inherent tragic nature of international politics, twenty-first century commenced in a similar fashion as the twentieth century; with one superpower (United States of America - US) exerting vast influence around the globe. With its strong military, robust economy, vast political/diplomatic outreach and international socio/cultural appeal, US has been dominating the international stage after the Second World War. In first quarter of the last century, United Kingdom (UK) was the superpower, controlling a vast empire and exercising profound influence across the globe. The British Empire encountered serious challenges from revisionist powers in Central Europe, primarily imperial Germany; initiating a chain of actions and reactions culminating in the start of World War I (WWI). Rest of the twentieth century, was marred by what scholars of international relations call ‘great power politics’; United States

(US), United Kingdom, Nazi Germany, Soviet Union (USSR), imperial Japan fought each other for influence and hegemony. The world is currently going through somewhat similar phenomena. Policy-makers in Washington have conceded that the 'inter-state strategic competition' generally referred to as great power politics is now once again a reality of international politics.<sup>1</sup> In Washington it is understood that there exist three main challenges to US hegemony; revisionist powers – China and Russia, couple of rogue states – North Korea and Iran, and threat from transnational organisations primarily Jihadist groups.<sup>2</sup>

The twenty-first century began with the United States enjoying a unique uni-polarity. The end of Cold War marked an era of American Exceptionalism; as Francis Fukuyama famously termed in "The End of History".<sup>3</sup> Dissolution of the Soviet Union, for some represented a new world order; based on ideals of liberty, capitalism and democracy. However, this world order was to be short lived. Samuel P. Huntington predicted a new phenomenon which will drive international politics, the "Clash of Civilizations".<sup>4</sup> His thesis played out in form of 'global war on terror', forcing United States to fight against 'Islamist Extremism' around the globe. This war on terror was initially fought in an era of American Exceptionalism<sup>5</sup>; where United States, had ultimate flexibility in its manoeuvrability.

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<sup>1</sup> "Summary of the 2018 National Defence Strategy of the United States of America", *Department of Defence*, accessed on November 04, 2018. <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

<sup>2</sup> "National Security Strategy of the United States of America", The White House, USA, December 2017. <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

<sup>3</sup> Francis Fukuyama, "The End of History?", *The National Interest*, Summer 1989. [https://www.embl.de/aboutus/science\\_society/discussion/discussion\\_2006/ref1-22june06.pdf](https://www.embl.de/aboutus/science_society/discussion/discussion_2006/ref1-22june06.pdf)

<sup>4</sup> Samuel P. Huntington, "The Clash of Civilizations?", *Foreign Affairs*, Summer 1993. <http://home.sogang.ac.kr/sites/jaechun/courses/Lists/b6/Attachments/9/clash%20of%20civilization.pdf>

<sup>5</sup> Sirvent and Haiphong, "American Exceptionalism & American Innocence", Skyhorse Publications, published April 2019.

Unipolar world order although has perks, but it is not without perils; most important being complacency.<sup>6</sup>

In post-Cold War era, United States was an exceptional power by any measure and standard. Its military and economic might was unparalleled. More importantly, United States held a decisive technological edge over its allies and adversaries; and it still continues to do so, albeit less than before. Apart from all the technical and tactical advantages, the social acceptance of the American culture throughout the world made it a hegemon in true sense. Somewhere, in this era of American Exceptionalism, policy-makers in Washington deviated from the realist paradigm which has guided American foreign policy since its inception. For most of post-war period, United States competed with an equal strategic adversary (USSR); this was not the case after the 'fall of Berlin Wall' (November 1991). After the disintegration of the Soviet Union, it was fighting against an ideologically motivated force without any state, such as militant organisations/non-state actors around the world, namely Al-Qaeda (AQ); this forced United States to change its strategic posture.

In this period, countries like Russia and China, which were at strategic disadvantage vis-a-vis United States, continued to modernise and advance their respective militaries and economies. China became the second largest economy in the world after United States while Russia became part of Group of Eight (G8), a select group of elite global economies. The question arises; did the policy makers in Washington missed these developments, or did they let it happen deliberately, considering it would not affect American interests and hegemony? Or was it just the case of over-confidence or guilt of gross miscalculation? However, one may choose to answer these questions, the fact remains that American action or perhaps inaction allowed Russia and China to emerge as great powers; which if nothing else, severely restricts strategic freedom that the United States had enjoyed in the absence of a strategically equal adversary.

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<sup>6</sup> Michael Williams, "Hobbes and International Relations: A Reconsideration", *The MIT Press*, Volume 50, No. 2 (Spring 1996), pp. 213-236, accessed on March 2019.



Current trends in international politics suggest the return of great power politics, similar to the situation in first half of the twentieth century. American hegemony is being challenged by multiple states and actors. In Europe, a strategically resurgent Russia is seriously challenging American interests, creating a divide among Atlantic coalition; while trying to reclaim its lost glory by attacking its former Soviet republics who tried to get out of Russian sphere of influence in the post-cold war era. In Middle East, United States is encountered by Russia and regional powers like Iran and Turkey. After the failure of American intelligence apparatus in the aftermath of 'Arab Spring', Russia has consolidated its position in considerable portion of the power vacuum left by American retreat in the region.

China is the biggest success story of twenty-first century; lifting millions of people from poverty, while simultaneously creating a powerful security apparatus. No doubt the United States played a role in Chinese awakening; it empowered the People's Republic of China (PRC) with a permanent seat on United Nations Security Council (UNSC) in 1971 although to counter Soviet threat of communist expansion.<sup>7</sup> Chinese economy improved and expanded exponentially due to trade with large American business organisations and its huge indigenous market size. A large number of Chinese students continue to study in American educational institutes and universities; trying to reduce the technological gap that exists between the US and China.

