
The Rise of China and Its Impact on Global Governance: Emergence of A New World Order

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Abstract

The rise of China as a global economic, political, and military power has prompted significant shifts in international relations and global governance. This paper examines China's growing influence and its implications for the existing Western-dominated world order. With an economic ascent fueled by market reforms, infrastructure investments, and active participation in international trade networks, China is reshaping the global economic landscape. Concurrently, its political system, characterized by centralized control and state capitalism, offers an alternative to liberal democratic models, further challenging traditional governance frameworks. Through its increasing role in global organizations such as the United Nations, World Trade Organization, and the International Monetary Fund, China is not only asserting its influence but also advocating for reforms that reflect the changing balance of global power. Furthermore, China's geopolitical ambitions, particularly in the Indo-Pacific and through initiatives like the Belt and Road Initiative, underscore its strategic intentions to foster a multipolar world order. This paper argues that China's rise signals the potential emergence of a new world order, one that moves away from the post-World War II Western-centric governance structure, and may lead to a more distributed global system where multiple powers, including China, play pivotal roles. The implications of this shift for global governance, security, and international norms are explored, providing insight into the future trajectory of global political and economic relations.

Key Words: Rising China, OBOR, BRI, CPEC, Global Governance

Introduction

Emergence of China as a global economic, political and military power has completely changed international order. China has transformed into the second largest economy in the world, affecting the world trade, finance, and even diplomacy; however, in recent decades, it has transformed a comparatively isolated and agrarian society. This rise has been complemented by vast improvement in technology, strength in the military and global influence. As China continues to exert its influence, the politics of power globally has undergone change thereby questioning the old and customary, Western-led systems of governance. Global governance is defined as the systems and institutions, in which issues of global concern are handled and addressed, such as in the case with the United Nations (UN), the World Trade Organization (WTO), and the International Monetary Fund (IMF) (Falk, 2019). Historically, they have been influenced by the political and economic ideas of western states especially the United States and Europe. Nevertheless, the fast pace of China and its expanded presence in the regional and global agendas

can indicate that the current order is being redefined (Breslin, 2020). The paper is aimed at discussing the effects of the emergence of China on world governance. In particular, it will look at how the economic and political policies of China are putting pressure on the established institutions, suggesting the alternatives to the Western-dominated standards, and how the Chinese policies are reshaping the world order. As China keeps on participating in the global organizations as well as its Belt and Road Initiative (BRI) a world-spanning infrastructural project, the paper shall examine how this new-found multipolarity age in world governance bears itself out. The research questions will aim to respond to the issue: How has the rise of China transformed the existing system of world governance and is a new world order emerging to the same? In this case, the impact of China upon the most important international organizations, the rise of the political power of China on the global world, and the contribution of china in shaping the new economic and political norms in the world will be considered closer. To prove the argument that Chinese emergence is not merely transforming the world governance but also promoting emergence of new world order concerned with the Chinese political and economic models, the paper will examine the political system of china and its interactions with other international political systems.

China's Economic and Political Ascendancy

The phenomenal economic growth and political stability of China has helped to a great extent in its degree of gaining world prominence in the past two decades. Since the end of the 20th century, China has become a macroeconomic power that alters the economic environment of the region and the world.

Economic Growth and Global Trade

China (though with an all-powerful state hand) working on the wavering invisible hand) that since Deng Xiaoping started opening the generationally-sealed economy of China to the outside world in 1978) has gone through the process of transitioning its economy to be a more market-driven economy. This revolution led to the creation of one of the most historic economic changes in the modern times. The precondition was the all-encompassing and speedy transition into the world economy when China became a member of the World Trade Organization (WTO) in 2001, opening the markets of the world and investment (Lardy 2019). The manufacturing industries of the country turned into the powerhouse of an export-led economy and soon China became the world workshop producing vast quantities of products to the world (Cheung & Qiao, 2016). The China economic dimension extends way beyond trade. Its huge investment in infrastructure, whose flagship project was the BRI has made it have a presence in Asia, Africa and Europe. The BRI was initiated in 2013 as a project of strengthening the global connectivity of Beijing by means of creating new roads, new railways, and new ports to drive the economic growth and enhance its geopolitical influence (Rolland, 2017). Meanwhile, the investments have transformed economic relationships about the globe by making China one of the largest creditors to the third world countries. (I. Shahzad et al, 2025)

