CHINA AN EXCEPTIONAL POWER? ASSESSING CHINA'S CLAIM TO GLOBAL HEGEMONY

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Abstract

In Present-day times, the scorching debated topic in the realms of global geopolitics remains to be China's extraordinary rise. Within merely seven decades, it has become the second-biggest economy of the world. It has one of the biggest conventional military power on the planet. It is constructing international institutions to give the world an alternate to the allegedly biased US-led order. Since the last decade, within Asia, China has indeed overshadowed any other power and emerged as the de-facto regional hegemon. The People's Republic of China will celebrate its 100th anniversary in 2049, but China has repeatedly and publicly claimed that it wants to become a Superpower or the world's dominant power by that time. This paper aims to provide an in-depth objective analysis to China's claim to global hegemony and whether it has achieved regional hegemony or not. Also, this paper will try to identify obstacles in Chinese ambitions to become a hegemon.

Keywords: Rise of China, Great Power Competition, Geopolitics, Grand Strategy.

Introduction

Throughout the course of history, the upsurge and drop of Great Powers has been a recurrent phenomenon. Even the great Roman Empire could not rule forever, but eventually crumbled. In recent history, the mighty British Empire, where the sun never set, cease no longer to exist. Thus, assuming that a state would always remain in a place of power is folly. Usually, when a Great Power is busy enjoying the perks and privileges bestowed by its status; competitor states are plotting a way to take over the throne. In contemporary times, many leading political experts believe that China is meticulously plotting its way to the throne; attaining the prestigious status of world hegemon.

The Peoples Republic of China (PRC) did not emerge as a new state in 1949, but it encompassed and carried forward the legacy of the Chinese civilization or empire that can be dated back centuries; in 221 B.C., China was first unified under the Quin dynasty (Deng, 2015). Most importantly, up till the infamous Century of Humiliation (1842-1949), China wielded great geopolitical clout and was a power the world gave great importance to, especially within Asia. Therefore, when Mao Zedong 'liberated' the Chinese people and the PRC was established, the nation worked tirelessly day and night to once again attain the respect once China commanded.

The hard work of the Chinese nation bore tremendous fruit, as with the dawn of the new century, merely a few decades after the PRC's creation, discussions began in the geopolitical realms regarding China as a potential hegemon in the eastern hemisphere. Now, political experts began to draw comparisons between the current hegemon, the United States (US), and China to determine the viability of this hypothesis. This soaring academic debate, though seemingly benign, in turn, alerted the high ups in the US administration. Resultantly, after assessing the level of threat to US primacy, a major paradigmatic shift was witnessed in the US geostrategy. The US promulgated a comprehensive plan to contain China's growth; thus, validating China as a competitor Great Supremacy.

The US containment approach greatly backfired, as prior to its implementation, China largely adopted a passive posture in global politics; avoiding confrontations and not publicly opposing the policies of the world's hegemon. However, it has changed now and China has sacrificed its prominent '*Tao guang yang hui'*[1] policy and adopted a far more aggressive geostrategic and geopolitical posture (Zaidi & Saud, 2021). This, in turn, has instigated an open conflictual Great Power Competition amongst the two states.

This paper critically and empirically analyzes the key essentials to assess China's national power; economic might, military strength, political clout and soft power, in order to determine whether it has attained regional hegemony (as claimed) as well as if it poses a serious threat to the US primacy, as the Soviet Union (USSR) did throughout the Cold War. In the latter part of the chapter, the major

[1] The phrase means 'maintaining a low profile while continuously working on its nation building.' It highlights the foreign policy strategy adopted by China since Deng Xiaoping's regime (1978) right up till 2008. During these years, China's role in global politics was negligible, it solely focused upon socio-economic development.

obstacles China faces in its rise are highlighted.

China: The New Economic Hegemon?

In contemporary times, many economic experts are of the view that the global economic order is in transition; from the West, the US and Europe, towards the East, the bloc of the Association of Southeast Asian States (ASEAN) and China. The starting point of this rapid paradigm shift was the infamous worldwide financial disaster of 2008, when the US due to its dire domestic economic conditions was forced to retreat from its role as the guarantor of global economic stability. On the other hand, China greatly cashed in the situation, as it readily and happily filled in the void created as a result of the US marching back. Consequently, now, the world considers the US to be an unreliable partner in the geo-economic order; making them more open towards considering China for the role of the leader.