In Indo-Pacific region, China is flexing considerable strategic muscles, aimed at reshaping regional order in Asia. Furthermore, over the last several years China has also commenced its commercial forays into Latin America and has become the largest creditor of the continent. In Africa, China has made huge investments worth billions of dollars, and since 2009, became the largest trading partner of Africa. A McKinsey and Company report on Sino-African trade relations estimated that approximately 10,000

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7 "United Nations General Assembly Resolution 2758 (XXVI)", *General Assembly Resolutions 26th Session*, accessed November 2018.  
<https://documents-dds-ny.un.org/doc/RESOLUTION/GEN/NR0/327/74/IMG/NR032774.pdf?OpenElement>

Chinese firms are operating in different states across Africa now.<sup>8</sup> Although there are suspicions regarding Chinese investments in Africa, but the reality is that China has made an entry into the continent and managed to get the attention of the leaders in the continent in a substantial manner. China has taken stringent measures such as militarising South China Sea, and initiating a massive transnational infrastructure project termed as Belt and Road Initiative (BRI). The purpose of this project is twofold; to change the rules of the game, and to create a trade route which is controlled by China instead of American naval power.

### **United States ‘An Empire in Decline’**

Theories regarding what initiated decline of British Empire and when this process started are contentious. However, historians agree that it was in 1945, after the end of Second World War, which is marked as the passing of the global leadership from Great Britain to United States. The primary reason for this transfer of power was; Britain ravaged from destruction and immense cost of World War II could no longer bear the expenses associated with its global commitments.<sup>9</sup> United States was the predominant economic power in capitalist western bloc, who remained rather safe from utter destruction that was the fate of major European countries. It was the only western power which had the financial capacity to develop and shape a new world order based on broad coalition of states that shared mutual interests. British foreign policy developments in post-world war era stems as much from geo-political considerations as from domestic realities. Similarly, decline of American empire has domestic roots, which will shape American considerations and

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<sup>8</sup> “*Dance of the Lions and Dragons*”, McKinsey & Company, published June 2017, accessed on November 2018.  
<https://www.mckinsey.com/~media/McKinsey/Featured%20Insights/Middle%20East%20and%20Africa/The%20closest%20look%20yet%20at%20Chinese%20economic%20engagement%20in%20Africa/Dance-of-the-lions-and-dragons.ashx>

<sup>9</sup> Paul Kennedy, *The Rise and Fall of Great Powers*, (London: Unwin Hyman, 1988). [https://www.cia.gov/library/abbottabad-compound/04/04A70DD54F5CB55BED6BE3B351E242EE\\_The\\_Rise\\_and\\_Fall\\_of\\_Great\\_Power\\_Paul\\_Kennedy.pdf](https://www.cia.gov/library/abbottabad-compound/04/04A70DD54F5CB55BED6BE3B351E242EE_The_Rise_and_Fall_of_Great_Power_Paul_Kennedy.pdf)

foreign policy.<sup>10</sup> The development of American-led coalition became a key facet in establishing American hegemony; and now domestic realities are forcing United States to change course.

## Change in Social Discourse

Over the course of last 40 years, the defining focus of American presidential elections have been about foreign policy, national security, balancing budget, reducing fiscal deficit, and size of federal government; 2016 elections brought role of race, culture, and socio-economic identity at the forefront in electoral politics. While the urban centres are multicultural in nature, have a diversified economic base, and are liberal in attitude; rural America is still comparatively homogeneous in culture, have been on the losing end of economic progress, and is still very religious and conservative in attitude.

*The Economist*, months before 2016 elections, proclaimed the dividing of America, based on increasing polarisation of American society along ethnic, racial, and socio-economic lines.<sup>11</sup> Trump's victory represented a sharp rebuke to Washington elites, by the masses living in American Rust Belt\*. America, just eight years ago, elected its first black president was not ready for rapid socio-political and cultural shift. The once conservative society was becoming overly liberal at a pace which frightened traditionalist groups.

Rapid immigration in last couple of decades from southern America and Asia has changed the outlook of American society.

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<sup>10</sup> "Global Trends 2025: A Transformed World", *National Intelligence Council*, Office of the Director of National Intelligence - United States, accessed on November, 2018.

[https://www.files.ethz.ch/isn/94769/2008\\_11\\_global\\_trends\\_2025.pdf](https://www.files.ethz.ch/isn/94769/2008_11_global_trends_2025.pdf)

\* The term "Rust Belt" refers to an economic region in the northeast United States, roughly covering the states of Michigan, Wisconsin, Indiana, Illinois, Ohio, and Pennsylvania, a region known as the manufacturing heartland of the nation.

<sup>11</sup> "The dividing of America", *The Economist*, published July 16, 2016, accessed November 30, 2018. <https://www.economist.com/leaders/2016/07/16/the-dividing-of-america>

What used to be a nation comprised of European origin Caucasians is now becoming increasingly multicultural. It is now reported that there exists a parity between the birth-rate among white and non-white children.<sup>12</sup> This is a delicate time for society, where a certain segment of society accepts the new reality while the other segment tries to maintain the status quo.

These cultural and demographic trends have immense impact on economic and political developments. Urban America has a diversified economic base which shape its globalist outlook; on the other hand economic base of rural America, historically has been manufacturing industry, which has been slowly bleeding in wake of globalisation of American economy. Those who lost their livelihood generally blame liberal globalist policies which they understand benefit other countries at the expense of Americans. This has created deep resentment in Rust Belt, and that is also the reason why Trump's slogan of 'Make America Great Again' and his pledge to put 'America First' resonated with so many of disenfranchised populous in the US.

## **Future of American-led Coalition**

International politics could be considered a game of coalition building. Whoever builds a stronger and broader coalition of partners can exert more influence. There were two broad coalitions in the aftermath of World War II; a loose collection of western capitalist states led by United States, and rigidly controlled supra-national communist regime led by Soviet Union.

