

Focused Leadership: China's New Role in Global Economic Governance

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Summary

China's rise in global politics and economics has further fueled perceptions of an East Asian dominance of global institutions. From a power-shift perspective, the Global Financial Crisis (GFC) provides a window of opportunity for a rising power to change existing norms and organizations and to push for the creation of new ones. Although the PRC reluctantly took center stage in the global efforts to contain the crisis and provide better institutions for future crisis prevention and management, its contributions to the G20 have been rather limited. This gap between high expectations due to a fundamental shift in opportunities and relatively low policy outcomes can be explained through an analysis of domestic expectations, intra-elite role prescriptions, and the difficulty in agreeing on a new national role conception in China. At the same time, the PRC has become very active in specific policy areas. The country follows its own pattern of incrementally extending its influence and building up long-term resources. Bearing all this in mind, we argue that the PRC has adopted the role of providing focused leadership in a new era of global economic governance.

Manuscript received on 2013-05-27, accepted on 2013-07-19
Keywords: China, G20, role theory, Bretton Woods, development

Introduction

The economic, social, and political crises following the property bubbles in the US, Spain, Ireland, and elsewhere since 2007 have added to the dynamics of a global power shift between the trans-Atlantic and the Asian-Pacific powers. This has had profound implications for global governance in two fundamental ways: it challenges the notion of global governance being dominated by a hegemonic power, viz., the United States of America (US); and it challenges the basic norms and values which have been developed under the umbrella of trans-Atlantic dominance. When looking

* The authors wish to express their appreciation for the support received from the Stiftung Mercator, Essen, and the Dr. Seaker Chan Center for Comparative Political Development Studies at Fudan University for support in their research as well as to the in-house editors of ASIEN and the anonymous reviewers who provided important comments for this contribution. Suffice to say that all remaining errors are the sole responsibility of the authors.