However, does this necessarily indicate the demise of the US as the economic hub; and the dawn of a new Chinese era? Or is it nothing more than a temporary hiccup in the US geo-economic leadership? If one analyzes the rise of the US to the global hegemon position, similar multiple cases of temporary retreats can be easily found. After World War-I right up to the US dropping atomic bombs on Hiroshima, Japan, the US adopted the 'isolationist' doctrine to focus upon the wellbeing of its citizens, but when it was in the US national interest, the US jumped backed ferociously in geopolitics. Similarly, after the loss in Vietnam, the US surprised the world when the then President, Richard Nixon, devalued the US dollar, putting an end to the then global exchange system. Nonetheless, in no time, the US established mechanisms such as the World Trade Organization (WTO) to ensure the US dollar primacy. Thus, the US taking the backseat in global economic affairs after the credit crunch crisis (2008) may very well be a well-thought ploy to restrengthen its base and then once again take over the reins when China fails to deliver as per the expectation of the world.

The world puts such immense faith in China owing to its own meteoric economic rise. Modern day China, emerged as an independent state in 1949, and up till Deng Xiaoping came into power (1978), it adopted a moreover backfiring economic strategy. Nonetheless, the Chinese economy experienced remarkable growth after Deng Xiaoping renounced the socialist economic policies of his forebears and rebuilt the Chinese economy in accordance with the globally accepted capitalist system. For almost three decades, year after year, the Chinese economy grew in double digits (Zaidi & Saud, 2021). Furthermore, in merely six decades from the establishment of the PRC, Timeline: U.S.-China Relations, n.d., states that China became the largest holder of American debt in 2007 and shortly after that overtook the US as the second-largest economy in the world (Barboza, 2010).

Chinese economy was mainly unscathed by the financial crunch crisis of 2008, which had a negative impact on developed nations, notably Western countries. By 2009, just a year after the global financial meltdown, it regained its previous double digit growth rate, record a 11.4 percent progress that year (Wen & Wu, 2014). This further strengthened confidence of the world in China's geo-economic doctrine and strategy. In addition, the Chinese leadership made the most of the situation as it lobbied the world against the fundamental US-liberal financial order highlighting how it largely protects the US interests only. As a result, soon after, in 2014, under the umbrella of BRICS, the New Development Bank (NDB) was established. Although, magnitude of the NDB as compared to preexisting banks was small, but its establishment told the world that the winds of change have begun to blow. Furthermore, shortly after, in 2015, China recognized the Asian Asset and Infrastructure Bank (AIIB). This proved to be a detrimental blow to the US prestige, as the US strictly prevented its allies to be a part of the AIIB. Still, 87 states containing some of its main allies; Australia, Great Britain and South Korea, became its members (Zaidi & Saud, 2021).

Furthermore, in 2013, China launched the multi-trillion dollar Belt and Road Initiative (BRI), which will practically connect China with more than 70 states spread over 4 continents: Asia, Europe, Latin America and Africa. When materialized the BRI will indeed be the final nail in the coffin as far as the US economic hegemony is concerned, as it will provide easy access to China to the markets of more than 70 states; the transportation cost and time of imports/exports will be significantly reduced, and most importantly will promote the Chinese Renminbi (RMB) as an global currency (Zaidi & Saud, 2021). The US is well conscious of the circumstance that the BRI is China's way to assert its hegemony; thus, the US along with its Western allies started the propaganda of China to be inducing 'debt-trap diplomacy'[2] through BRI. However, the US move did not bear fruit and with each passing day the BRI is a step closer to materialization.

Moreover, the US, under President Trump, adopted a fairly aggressive strategy to curb China's economic rise. After being found guilty of unfair trading practices following a formal investigation, the US levied a 30% tariff on Chinese solar panels and washing machines in January 2018. This sparked trade tensions between the two countries (Zaidi & Saud, 2020). A month after, the US levied 25 percent tariffs on $50 billion electronic imports from China (Zheng, 2018). By doing so, the US hoped to strongarm China's compliance vis-à-vis global geoeconomics, but to its surprise China fiercely retaliated by striking $50 billion tariffs on 128 American goods. The fierce trade wars continued for almost two years, with the US imposing sanctions on $550 billion Chinese products and China imposing sanctions on $185 billion American products, before a deal was struck on October 11, 2019 between the two states to suspend tariffs ("Timeline: Key Dates in the U.S.-China Trade War," 2020). The trade wars greatly backfired for the US, not only did it globally humiliated the world's hegemon as it was unable to dictate its terms, but also China showcased its geopolitical clout.