United States considers its network of alliances and partnerships around the globe necessary for maintaining national security, as well as global security.<sup>13</sup> Maintaining these networks and improving them has been part and parcel of American foreign policy since

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<sup>12</sup> Kendra Yoshinaga, "Babies of Colour are now the Majority, Census Says", *NPR*, July 01, 2016. <https://www.npr.org/sections/ed/2016/07/01/484325664/babies-of-color-are-now-the-majority-census-says>

<sup>13</sup> "Summary of the 2018 National Defense Strategy of the United States of America", US Department of Defense, accessed on October 2018. <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

World War II. Presidential elections of 2016 marked a rapid divergence from this long standing principle. Candidate Trump took a very isolationist stance, demeaning and disparaging American allies; calling them a burden on taxpayers,<sup>14</sup> with a promise that under his administration American interests would come first. President Trump followed through on some of the promises he made as a candidate, which could possibly have catastrophic effects for future of American coalition.

President Trump in the very first week after his inauguration signed an executive order withdrawing from Trans-Pacific Partnership Agreement (TPP).<sup>15</sup> TPP was a proposed 12-nation trade agreement with severe geopolitical ramifications. Michael Green called TPP, 21st century's most ambitious trade deal which had the potential to enforce 21st century trade rules in Asia-Pacific.<sup>16</sup> But President Trump appeasing his electoral base believed this agreement will further hurt American Rust Belt and its manufacturing industry. However, TPP was not just an economic instrument, this agreement served as a check to growing Chinese influence in Asian-Pacific region; where China was starting to exert considerable strategic muscle.<sup>17</sup> Pentagon surely considered TPP as a strategic instrument, as the then Secretary of Defence, Dr. Ash

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<sup>14</sup> "Donald Trump seems to see Allies as a Burden", *The Economist*, Published February 04, 2017. <https://www.economist.com/united-states/2017/02/04/donald-trump-seems-to-see-allies-as-a-burden>

<sup>15</sup> "Withdrawal of the United States from the Trans-Pacific Partnership Negotiations and Agreement", Executive Office of the President of the United States, *US Federal Register, Document Citation # 82 FR 8497*, Published January 25, 2017. <https://www.federalregister.gov/documents/2017/01/25/2017-01845/withdrawal-of-the-united-states-from-the-trans--pacific-partnership-negotiations-and-agreement>

<sup>16</sup> Michael J. Green and Matthew P. Goodman, "After TPP: the Geopolitics of Asia and the Pacific", *The Washington Quarterly*, Volume # 38, Issue # 4, Year 2015. <https://www.tandfonline.com/doi/full/10.1080/0163660X.2015.1125827#aHR0cHM6Ly93d3cudGFuZGZvbmxpbmUuY29tL2RvaS9wZGYvMTAuMTA4MC8wMTYzNjYwWC4yMDE1LjExMjU4Mjc/bmVIZEFjY2Vzcz10cnVlQEBAMA==>

<sup>17</sup> Jane Perlez, "U.S. Allies See Trans-Pacific Partnership As A Check On China", *The New York Times*, Published October 06, 2015, Accessed November 30, 2018. <https://www.nytimes.com/2015/10/07/world/asia/trans-pacific-partnership-china-australia.html>

Carter, proclaimed TPP as important as another aircraft carrier would be to the Department of Defence (DOD).<sup>18</sup>

Similar is the case with President Trump's rhetoric regarding North Atlantic Treaty Organisation (NATO) and NATO allies. As President-elect, Trump called NATO an obsolete organisation,<sup>19</sup> before reversing his position in couple of months.<sup>20</sup> He highlighted two major problems with NATO; first, it was not effective in counter-terrorism, and second, allies were not paying their fair share. While attending NATO summit in July 2018, President Trump warned that NATO allies will face grave consequences, he even threatened to withdraw from NATO if allies did not increase their defence spending.<sup>21</sup>

This approach to coalition support only benefits America's adversaries in expanding their sphere of influence. Trump administration's decision to abrogate TPP created a power vacuum in Asia-Pacific, which will be filled by another great power; China is the only state with economic and military means to occupy the space. Similarly, in Europe, constant threats to NATO only strengthens Russian resolve. It is no secret that Russia considers NATO not just a national security threat, but the core rationale behind its strategic manoeuvring in Europe. Russian leaders have repeatedly declared NATO actions as destabilising the delicate

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<sup>18</sup> "Remarks on the Next Phase of the U.S. Rebalance to the Asia-Pacific", Secretary of Defense Ash Carter Speech, McCain Institute, Arizona State University, Speech View, U.S. Department of Defense, Published April 6, 2015. <https://dod.defense.gov/News/Speeches/Speech-View/Article/606660/remarks-on-the-next-phase-of-the-us-rebalance-to-the-asia-pacific-mccain-institut/>

<sup>19</sup> Michael Gove and Kai Diekmann, "Full transcript of interview with Donald Trump", *The Times*, Published January 16, 2017. <https://www.thetimes.co.uk/article/full-transcript-of-interview-with-donald-trump-5d39sr09d>

<sup>20</sup> Jenna Johnson, "Trump on NATO; 'I said it was obsolete. It's no longer Obsolete,'" *Washington Post*, Published April 12, 2017. [https://www.washingtonpost.com/news/post-politics/wp/2017/04/12/trump-on-nato-i-said-it-was-obsolete-its-no-longer-obsolete/?utm\\_term=.4fb382bb57d5](https://www.washingtonpost.com/news/post-politics/wp/2017/04/12/trump-on-nato-i-said-it-was-obsolete-its-no-longer-obsolete/?utm_term=.4fb382bb57d5)