Political System and Ideology

The emergence of China has thus far been pegged mostly on a form of political paradigm involving the convergence of authoritarian government and state capitalism rush-investment. The Chinese Communist Party (CCP) is the very institution that has been ruling uncompromisingly since 1949 in the political life of China. This gives the party control over the economy, media and military enabling it to influence the strategic development of the country in an exceptional speed and influence. China has been in the grips of a power tightening, authoritarian turn under President Xi Jinping, who took office in 2012, with tighter control over domestic politics and more aggressive

foreign policy (Kuhn, 2018). The Chinese political model is quite different from that of the liberal democracies of the West, especially political pluralism and civil liberties. China has become a more prosperous country but at the expense of political freedom, with the CCP monopolizing public discussion and crushing opposition. The party's emphasis on maintaining stability and order has helped China maintain long-term growth but has been criticised by some foreign countries for its human rights record and failure to introduce full democracy (Pei, 2017).

Military Modernization

China has made huge strides in the past two decades in defense investment on both advance weapon systems, upgrading its military and extending its "long arm" reach into the Asia-Pacific region. The Chinese government has made the construction of a "blue-water" navy a priority to push its power further from its shores, including in the South China Sea, where it has built military bases on artificial islands (Swaine, 2015). China's military doctrine is increasingly centered on anti-United States military dominance in the region and securing Chinese claims to territory. The U.S. and its allies view China's military expansion with concern, amid signs that these tensions are increasing the Indo-Pacific region (Bitzinger, 2019).

China's Influence on International Organizations

China's expanding international influence extends beyond its economic and political status as a major power and is increasingly evident in large international organizations. As a permanent member of the UN Security Council, a member of World Trade Organisation (WTO), and a strong presence at the IMF, China is actively reforming the structure of global governance. This part will look at China's involvement in these organizations, and examine how its position is changing, and how it aims to contest the international norm and rules, and in some cases, gradually change them.

United Nations (UN)

China has been a permanent member of the UN Security Council since the latter was established in 1945, and it is the only member of the P5 (the U.S., Russia, France, and the UK) that is not a democratic power. China has succeeded in the last twenty years to leverage its role in the UN to establish its control on global governance. The voting strength of China and its involvement in the peacekeeping operation and the negotiations on climate change and the human rights have placed China in the center of the UN system. Among the most notable instruments under which China has expressed its power is through its veto in the UN Security Council which has blocked through resolutions that it thinks interfere with its sovereign matters, such as in Taiwan, Hong Kong and Xinjiang. And China has been staging peacekeeping missions on the UN dramatically since, most importantly, due to the deployment of peacekeeping troops on behalf of any member of the UNSC (Zhang, 2019). The increased participation of China in the UN peacekeeping and diplomacy is a sign of an organized attempt to influence the future of the global security in accordance with its interests. The country has also managed to use the UN to further its foreign policy agenda since China advocated state sovereignty, non-interference, and opposition to imposing Western human rights standards, in the UN (Zhao, 2016). By championing these principles, China positions itself as a leader of developing nations, advocating for a more multipolar world order where the influence of Western powers is limited.

World Trade Organization (WTO)

The admission of China to the world trade organization (WTO) in the year 2001 was a crucial marking point in China becoming part of the global economy. Having joined the WTO, China has emerged as a significant player in the international trade and its presence in the organization has

changed with the expansion as the country has become the second-largest economy in the world. As a member, China has found itself at the centre of trade disputes, but mostly with the United States, but other trading partners as the European Union and Japan. The WTO has provided China with an opportunity to enjoy a wider range of access to the global markets and this access has been exploited by the Chinese to widen its influence to the rest of the world. Nevertheless, China is accused of not complying to the organization rules to the letter especially where matters of intellectual property rights, state subsidies, and entry of the market are concerned. Opponents state that the state-capitalist model of China, where the government has a big stake in key industries of the economy, contravenes the ideals of free-market competition that WTO encourages (Schott, 2020). Over the past years, China has been lobbying the WTO to reform to suit its more centralized position in the global economy and this is an indication that it wants to redefine global economic governance in a manner that would favour its national interests. China has also attempted to create alternative trade institution to supplement the WTO, which is the largest free-trade agreement by population in the world, the Regional Comprehensive Economic Partnership (RCEP) that encompasses China, Japan, South Korea, Australia, and 10 Southeast Asian countries (Bown, 2020). In this initiative, it can be identified that China tries to influence the norms and system of trade in areas that are not under the domination of the Western systems; in this way, it becomes a leader in regional and global economic activity.