To conclude, it is safe to assume that the US status as the geo-economic hub is neither safe nor certain. As China, the second major economy of the world of around $14 trillion, having an remarkable growing rate of 7-7.5% per annum, by 2030 will surpass the US and become the world's major

[2] A policy implemented by an economic power in which it deliberately lends money to such states, it knows will be unable to repay as per agreed, to only later have geopolitical influence over those states.

economy ("China's GDP Could Be World's Largest by 2030, Credit Growth Still Too Fast," 2018; O'Brien, 2017). China already eclipsed the US as the world's largest economy in 2014 in terms of Purchasing Power Parity (PPP) (Bird, 2014). More importantly, over the past three decades, the US's economic doctrine has failed to deliver even at home. If a comparison is drawn amongst the average revenue of the bottom 50% population of developed states, US stands out as the only developed state where the average revenue of the lower half of the population has fallen (Kishore, 2020). On the other hand, during the similar dated, the living values of the common Chinese man are at an all-time high, such great level of prosperity was not even witnessed during China's massive magnificent ages (Kishore, 2020). Hence, undoubtedly, in the near future, as far as geo-economics is worried, China will give the US a run for its money, which will, in turn, automatically raise doubts and suspicions on the already murky unipolar moment.

China: A Fearsome Military Power?

In contemporary times, undoubtedly, with each passing day, when it comes to global power projection, geo-economics is greatly overshadowing the importance of military muscle. As war is no longer considered a feasible option to either resolve a dispute or project states might. However, this does not at all mean that states should refrain from developing its armed forces or military arsenals. On the contrary, in directive to maintain its territorial sovereignty and political freedom, each and every state must have a credible military force. More importantly, if a state has geopolitical ambitions – intent to develop a political clout or transform itself into a regional or global power – having a fearsome military force is moreover considered as a prerequisite.

China shrewdly first solely focused upon achieving macro-economic stability. As it knew that a state can only build a fierce military force if it has abundant economic resources readily available, after all developing a state of the art military arsenal is quite costly. Therefore, up till 1998, a slow trend was witnessed in China's military buildup as compared to its socio-economic development. In the decade 1978-1987, China's military expenditure increased only by 3.5 percent per year, whereas its economy grew 14.1 percent per year (*Defense Expenditure*, n.d.). From 1988-1997, its defense budget increased by 14.5 percent per annum, whereas its GDP recorded a staggering growth of 20.7 percent per annum (*Defense Expenditure*, n.d.). However, after 1998, as China had moreover achieved macro-economic stability; thus, it had ample money to spend, and a drastic rise in its military expenditure was witnessed. Moreover, another factor that compelled China to focus upon its military buildup was the US demonstrating its military power in the eastern hemisphere: Taiwan Strait crisis and Gulf War. The Chinese leaders realized that China greatly lagged in sophisticated modern military technology; thus, it would be unable to prevent foreign powers in its region (Maizland, 2020). Therefore, in the proceeding decade, 1998-2007, China's defense budget grew by 15.9 percent every year, whereas its economy grew by 12.5 percent per annum (*Defense Expenditure*, n.d.).