<sup>21</sup> David M. Herszenhorn and Lili Bayer, "Trump's Whiplash NATO Summit," *Politico*, Published July 12, 2018, Updated July 13, 2018. <https://www.politico.eu/article/trump-threatens-to-pull-out-of-nato/>

equilibrium.<sup>22</sup> Any development that weakens NATO would be welcomed by the Russian government and leadership. Trump administration needs to be very careful about how it proceeds with its allies, not forgetting that this broad coalition shares mutual interests in the linchpin of American hegemony. Today, the US faces a myriad of conventional and unconventional threats, from state and non-state actors in multiple theatres across the globe. Information warfare, proxy operations, subversion tactics, and cyber-attacks against critical defence, government and economic infrastructures have been identified by US National Defence Strategy of 2018 as primary threat to its national security.<sup>23</sup>

## **Resurgence of the Russian Federation**

In the aftermath of World War II, the era of bipolarity commenced, resulting in the emergence of two great powers; Soviet Union, and United States. Both powers were ideological competitors (before the start of the war), but became reluctant allies against their common enemy during the war. Hostilities between these powers resumed after the war; the period known as Cold War, which spanned for about 45 years.<sup>24</sup> During this time, both powers made attempts to gain influence on other's expense, just short of direct military confrontation. Cold War ended with disintegration of Soviet Union, initiated by economic meltdown and military defeat in Afghanistan. This started a dark period in Russian history; last decade of 20th century witnessed internal strife, economic decay, corruption, unemployment, and international humiliations culminating in loss of great power status. This all was felt to be changed with the ascendance of Vladimir Putin to Russian presidency.

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<sup>22</sup> Andrew Osborne, "Russian PM warns NATO admission of Georgia could trigger 'terrible conflict'", *Reuters*, August 6, 2018.  
<https://www.reuters.com/article/us-russia-nato-georgia/russian-pm-warns-nato-admission-of-georgia-could-trigger-terrible-conflict-idUSKBN1KR1UQ>

<sup>23</sup> "Summary of the 2018 National Defense Strategy of the United States of America", US Department of Defense, accessed on October 2018.  
<https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

<sup>24</sup> "The Cold War Erupts", *U.S. History*, accessed on November 2018.  
<http://www.ushistory.org/us/52a.asp>

## Agenda Setters

Great powers in international politics are considered 'agenda setters', meaning they seek an active role in governance of international politics. Russia, after disintegration of Soviet Union, lost its great power status and had to exist in a US-shaped world order. Russia even lost influence in its traditional sphere of influence of East Europe; it was castigated for First Chechen War by western politicians. NATO was bombing Russian neighbour Serbia, during 1999 Kosovo war, with Russian government unable to do anything in its own backyard. NATO's bombing of Yugoslavia inadvertently played a huge part in future Russian strategic consideration; turning the tide from pro-western Russian rhetoric to more traditionalist stance.<sup>25</sup>

Loss of great power status was humiliating for Russian pride; considering the fact, up until a decade ago, they enjoyed a massive say in international affairs. Moscow has made it clear that they are adamant to once again be relevant in international politics, and won't exist in a unipolar world order which brush asides Russian concerns, and interests.<sup>26</sup>

## Economic Recovery

Economic situation in immediate post-Soviet era was bleak. It started to change with the turn of the new millennium. Period from 1999-2008 witnessed average Gross Domestic Product (GDP) growth at 6.9% per year,<sup>27</sup> while population living below poverty

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<sup>25</sup> "Putin on Russia-US Relations Deteriorating: It all started with NATO Bombing Serbia/Yugoslavia", Russia Insight, YouTube, Published on October 19, 2016. [https://www.youtube.com/watch?v=C\\_TXZXtKU\\_k](https://www.youtube.com/watch?v=C_TXZXtKU_k)

<sup>26</sup> Tassos E. Fakiolas and Efstathios T. Fakiolas, "Domestic Sources of Russia's Resurgence as a Global Great Power", *Journal of International and Area Studies*, Volume # 16, Issue # 2, December 2009, pp. 91-106. <https://www.jstor.org/stable/43107193>

<sup>27</sup> William H. Cooper, "Russia's Economic Performance and Policies and Their Implications for the United States", Congressional Research Service, *Federation of American Scientists*, Published June 29, 2009. <https://fas.org/sgp/crs/row/RL34512.pdf>



line dropped to 13% from 29% in 2000.<sup>28</sup> Most of this economic recovery can be attributed to high oil prices, which brought major chunk of revenue for Russia. Moreover, Russia also controls supply of natural gas which continental Europe needs for survival. Although, economic growth has halted in the aftermath of 2008 global financial crisis, and subsequent sanctions because of Russian actions in Ukraine; that decade of economic growth allowed Moscow to initiate a massive military modernization project necessary for its return as a great power. Moscow understands that in order to become a truly great power and a leader in a world that is increasingly drifting towards multi-polarity, it must possess a military force capable of deterring aggression, conducting operations in a range of conflicts from local and regional wars to strategic conflicts.<sup>29</sup>

## **Russia's Military Modernisation**

Russia has ambitiously undertaken major modernisation programme of its armed forces. This exercise serves Russia's purpose to restore its hard power capabilities, which are necessary for future geopolitical endeavours, and for restoration of its great power status. This modernisation process encompasses all parts of Russian security apparatus; conventional, strategic, cyber, and non-traditional, with focus on strengthening command and control system.

Following a dismal performance of Russian military in Russo-Georgian war of 2008, Russia in 2010, initiated a P20 trillion (Ruble), 'state armament program' (SAP-2020); with aim of modernising 70% of Russian military equipment by 2020.<sup>30</sup> It was

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<sup>28</sup> "Country Report: Russia - August 2007", Economist Intelligence Unit, The Economist Intelligence Report, *The Economist*, pp.5.