International Monetary Fund (IMF) and World Bank

The role of China in the international monetary fund (IMF) and world bank has been increasing significantly over the past years. The power of China in such financial institutions has expanded especially in voting and decision making, as the second-largest economy in the world. Since time immemorial, the IMF and the World Bank have been controlled by Western powers and more specifically, the United States and the European countries. However, China has been exerting efforts to transform the governing systems of these institutions to win the attention of the emerging economies (Chin and Chung, 2019). The increase of the role of China in the IMF was characterized by its successful bid to augment its voting power that has made it have more say in the policies of the organisation, particularly on issues pertaining to financial stability and the worldwide domination of the economy (Beeson, 2016). One of the major achievements in this context is the birth of Chinese yuan as a global reserve currency, officially acknowledged as a Special Drawing Rights (SDR) by the IMF in 2016, thus making China a world power in the economy even more concrete (Liao, 2019). China is also another proponent of alternative financial institutions and it also suggested that the Asian Infrastructure Investment Bank (AIIB) be established in China so that it could finance infrastructure development in the Asian region among others. The AIIB is viewed as a direct rival to the World Bank and IMF, the latter offers another means of funding to countries that wish to get development assistance without the strings that have become synonymous with loans by the Western-led institutions (Tullock, 2020). This growing tendency underlines the desire of China to possess more diverse and multipolar financial system.

Geopolitical and Strategic Implications

As China gains economic and political prominence, geopolitical and strategic ambitions of China are gaining prominence. Through its military modernization, aggressive foreign policies, and strategic alliances, China is becoming a menace in the world arena. This section shall discuss the implication of the geopolitical rising of China and particularly on the Indo-Pacific region, the South China Sea and the military distribution of china throughout the world.

China's Expansion in the Indo-Pacific Region

Indo-Pacific is a region that has evolved to be one of the key areas of concern to China economically and strategically. The rise in powers of China within this region has been seen through its investment in infrastructures, trade and military dominant control. Belt and Road Initiative (BRI) have played a remarkable role in enhancing the role of the Chinese in the Southeast Asia, South Asia besides certain divisions of Africa. China has also proven to be a major ally to most of the developing countries in the area by financing and constructing infrastructure projects including ports, highways and railways (Rolland, 2017). China has been especially provocative in its South China Sea activities militarily. It is of strategic interest as the region is endowed with natural resources and is in strategic locations along major shipping routes in the world. The creation of artificial islands, the building of military bases in the disputed regions, and the aggressions of China towards its neighbors (Vietnam, the Philippines, and Malaysia) as well as the United States (to hold Freedom of Navigation Operations (FONOPs)) have resulted in tensions between the two countries (Hughes, 2019). The increasing militarization of the South China Sea is an indication that China is aiming at dominating the area and the important trade routes that pass by it, further cementing its status as a hegemon in the area.

The Belt and Road Initiative (BRI)

One of the pillars of the foreign policy approach of China, which was initiated by President Xi Jinping in 2013, is the BRI. It strives to make the world a global village through investment in infrastructure and economic growth in Asia, Africa, and Europe. The projects that are included in the initiative are roads, railways, ports, and airports, whose purpose is to streamline the work of trade and enhance the economic connection between China and other countries (Zhang, 2020). BRI has significant geopolitical consequences. Through financing of infrastructure projects in countries which have low access to capital, China has acquired a lot of power over recipient countries. Critics believe that the program can result in a debt trap as nations will be financially reliant on China, thereby making the latter smarter about their political and economic decisions (Hurley, Morris, and Portelance, 2018). The BRI is also perceived to be a way of China expanding its soft power and establishes a network of political and economic partners that would strengthen its positions in the world.