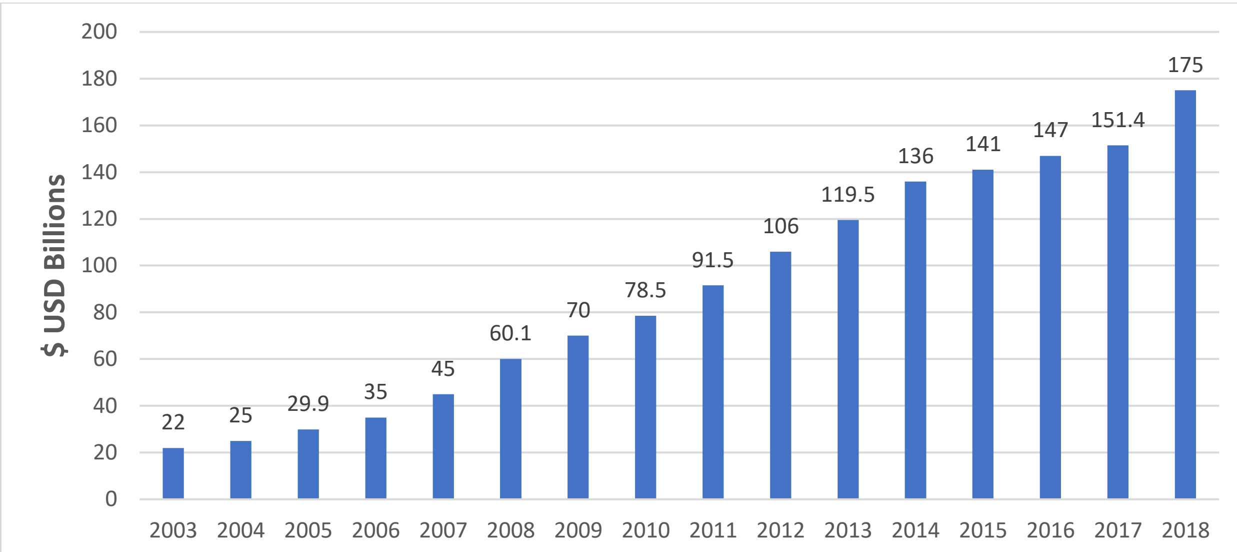

Figure 1 shows China's defense spending (2003–2018). Source: People's Republic of China's Ministry of National Defense

The Stockholm International Peace Research Institute (SIPRI) estimates that China's military expenditures in 2019 were $266.4 billion, or 13% of all military expenditures worldwide. China had the second-major armed budget, after the US, however this was not for the first time, moreover China has retained the position of having the second-biggest military budget since 2017. Furthermore, as per SIPRI, China too holds the record for the longest series of uninterrupted increases in military budget by any country (*SIPRI*, 2021). In the last decade (2011-2020) alone, China's military budget has increased 76 percent (*SIPRI*, 2021). All of this clearly indicates that with the dawn of the new millennium, particularly in the last decade, China is now greatly focusing upon building up a fierce some military force.

Today, as far as numbers are concerned, with more than 2 million on duty soldiers, China has the biggest military force in the world (Global Fire Power, n.d.). However, now, having a huge army is more of a liability than a base of strength, as it incurs tremendous financial costs, whereas its use is moreover much limited due to the fact that largely the nature of conflicts have changed. Hence, the strength of an army is today determined by its quality, the sophistication of its offensive and defensive technology, the availability of reliable actionable intelligence, and its distinctive set of combat skills (Zaidi & Saud, 2021). These reforms focused upon considerably downsizing China's huge ground forces and adaption of a technology-oriented doctrine vis-à-vis warfare; thus, China shifted its focus towards developing technologies such as armed drones and advance networking. The strategy now China adapted was moreover similar to that of the US (Kokoshin, 2016).

One thing really remarkable about China is that it learns from its mistakes and in no time adopts remedial measures. In the past decade, China has turned around its military capabilities; no longer does its military draw its strength from its huge numbers or the fact it being nuclear power, but the Chinese military has developed advance military technologies such as Anti-Access Area Denial (A2/AD) and Artificial Intelligence (AI), which puts it in the big leagues (Maizland, 2020). In addition, as China has ambitions to establish itself as a Superpower; thus, a robust navy is a pre-requisite. Therefore, lately, China has been quickly establishing its navy. 18 ships were launched by the Chinese military in 2016, compared to just 5 by the US Navy (Maizland, 2020). China will add another aircraft carrier to its existing fleet of has two by 2022 (Heginbotham et al., 2015). Also, in 2017, the RAND Corporation reported that now more than 70 percent of China's fleet is considered to be modern (Heginbotham et al., 2015). Also, by creating its first external naval Base in Djibouti in 2017 (Blanchard, 2017), China firmly established itself as a global power in Asia in particular.