<sup>29</sup> "Russia Military Power", Military Power Publications, Defense Intelligence Agency, United States Department of Defense, Published 2017.  
<http://www.dia.mil/Portals/27/Documents/News/Military%20Power%20Publications/Russia%20Military%20Power%20Report%202017.pdf?ver=2017-06-28-144235-937>

<sup>30</sup> Dmitry Gorenburg, "Russia's State Armaments Program 2020: Is the Third Time the Charm for Military Modernization?", PONARS Eurasia Policy

further supplemented by announcement of SAP-2027, at the estimated cost of ₹19 trillion. It will include overhauling of Russian Air Force (RAF) with procurement of new 4th-Plus generation Su-35, MiG-35, Su-34 and 5th generation Su-57 warplanes of Russian Navy (RN) with development of 'Yasen-M class nuclear attack submarines' and modernisation of Soviet-era Oscar and Akula class nuclear attack submarines, along with modernisation of Russian ground forces with T-90 and T-14 Armata tanks, as well as organisational changes.<sup>31</sup>

More importantly, Russia is working on substantially modernising its command and control system; incorporating traditional, non-traditional, and cyber forces under unified structure of command and control. This allows Kremlin to undertake a more dynamic force posture while gaining more flexibility in its conduct and operations. In recent conflicts with Ukraine, Russia used non-traditional forces known as 'Little Green Man' as compared to conventional Russian Army (RA) with resounding success. The Crimean invasion was preceded and succeeded by non-kinetic campaign of information warfare against Ukraine and West as fascists and Nazis.

## **Middle East Gambit**

Washington's inability to anticipate 'Arab Spring' is considered a colossal intelligence failure. Similarly, its policy of 'do-nothing' left a massive power vacuum in this region. This allowed Russia to gain a strong strategic foothold in a once American-dominated region. Syrian civil war exemplifies eroding American influence in Middle East. It started as an indigenous movement against Assad regime, turned into an international conflict with regional and global powers competing to achieve their diverging interests. Obama administration was not particularly invested in Syrian civil war, but

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Memo No. 125, pp. 2. [http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/pepm\\_125.pdf](http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/pepm_125.pdf)

<sup>31</sup> Dmitry Gorenburg, "Russia's Military Modernization Plans: 2018-2027", Russian Military Reform, Published November 27, 2017. <https://russiamil.wordpress.com/2017/11/27/russias-military-modernization-plans-2018-2027/>

it did draw a 'red line' on the use of chemical weapons.<sup>32</sup> A year later, that red line was crossed,<sup>33</sup> but American military response never materialised; CIA did however support opposition rebel groups by training fighters and providing them with ammunition.

Russia has enjoyed strategic alliance with Syria for decades, arming and training Syrian military;<sup>34</sup> Russia also maintains a naval base in Tartus, port city of Syria. Russia has been providing Syria with arms since the start of civil war, but it wasn't until September of 2015, that Russia militarily intervened.<sup>35</sup> This was the first time since the end of Cold War that Russian forces had initiated a military action outside borders of former Soviet Union. Russia has since then used advanced weaponry in Syrian conflict; these include long-range, precision-guided sea and air-based missiles.

Russian military intervention in Syria came at the time when Assad regime was facing serious setbacks, partially as a result of indirect American support for rebel groups. Russian involvement changed the dynamics of the civil war; Syrian army with Russian air support responded ferociously, taking back the control of civil war and unleashing massive humanitarian catastrophe. American inaction especially after Assad regime crossed the supposed red line by using chemical weapons, that sent a signal that United States was not invested in solving another Middle Eastern affair. This allowed Russia to get even more involved and do as it wanted with impunity; seriously challenging American hegemony in Middle East, where just a decade ago, United States had unilaterally obliterated Iraq. This development presents a picture of a declining empire, which

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<sup>32</sup> CNN Wire Staff, "Obama Warns Syria not to Cross 'red line'", *CNN*, Updated August 21, 2012.

<https://edition.cnn.com/2012/08/20/world/meast/syria-unrest/>

<sup>33</sup> Dominic Evans and Khaled Yacoub Oweis, "Syria gas 'kills hundreds,' Security Council meets", *Reuters*, Published on August 21, 2013. <https://www.reuters.com/article/us-syria-crisis/syria-gas-kills-hundreds-security-council-meets-idUSBRE97K0EL20130821>

<sup>34</sup> Richard L. Russell, "*Weapons Proliferation and War in the Greater Middle East: Strategic Contest*", Series: Contemporary Security Studies, Routledge, Published on May 01, 2006, pp. 224.

<sup>35</sup> "Russia carries out first Air Strike in Syria", *Al-Jazeera*, Published on September 30, 2015. <https://www.aljazeera.com/news/2015/09/russian-carries-air-strikes-syria-150930133155190.html>

could not exert the same level of influence as it used to; thus representing an end to American unipolarity.

## **Chinese Awakening**

In 2010, China became the second largest economy of the world after United States. The architect of this great transformation was Deng Xiaoping, the paramount leader of China, who initiated market-oriented economic reforms; creating special economic zones, accepting capitalism as a mean to an end, and lifting millions of Chinese out of poverty. It was Deng who also coined a famous foreign policy slogan, “hide one’s capabilities and bide one’s time”. The idea was to keep low-profile approach to international affairs, while maintaining political, economic stability and strengthening security apparatus.<sup>36</sup> This approach to foreign policy formulation seems to be changing under the leadership of Xi Jinping. In last two decades, China has moved from a mere spectator in international affairs to an active agenda setter.<sup>37</sup> US National Defence Strategy recognises China as a revisionist power, and explicitly identifies it as an adversary.<sup>38</sup>

## **China's Strategic Economy**

IMF estimates that China could overtake United States to become world’s largest economy by 2030.<sup>39</sup> China’s journey from world factory to world investor is a fascinating and outrageous feat. China produces 25% of global manufacturing output, as compared to meagre 3% it produced in 1990.<sup>40</sup> However, in the last decade,

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<sup>36</sup> Nien-chung Chang-Liao, "China’s New Foreign Policy under Xi Jinping", Taylor and Francis, *Journal of Asian Security*, Volume # 12, Issue # 2, 2016, pp. 83.