Global Security and Military Presence

Geopolitical strategy of China involves modernization of its armed forces. The nation has invested heavily in modern weaponry such as missile facilities, cyber war and space technology. Also China has been keen on extending its military power outside of China. The strategy used by China is the string of pearls whereby China establishes its network of ports and military bases in the most important strategic zones in the world, including in Pakistan, Sri Lanka, and Djibouti, which gives China a presence in the most vital areas globally (Bitzinger, 2019). The rise of the military influence and its expansion in these regions, as well as the rise of its involvement in the peacekeeping activities and humanitarian interventions, is the indication of its desire to redefine the world security. Although the United States is still retaining its hegemonic military presence mostly in the Asia-Pacific, the military capacity of China and its regional footprint is quickly emerging as a threat to U.S. influence in the region (Swaine, 2015).

Challenges to the Western-Dominated World Order

The rise of China presents a direct challenge to the Western-dominated world order, which has been shaped primarily by the United States and European powers since the end of World War II. The alternative vision of the global governance, non-interference in domestic politics and capacity

to shape international norms of China has brought up a big debate on whether the world will see an alternative global governance. This part discusses the main threats that China presents to the current international system.

Diplomatic Power and Soft Power

China has had a rising tendency to use both hard and soft power in order to impose its presence around the world. Although the hard power is depicted by the increasing military power as well as economic influence, the key component of the Chinese approach to reestablish world governance is the soft power. China has been able to expand its cultural influence globally through the Confucius Institutes, the Chinese media including CGTN, and promoting the Chinese language and culture (Ding, 2020). These efforts align with China's broader strategy to offer an alternative model of governance—one that emphasizes stability, economic development, and state sovereignty over individual rights and freedoms. China is also trying to establish itself as a leader of the third world through its soft power programs which are propagating a vision of governance that is opposite to the liberal democratic values that are practiced by the west. The growing diplomatic presence of China in Africa, Latin America, and Asia by funding and developing aid projects has enabled it to develop an extensive network of alliances, which further diminishes the power of the Western countries (Ferdinand, 2016).

Authoritarianism vs. Democracy

The emergence of China has placed the issue of ideological confrontation between the authoritarian political apparatus of China and liberal democratic regimes of the west on the spotlight. Although China has adopted the ways of capitalism and economic globalization, it has not adapted to democratic policies whereby it keeps its political system close and restricts civil liberties. Conversely the Western democracies have promoted values like individual freedom, human rights and the rule of law which are usually opposite to the governance model of China. The rising economic strength and political prominence of China is disrupting the Western discourse that democracy and capitalism are inseparable. Proving that the regimes based on authoritarian rule can be compatible with economic prosperity, China offers an alternative to Western liberal democracy, which introduces a conflict concerning the future of political systems in the world (Pei, 2017). The growing popularity of the Chinese political system in some quarters of the world particularly in the developing countries has raised fears in western capitals due to the loss of democratic ideals.

Impact on Global Governance Norms

The emergence of China has prompted demands to reform the international system of governance more so in the international organizations such as the United Nations, the World Bank and the International Monetary Fund. These organizations were established during the post world war II and were destined to attract the interests and ideals of the Western powers who were among the major players in the formation of the organizations. However, as the economic and political might of China has been increasing, it has attempted to redress the balance of power in these bodies to better represent the realities of the 21st century (Chin and Chung, 2019). China has been lobbying to gain more representation and in voting power in organizations like IMF and the world bank where it has always had a low influence. It has also been instrumental in the formation of other organizations such as the Asian Infrastructure Investment Bank (AIIB) to compete with the monopoly of the western dominated financial institutions (Tullock, 2020). Such efforts depict the desire of the Chinese to transform the world model of governing to a more western dominated

system to a more multipolar and inclusive system which can adapt the interests of the new powers like China.

Emergence of A New World Order?

The rise of China as a leading nation has made individuals speculate on the future of world governance and the way the world that is dominated by western powers will evolve and transform to multipolar. As the economic, political and military strength continues to increase, China is increasingly asserting itself as the key player in the establishment of the 21st century world order of governance. This section will dig into the alternatives of a new world order that will be more representative of the rising power of China and other new powerhouses, and will disrupt the status quo of the old order of Western institutions and values.