The magnitude of China's rapid military buildup can be assessed from the fact that unintentionally it has initiated an arms contest in the region, as regional states having competing interests with China are increasing feeling threatened. For instance, from 2006 to 2015, Vietnam's defense budget witnessed an unprecedent growth of 258 percent from $1.3 billion to $ 4.6 billion (Abuza & Nhat Anh, 2016), as it had no other option to safeguard its sovereignty. Also, Singapore, a state historically greatly focused up on socio-economic development while maintaining a security budget of 3-4 percent of its GDP, in 2018, had a armed budget that was 18 percent of its GDP: $14.76 billion (Brimelow, 2018). Most importantly, Japan amended its constitution in 2005 to establish a armed aggressive/defensive power and to establish a holistic armed doctrine that comprised the development of ballistic missile technology. (Zaidi & Saud, 2021).[3]

To somehow disrupt China's path to attaining the position of a Superpower, the US along with its allies are busy spreading propaganda and trying to convince the world that China's rapid military development is a clear sign of its imperial ambitions, which, in turn, will disrupt the balance of power; consequently, posing a threat to global peace. On the contrary, if one objective analyze China's military advancement, it is evident that China is strictly following the 'defensive realist' doctrine; developing military power proportional to its economic influence, sufficient for its security (Lobell, 2010). Moreover, China has repeatedly stated that its military development is intended to defend its land and publics while firmly adhering to the principles of diplomatic development (Zaidi & Saud, 2021). Furthermore, China's 2019 whitepapers reiterate China's claim regarding its military development, stating that China will "never threaten any other state or seek any sphere of influence," and that it has a no-first-usage nuclear program (Maizland, 2020). A number of claims made by security experts that China would use an aggressive military approach to settle long-standing territorial disputes—which would inevitably result in war were refuted.

[3] "After World War-II, in order to focus upon rebuilding its economy, Japan entrusted its security to the US, barring itself from maintaining a proper military force, as per article 9 of the post-war Japanese constitution. For almost 6 decades, up till 2005, Japan practically did not have a conventional military force".

To sum it up, as of now, drawing a comparison between the military's of the US and China would be unfair, as China has just in progress concentrating upon its military buildup. On the other hand, the US almost two centuries ago, after effectively imposing the Monroe Doctrine (1823), established its military dominance and has kept strengthening its military.

China: The Power to Beat in the Eastern Hemisphere?

Undoubtedly, China's military buildup was necessary to safeguard its territorial sovereignty and protect its socio-economic interests. However, it unintentionally also caused an arms race amongst South-East Asian nations and China, which, in turn, has greatly increased tensions and hostilities in the region. Now, China and South-East Asian nations are daggers drawn in the both uncertain East and South China seas. As far as these disputes are concerned, China has indeed taken a leaf out of the US playbook and acts as a Superpower; it blatantly ignores international law to protect its national interest.

China ratified the United Nations Convention on the Laws of the Sea in 1996, which explicitly states that "waters flowing within 12 nautical miles of a country's coastal line come within that coastal country's territorial waters or marginal zone, whereas waters coming within 200 nautical miles of a state's coastal line come within the coastal state's Exclusive Economic Zone (EEZ)" (United Nations Agreement on the Laws of the Ocean, n.d.); although it claims sovereignty moreover, China's official map identifies the nine-dash route as its nationwide border, and Chinese government representatives mention to both the East and South China Seas as Chinese territory (Yang & Li, 2016). In 2012, China's naval chief declared the South China Sea to be part of Chinese maritime territory, and the nine-dash line was designated as China's intermittent boundary in both the East and South China Seas. As a result, all actions China has taken in both seas to ensure its actual authority are justified (O'Rourke, 2018).

In the South China Sea, the Spratly Islands is one of the key disputes amongst China, Malaysia and Vietnam. China has long asserted its ownership of these islands, claiming that since the Ming Dynasty (1368–1644), Chinese people have fished in the area surrounding the Spratly Islands, and that during the Yuan Dynasty (1271–1368), China annexed these islands (Chang, 1991). China objected to Vietnam and Malaysia's request in 2009 and produced a map that used the nine-dash mark to demarcate China's territory, affirming its authority over the islands and over nearby waters. Vietnam and Malaysia had each requested the UNCLOS enlarge their respective continental shelves (Korkut & Kang, 2017).Furthermore, China is in fight with 6 further states; Taiwan, Brunei, Philippines, Indonesia, Vietnam and Malaysia, in the South China Sea – utmost of which are friends of the US (O'Rourke, 2021). Most of these states had no option but to bandwagon with the US to safeguard their national interests against the continent-sized China. This, in turn, led to the US deploying considerable forces in the region, especially in the all-important Malacca Straits, and patrolling of the South China Sea; substantially increasing the hostilities in the region (O'Rourke, 2021).