<sup>37</sup> Ibid.

<sup>38</sup> "Summary of the 2018 National Defense Strategy of the United States of America", US Department of Defense, accessed on October 2018.

<sup>39</sup> "China's Economic Outlook in Six Charts", IMF Country Focus, *International Monetary Fund*, Published on July 26, 2018.  
<https://www.imf.org/en/News/Articles/2018/07/25/na072618-chinas-economic-outlook-in-six-charts>

<sup>40</sup> "Made in China", *The Economist*, Published on March 12, 2015.  
<https://www.economist.com/leaders/2015/03/12/made-in-china>

China has emerged as an alternate source of investment to developing nations; funding massive infrastructure projects from South-East Asia to Eastern Europe and from Africa to South America.

‘Belt and Road Initiative’ (BRI), proposed in 2013, is China’s grand strategy for the twenty-first century. BRI is comprised of two components; Silk Road Economic Belt (SREB) and Maritime Silk Road Initiative (MSRI). On the surface, BRI is termed as series of connectivity projects including railroads, highways, ports, oil and gas pipelines, power grids, telecommunication networks, and special economic zones aimed at creating logistical and infrastructural capacity for partner states to shape their interests to align with China; but the sheer financial scope of BRI is bound to have serious ramifications for global geopolitical and geo-economic order.

To finance BRI, China has empowered multiple financial institutions including establishing \$50 billion Asian Infrastructure Investment Bank (AIIB), \$40 billion Silk Road Fund (SRF). In 2015, to further support BRI projects, The Sycamore Tree Investment Platform, investment arm of State Administration of Foreign Exchange (SAFE) which administers China’s foreign currency reserves, injected \$90 billion in Exim Bank of China (EBC) and China Development Bank (CDB).<sup>41</sup>

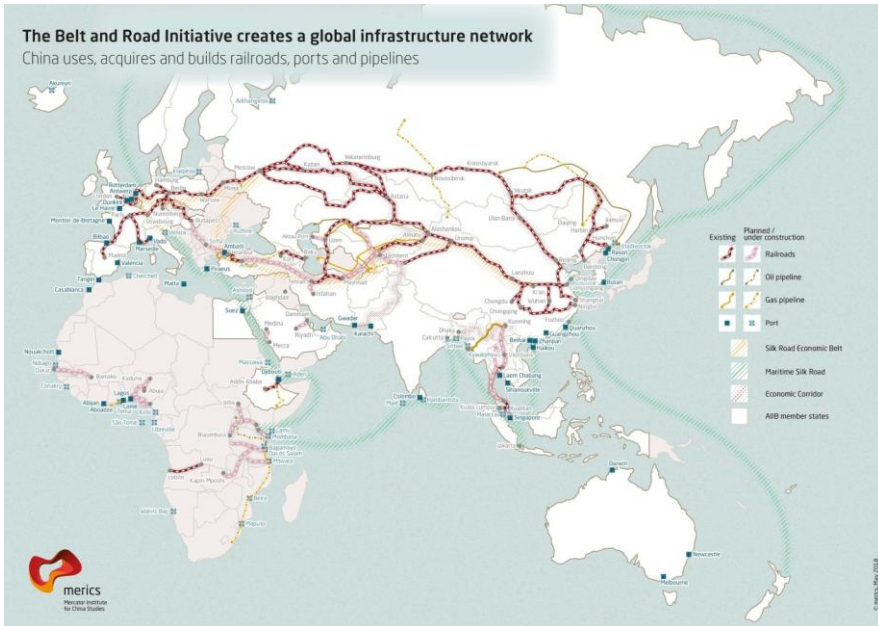
Belt and Road Initiative is geostrategic in nature. Apart from building new trade routes and finding new markets for its surplus products, BRI will ensure Chinese strategic presence in most important geostrategic locations. It is evident from Figure 1 that China intends to create two distinct trade route; one, a Eurasian land bridge, and second, a maritime challenge to American naval power through control of major choke points. Chinese actions in South China sea, its acquisition of Indian Ocean ports in Sri Lanka, and Gwadar port on the edge of Strait of Hormuz is part of above mentioned strategy. China is also building Egypt’s new capital which will ensure its presence in the country which controls Suez

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<sup>41</sup> Chen Jia, "Policy banks get \$90b cash infusion", *China Daily*, Updated on August 19, 2015. [http://www.chinadaily.com.cn/business/2015-08/19/content\\_21643373.htm](http://www.chinadaily.com.cn/business/2015-08/19/content_21643373.htm)

Canal, a major choke point of international trade.<sup>42</sup> Creating a twenty-first century Chinese-led coalition is another strategic component of BRI.

**Figure 1**



**Source:** Mercator Institute for China Studies.<sup>43</sup>

To put it in perspective, major objectives of Belt and Road Initiative are; finding new markets and building trade routes, securitising Western China, reducing reliance on maritime trade routes controlled by United States, and building Chinese-led coalition through series of global investments. To achieve these objectives, China has to securitise its investments, assets and citizens, which will require political and military presence in these

<sup>42</sup> "Egypt, China join hands to build up Egypt's new Capital", *Xinhua News Agency*, Published on August 09, 2018.