China's Role in Shaping a Multipolar World

A multipolar world order is a situation where there are a number of states or regions that are very powerful and influential compared to unipolar or bipolar where the super power may have one or two domineering superpowers. China has seen its economic growth, military modernization and an ever-growing international footprint of the country in the recent years that have led to the rise of a more multipolar international system. This change can be seen specifically in the strategic plans of China, e.g., the Belt and Road Initiative (BRI), which aims to develop new trade routes and political partnerships in Asia, Europe, and Africa (Rolland, 2017). The activities of China in the multilateral organizations like BRICS (Brazil, Russia, India, China and South Africa) group and the Shanghai Cooperation Organization (SCO) are other examples of its endeavors to establish a system of global influence that does not relies on the Western-led organizations. More precisely, BRICS countries insist on changes in the system of global financial governance to reflect the interest of developing economies. The trend is the indicator of the global power balance that is shifting in favor of China, who is at the center stage of this development (Beeson, 2016). As much as the United States continues to be the world hegemony, the emergence of China poses a threat to the liberal international order spearheaded by the United States. The growing economic influence of China, combined with the rise in its military strength, is an indication that the world is becoming more multipolar, and influence among multiple major powers, including China, the U.S., the European Union, and other emerging powerhouses like India and Russia (Pei, 2017).

Emerging Alliances and Institutions

As China keeps imposing its will in the global arena, it has tried to form other institutions and partnerships that provide an alternative to the western structures. Among the largest ones is the Asian Infrastructure Investment Bank (AIIB) that was founded in 2014 to finance infrastructure projects in Asia and beyond. The AIIB vies against the World Bank and the Asian Development Bank which have in the past been dominated by the U.S and Japan. The leadership of China in the AIIB is an initiative to develop a more accommodating financial framework that considers the interests of the emerging economies (Tullock, 2020). Besides the AIIB, China has also been actively a proponent of the Regional Comprehensive Economic Partnership (RCEP), the largest trade agreement in the world by population that covers China, Japan, South Korea, Australia and 10 countries in Southeast Asia. This trade agreement emphasizes the attempts of China to redefine the world economic system and enhance the economic integration of the region, paying attention to decreasing reliance on the United States and other Western superpowers (Bown, 2020). The increasing diplomatic activities of China in Africa, Latin America, and the Middle East have also resulted in the establishment of strategic partnerships and alliances that provide alternative models of economic and political activism directed by the West. China has developed a huge system of

political and economic partners by lending money, investing, and they offer development assistance to these regions to facilitate its expansion and the formation of a more multipolar world system (Ferdinand).

Global Governance in the 21st Century

The fear of the new world order in the 21st century depends on how global governance organizations will transform in accordance to the increasing power of China. The existing system of governance, which has been basically influenced by the western powers since World War II, may find it necessary to adjust to the emerging powers of new entrants in the economic scene, such as China. Reforming institutions like the United Nations, the International Monetary Fund, and the World Trade Organization to reflect the realities of a more multipolar world will be essential to ensuring the legitimacy and effectiveness of global governance in the 21st century. China's active participation in these institutions, along with its push for greater representation and reforms, signals that it will play a key role in shaping the future of global governance (Chin & Chung, 2019).

Conclusion

The rapidly growing economic force China is evolving into has had a far-reaching impact on the world governance and the future of the international relations. Being an effort of China to establish its dominance in the economic, political, and military arenas the old world order that dominated by the West is a challenge to the old world order and is providing new opportunities and threats to the world population. Due to its active participation in the international organizations, its economic initiatives such as Belt and Road Initiative and growing military and diplomatic presence, the balance of world power is shifting, and the world pattern is turning into multipolar. The international future will depend on the manner in which the international community will be adjusted with the emerging power of China. Since the United States and other western powers continue to remain in the center of the global norms as well as institutions, the emergence of the increasing Chinese influence is making the current structures to be renegotiated. The growing opposition between the U.S and China along with China attempting to develop alternative institutions and alliances all signify that the new world order will be much more diversified and multipolar compared to the one, which has been unfolding after World War II. The might of China is certain to rise in multiple aspects including that of trade and in terms of economy, in the military and in the diplomacy arena as China continues to reestablishes its role in the international arena. The world is perhaps going through a new stage of world governance, where power is distributed among a few significant actors, and China is in its centre. The full repercussion of the emergence of China will be vital both to those working in the policy makers and the scholars who are trying to find their way through the maze of affairs in this new world order.

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