Furthermore, China and Japan are already at conflict above the Senkaku/Diaoyu Islands in the East China Sea. Due to the fact that its continental shelf naturally reaches beyond 200 nautical miles to the centre of the Okinawa Trough, China claims to have exclusive maritime rights in this region (Valencia, 2007). As a consequence, all of China's oil and gas projects are developed on its sovereign territory, dispelling Japan's concern about a potential clash. To amicably solve the battle, Japan offered to divide the privileges of the incompatible EEZ equally; Beijing disallowed Japan's proposal. In addition, as the Miyako Strait is a critical passage to the Diaoyu/Senkaku Islands; thus, China has increased military flights in the area to further solidify its position vis-à-vis the disputed islands.

Nevertheless, to date, Taiwan remains the most important disputed territory for China. It still claims Taiwan as its renegade province; therefore, time and again states that sooner rather than later it shall be incorporated back into mainland China (*Beijing Claims : "Taiwan Is a Province of China" 35 Cases (November 15,1971-August 31,2000)*, 2017). Furthermore, the Taiwan dispute is a big apple of discord between the US and China; the US being a central friend of Taiwan, which has protracted its safety umbrella to Taiwan – given that it does not proclaim freedom.

Professor John J. Mearsheimer argues that as a state continues to accumulate power, it craves to have a bigger stake in the worldwide political system; thus, the next logical step would be to pursue regional hegemony, later ascend to seek global hegemony (Mearsheimer, 2003). Evidently, China too is heading in this direction, though cleverly following the tried and tested path took by the US. The first step the US took to dominate its periphery was to push out British forces from the Caribbean and enforce the Monroe Doctrine. China, quite similarly, is trying to dominate the South and East China Seas; as both are the key to cementing China's status as the hegemon in the eastern hemisphere. In addition, to additional solidify its geopolitical location in the region, China recognized the Shanghai Cooperation Organization (SCO) in 2001. Although the SCO's main objective is to indorse political, economic, and security collaboration between associate countries, it also advocates for the establishing of a new democratic and equitable global political and economic order ("The Shanghai Cooperation Organization," 2015).Thus, clearly depicting China's aspirations to radically transform the geopolitical and geo-economic world order; showcasing itself as a accountable Great Power. Also, the recently concluded Regional Comprehensive Economic Partnership (RCEP) – the biggest free trade agreement in history as it easily accounts for 29 percent of the world's GDP (Petri & Plummer, 2020) – will indeed help China to solidify its position as the regional hegemon and most definitely help its claim to global hegemony; due to the fact that in the absence of both the US and India, China will single handedly lead the regional integration process owing its ever-increasing geopolitical swat and mighty economic power in the region.

To conclude, indisputably, in contemporary times, with each transitory era, China is rapidly consolidating its place as the hegemon of the eastern hemisphere; thus, emerging as the power to beat within Asia, and consequently posing a grave threat to the US much prided 'unipolar moment.'

Major Hurdles and Obstacles in China's Rise

Undoubtedly, China's rise has been miraculous, in modern history, no state has risen up the ranks – from a troubled newly independent state to a serious contender to the hegemon throne – as quick as China. In the past, the policies adopted by China for rapid socio-economic development were greatly successful, though at a huge cost; many imbalances in its economy, an inefficient financial system, rocketing corporate debt, overcapacity in industries, widening income inequality, and heavy pollution (Morrison, 2019). Therefore, China's old economic model, 'socialist-market economy' is no longer feasible, particularly if China intends to continue pursuing hegemonic ambitions. It must adopt a more efficient and sustainable economic model that focuses upon innovation and private consumption as the new drivers of economy. However, drastically reforming the economy and implementing such a model may force China into the 'middle-income trap' for some years, a risk China has no other option but to undertake.