[http://www.xinhuanet.com/english/2018-07/09/c\\_137312214.htm](http://www.xinhuanet.com/english/2018-07/09/c_137312214.htm)

<sup>43</sup> Thomas S. Eder, "Mapping the Belt and Road initiative: this is where we stand", BRI Tracker, *Mercator Institute for China Studies*, Published on June 07, 2018. <https://www.merics.org/en/bri-tracker/mapping-the-belt-and-road-initiative>

regions. This is what is called “reluctant hegemony”, which will increase the chance of confrontation with United States.<sup>44</sup>

## **China's Military Modernisation**

China desires the status of global power, and to achieve this objective, it is imperative to have modern military force which can deter adversaries from aggression, and conduct regional and strategic operations. China’s military modernisation programme has two primary components; first, defending China’s territorial integrity including disputed land and maritime areas, second, securing its global trade and investments network.

Chinese military is undergoing massive restructuring. Military reforms initiated by President Xi which strives to create a unified command and control structure which has the capacity and capability to fight and win “informatised local wars”. The focus of Chinese military reforms is to achieve capabilities that will render US technological, logistical and operational advantage obsolete.<sup>45</sup>

“China seeks enhanced joint operations command and control and a real-time surveillance, reconnaissance, and warning system to bolster its war fighting capability. In addition to strike, air and missile defence, anti-surface and anti-submarine capabilities improvements, China is focusing on information, cyber, and space and counter-space operations”.<sup>46</sup>

It is but natural that Chinese economic power, progress and strength will automatically translate into the improvement, modernisation and strengthening of its military power which is being manifested practically as well. After US China’s defence

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<sup>44</sup> Jean-Marc F. Blanchard and Colin Flint, “The Geopolitics of China's Maritime Silk Road Initiative”, Francis and Taylor, *Journal of Geopolitics*, Volume # 22, Issue # 2, pp. 223-245.

<sup>45</sup> "Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2018", Office of the Secretary of Defense, United States Department of Defense.  
<https://media.defense.gov/2018/Aug/16/2001955282/-1/-1/2018-CHINA-MILITARY-POWER-REPORT.PDF>

<sup>46</sup> Ibid.

spending is the second largest in the world.<sup>47</sup> This growth in China's military spending is the result of its increasing Gross Domestic Product (GDP).<sup>48</sup> President Xi's vision of modernising the Chinese military in the coming years and to expand its operational domain only reiterates the point that China is seeking and moving towards a more dominant role on the global stage militarily and to close the gap (and eventually cross) between itself and the US.

## **How will this Power Transition Unfold: Implications for Global Peace & Stability**

The comeback made by the great power conflicts around the world and the sudden shifts in the global power equation has led to the emergence of a new Cold War between the contemporary powers namely US, Russia and China. Due to the scope and limitations of this study, the main focus will be kept on the major powers like the US, Russia and China (although it is acknowledged by the authors of this study that there are several countries that are considered major powers in the global power equation such as Japan, Germany, Brazil, South Korea and India).

The debate about emergence of a new Cold War between major powers of the world has given rise to a new debate among the scholars of international relations, whether this new Cold War will lead to a major conflict or war between the competing powers or will the power transition will commence peacefully?

There are many theoretical perspectives from which to analyse this situation. However, due to the current power constellations, underlying dynamics and meteoric rise of China combined with the recent consolidated resurgence of Russia (which gave these major powers to achieve substantial political, economic and military parity with the US), the Power Transition theory will be utilised to

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<sup>47</sup> "Military Expenditure - China & US Comparison (1960-2017)", *The World Bank*. <https://data.worldbank.org/indicator/MS.MIL.XPND.CD?end=2017&locations=CN-US&start=1960&view=chart>

<sup>48</sup> "What does China really spend on its military?", *China Power, Center for Strategic and International Studies (CSIS)*, accessed on July 2018. <https://chinapower.csis.org/military-spending/>



evaluate the impact of this new Cold War on global peace and stability.

The theoretical school of Power Transition states that there should be a profound imbalance between the most powerful state and its competitor (state) which should place the former as the predominant power which will in turn result in peace in the global system. This school also believes that the rising power (s) is often dissatisfied with the existing global order, which has been set up by the hegemon, (in this case the emerging powers are Russia and China, while US being the hegemon). The dominant power is always hesitant and reluctant to give up or even share its power with the rising powers.

However, peaceful power transitions can also take place if the emerging power (s) is satisfied with the status quo. The real danger to the peace and stability of the global order depends upon a combination of different underlying factors such as opportunity, motivation, power parity equation and dissatisfaction of the emerging power.

The current global power constellation indicates that US is the leading global power at the moment. GDP of United States is more than Russia and China according to latest estimates. The top-ten ranked countries according to GDP such as Japan, Germany, South Korea, and India are allied with the US or at least are on good terms. In terms of military strength, United States is still way ahead of Russia and China (even though both countries are trying their best to reduce this gap). The contemporary global political, financial and judicial institutions are under the influence of the United States such as the United Nations (UN), International Monetary Fund (IMF), World Bank (WB) and International Court of Justice (ICJ). Apart from all this, the global financial system created by the US is still existing and dominated by it in a profound manner.

Now coming to Russia and China, it is pertinent to discuss the opportunity available to dismantle the current status quo, motivation to achieve this feat, existence of the appropriate power parity with the US and the dissatisfaction with the current global order (as

mentioned earlier). Regardless of the fact that China has become the second largest economy of the world and according to some reports, will become the world's largest economy before 2030,<sup>4950</sup> there is literally no substantial proof of the availability of an opportunity for China to actually challenge or dismantle the current status quo. As far as the motivation to disrupt the current global status quo is concerned, China seems to be comfortable under the existing global order as the system is complimenting its long term goals. There is little evidence that China wants to overturn the status quo in East Asia, let alone create a new and unique order for itself globally. As far as China's satisfaction with the existing status quo of the global order is concerned, it does not seem to be extremely and irredeemably dissatisfied which is the main reason for conflict between the hegemon and the rising power. Although there is a lot of talk about China taking a leading role on the international stage after 2010 as indicated in President Xi's speech in Davos,<sup>51</sup> however in practice, China is still following Deng Xiaoping's guiding principle of foreign policy of 'keeping a low profile, never taking the lead, and making a difference'. China's neutral stance on several international matters and issues is a manifestation of this policy, e.g. Syrian crisis, North Korea nuclear issue, and Afghanistan conundrum to name a few.