Furthermore, since China has become greatly assertive in geopolitical affairs – post-2008's global financial meltdown – it is now facing a far stronger and offensive pushback geo-strategically, mainly in the wider Indo-Pacific area, where states have realigned themselves and formed anti-China coalitions. The Indo-US strategic partnership that finally materialized in 2009, in this regards, is of great importance, as the world's hegemon and the largest littoral state of the Indian Ocean have partnered up with a single motive: contain China's rise. Furthermore, the Quadrilateral Security Dialogue (QUAD), comprising of Japan, US, India and Australia, shares a common concern about the increasingly assertive China; thus, are closely coordinating to curb China's growing geopolitical influence in the region (Smith, 2021). The first joint naval exercise of the QUAD, MALBAR, that took place in March 2020, gave a clear signal to China that its regional and global aspirations will be deterred and challenged by the mighty QUAD. Most importantly, the US has partnered up with many South-East Asian nations to isolate China within the region in, especially to ensure that the multi-trillion dollar BRI – which moreover guarantees China becoming a Superpower – fails (Zaidi et al., 2020).

In addition, geopolitically, no doubt, China is rapidly creating new multilateral institutions to propagate a new world order as well as promoting and advocating the need for change vehemently. Though, China must tread lightly in doing so, as where it seems that the society is aching a change, societies usually are not that susceptible to change. Thus, if pushed too hard, the geopolitical blowback could be catastrophic, as was in the case of the USSR.

Moreover, the most significant threat or problem for China remains to be national integration; Uighur crisis, Taiwan, Hong Kong, Tibet and Inner Mongolia. Uighurs in the Xinjiang region are subject to discrimination and religious persecution. Amid Beijing's intentions and the anti-Beijing political leadership in Taiwan, which is steadily gaining support from the people, mistrust and suspicion are increasing. Furthermore, in July 2019, Hong Kong's sociopolitical unrest escalated due to the long-standing "one nation, two systems" issue (Davis & Hui, 2019). Tibet's autonomy is another contentious political issue for China, which is struggling to maintain its cohesion as a result of widespread international pluralism and expanding religious freedom in Tibet (Rudd, 2018). The Inner

Mongolian region also presents a significant frontier issue.

Conclusion

In a word, China's ascent is unprecedented; in 1980, right before Deng Xiaoping's economic reforms began, China's GDP in PPP terms was only 10% of the US', its GDP was only about 7% of the US' at the current exchange rate for the dollar, and it only had about 6% of the US exports (Allison, 2017). Also, China had one-sixth of the US foreign currency reserves. However, in less than half a century, by 2014, China's GDP in terms of PPP was 101 percent of the US'; its GDP was about 60 percent at U.S.-dollar exchange rates as compared to the US; and now it had 106 percent of the US exports (Allison, 2017). Besides, now, China's foreign currency reserves were 28 times larger than the US. Moreover, in 1980, the economy of China was smaller than Netherlands; though, now, its GDP growth per annum is more than the entire economy of Netherlands.

China, in merely a generation's time, transformed from a nation which had no international standing whatsoever to a state that is more or less leading in each and every domain on national power. China has already surpassed the US in key factors that collectively add on to the national power of a state; export, manufacturing, holder of debt, trade, saving, foreign direct investment destination, auto market, steel producer, e-commerce, holder of foreign reserves, and source of initial public offerings (Allison, 2017).

Leading political analysts and security expert define an exceptional power or Great Power as a state wielding immense financial control, unmatchable armed strength, and that rules if not sets the political, economic and security agenda in the international system (Machain et al., 2017; Zakaria, 1999). As of today, China truly has immense financial power; though, it lags far behind in the domain of military power as well as it does not control the agenda-setting of security, political and financial institutions (Zaidi & Saud, 2021). Therefore, China has a lot of catching up to do to encounter the pre-requisites to be an exceptional or a Great Power.

On the other hand, a state is considered a regional power if it has enormous influence and control over the area in which it is located and acts as the de facto hegemon (Buzan & Waever, 2003). China unquestionably satisfies the requirements for a regional power/hegemon because it alone controls the geopolitics of South-East Asia in specific and Asia in common. Also, as worldwide controls are less concerned in regional matters in the post-Cold War age, regional powers are significantly more important to focus on (Buzan & Waever, 2003; Volgy et al., 2011).

All eyes are now on China's ascent, in part because it is located in a region of significant geostrategic and geopolitical significance. If China is prosperous in establishing himself as the hegemon of the eastern hemisphere, claiming global hegemony will be the natural next step.

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