In light of the waning power of United States, China can be termed as an assertive status quo power, not a revisionist power. Beijing can be a challenger to US hegemony and power in the future (50 years down the road at least), but its contemporary policies suggest that it is trying to secure a special role for itself in the existing global order.

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<sup>49</sup> Stephen Johnson, "China will overtake U.S. as world's top economy in 2020, says Standard Chartered Bank", *Big Think*, Published on January 14, 2019. <https://bigthink.com/politics-current-affairs/china-worlds-biggest-economy-2020>

<sup>50</sup> "The World in 2050; The Long View: How will the global economic order change by 2050?", *PWC Global*, Published on February 2017. <https://www.pwc.com/gx/en/world-2050/assets/pwc-the-world-in-2050-full-report-feb-2017.pdf>

<sup>51</sup> "Is China challenging the United States for global leadership?", *The Economist*, Published on April 01, 2017. <https://www.economist.com/china/2017/04/01/is-china-challenging-the-united-states-for-global-leadership>

Russia on the other hand, neither has the opportunity nor the capability to topple the current global status quo. It does seem to have the motivation under the leadership of President Vladimir Putin to change the status quo, but lacks the sufficient power parity in terms of global political clout, military technology and economic strength to achieve this feat. Russia's dissatisfaction regarding the current international order and with the prevailing status quo is there, but there is not much it can do about it. Although Russia's GDP was higher than that of US between the period of 2000-2009 and 2010-2013, but US economic manoeuvring of Russia via sanctions and exercising influence on its (Russia's) economic partners turned the tables. This was another manifestation of US being the predominant global power.

As far as Russia being a resurgent power is concerned, that is an over-estimation of Russia's capabilities. Russia is not a resurgent power, but rather an 'outliner' nation which is the odd one out among the countries that make up the global order. Attributes that make it unique can be accounted as weakness rather than strengths such as kleptocratic scale corruption of gigantic proportions, stagnant industrial growth, and absence of technology-based economy among many others. Russia's aggressive posture towards the US and its neighbours is not indicative of its revisionist designs, but it is the traditional national interests that drive this behaviour, a view endorsed by John Mearsheimer, a renowned international relations scholar.<sup>52</sup>

Despite the imminent alteration in the power trajectories of the predominant and emerging powers and the achievement of some parity by the latter with the former, the emerging powers (mainly China) seems to be satisfied with the current global status quo and the existing international order. On the other hand, the US is also treading its way carefully by not risking the dissatisfaction of the emerging powers by alienating the rising powers beyond their thresholds and utilises different measures to mitigate their

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<sup>52</sup> John J. Mearsheimer, "Why the Ukraine Crisis Is the West's Fault", *Foreign Affairs*, September/October Issue, 2014. <https://www.foreignaffairs.com/articles/russia-fsu/2014-08-18/why-ukraine-crisis-west-s-fault>

dissatisfaction. Take, for example the CAATSA waiver to some countries regarding Russia, and also allowing the emerging powers to share and become stakeholders in the global order as the US has done from the onset of the new millennium, especially during the Trump era, willingly or unwillingly (as prescribed by the power transition scholarship). Hence, it can be safely stated that power transition among the contemporary major global powers will be peaceful for the foreseeable future. Although the element of '(dis)satisfaction' is variable for it seems to be moving uniformly at the moment and chances are that it might continue its current trajectory for years to come.

## **Conclusion**

The assessment, as propagated by the US, that emerging powers like China and Russia want to disrupt the current status quo and are striving to replace the global order is anything but writing on the wall. Moscow and Beijing's interests are intertwined with that of Washington's as far as the systemic macroeconomics and international relations are concerned. It is of essence to US and China, as well as Russia to maintain the systemic stability and ensure the sustainability of the existing global order. Furthermore, with the maturing cycle of domestic growth driver for China, its international economic projects and initiatives (like Belt and Road Initiative and investments in Africa and South America) along with improvement in Russian economic growth trajectory, there is no room for disruptive adventures neither for China and Russia, nor the US, because the sheer cost of such misadventures would be colossal.

There is an on-going debate about the great power politics falling into the Thucydides trap which is also backed by a few quantitative examples as well, but the proponents of this thinking seem to over-look or conveniently ignore the historic trans Atlantic transition of power that took place in the 20<sup>th</sup> century from United Kingdom to United States. This proves that exceptions, and strong ones, for peaceful power transitions are there.

Although the new great power politics in the contemporary era did result in conflicts and unrest in different parts of the world

which have been kept limited and not allowed to exasperate. Most of the conflicts and unrest were the result of proxies and application of the policy of controlled chaos by the major powers.

The policy-makers in the United States are now cognizant of the fact that the unipolar blissful moment of euphoria has passed. The age of multi-polarity, semi-multi polarity or regional polarity has been taking shape due to several factors for some time now. And truth of the matter is that US has been readjusting to this reality for quite a while now and has even been making efforts to share the global responsibility with the emerging powers as well.



**Institute of Strategic Studies Islamabad (ISSI)  
Sector F-5/2, Islamabad, Pakistan**

**Tel: 0092-51-9204423, 0092-51-9204424, Fax: 0092-51-9204658  
Email: [strategy@issi.org.pk](mailto:strategy@issi.org.pk) Website: [www.issi.org.pk](http://www.issi.org.pk)**