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# Frontiers of Power Struggle Between Incumbent US and An Ascending China and Its Implications on Global Peace and Stability

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**Abstract:** The paper examined the frontiers of power struggle between incumbent US and an ascending China and its implications on global peace and stability. The paper is based on synthesis of empirical literature. The rivalry between the US and China has manifested itself in various fronts including trade and investment; technology and innovation; military and strategic concerns; human rights and ideologies; global influence and diplomacy, among others. Such rivalry has implications for global peace and stability in terms of disruptions in global supply chains and International Trade; Political dependence and shrinking political space for other states; cybersecurity and information warfare and Geo- Geopolitical tension.

**Keywords:** Power Struggle, Incumbent US, Ascending China, Global Peace

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## 1. Introduction

The thought of a country that is more powerful than the US has not been known since World War II. But now it is becoming clearer that China is indeed coming for the crown of the most powerful nation in the world if trade wars between the US and China are anything to go by. The power struggle between the United States and China has emerged as a prominent example of international relations in recent times, serving as a paradigm that shapes strategic debates and influences political, military, and economic dynamics (Erlbacher & Schmalz, 2023). This rivalry is likely to persist for a considerable duration. The US has utilized its structural power in global value chains to curtail China's ascent, leading to a conflict characterized by mutual restrictions and sanctions. Furthermore, the US-China rivalry can be seen as a hybrid world war, with tensions arising from the systemic tension between unipolarism and multipolarism. Additionally, Latin America has become a sphere of competitive confrontation between the US and China, with both countries vying for trade and economic ties in the region (Hong, 2022). The Chinese political elite firmly believes that the United States is determined to hinder any further expansion of Chinese influence. This rivalry encompasses dimensions such as security, economics, technology, ideology, and personal factors. The objective of this paper is to analyze the frontiers and impacts of the US-China rivalry on global peace and stability.

## 2. Results

### 2.1 Frontiers of Power Struggle between the United States and China

The power struggle between the United States and China is unfolding across multiple frontiers. Both nations employ various statecraft instruments to pursue their strategic rivalry, including the expansion of alliances, reinforcement of bases, and the promotion of critical narratives. With China's ascendancy and the diminishing leadership role of the United States on a global scale, the emergence of two competing economic blocs is becoming a possibility with one led by China and another led by the United States (Lippert et al., 2020). The major frontiers of the US-China rivalry can be observed through the lenses of trade and investment, technology and innovation, military and strategic concerns, human rights and ideologies, global influence, and diplomacy, among others.

### **2.1.1 Trade, Investment, and Economy**

Trade and investment rivalry between the US and China has intensified in recent years. The US and China are competing for economic influence in Latin America, with China gradually displacing the US in the region's foreign market. The rivalry between the two countries has also led to trade wars and technological competition. Financial decoupling has become a significant aspect of the rivalry, with both countries implementing policies to reduce their reliance on each other's financial markets. The US has implemented neo-protectionist policies and smart automation technologies to restore its factories from China and revitalize its manufacturing industry (Hong, Yoon, Kim, Rim, & Nam, 2021). The rivalry between the US and China encompasses conflict over trade, economic competition, financial matters and economic policies. These conflicts constitute a distinct dimension of rivalry that is preceded by the protectionist strategy introduced by then President Trump's administration and US criticism of Chinese trade policies such as trade rules violation and unfair competition (Ghafoor, 2022). The trade conflict is intricately connected to questions of global order that hold significant importance. This is particularly relevant to international organizations and multilateral trade rules. The economic cooperation between both sides has witnessed a decline in mutual trade benefits compared. The US-China bilateral trade is no longer a stabilizing factor that can mitigate political conflicts between the two nations. Instead, trade conflicts are exploited for political purposes (Lippert et al., 2020). Even though, the economic and financial relations between China and the United States have always been marked by simmering conflicts in the past. Both sides have enjoyed substantial benefits, with US businesses generating substantial revenues in the Chinese market from investment and exports, while China accumulated significant surpluses from trade, which were subsequently reinvested in US treasury bonds, effectively contributing to America's consumption-driven economic growth (Hong, 2022). However, this symbiotic relationship no longer exists in the relationship where competition and confrontations have become the norm.

The rapid economic ascent in China has led to a situation where US-China economic relations are now less complementary and more competitive. American companies are facing increasing difficulties in generating sales and profits within the Chinese market, due to the growing presence of administrative restrictions and the continued closure of many service sectors where US businesses hold competitive advantages. On the other hand, the US is currently willing to transfer technological knowledge to China. Furthermore, with the decline in US treasury bond purchases by China following the contraction of Balance of Payment Accounts (BOP), Chinese wealth no longer plays a significant role in financing America's domestic economy (Kwan, 2020). China's emergence as a global leader in manufacturing and export has resulted in increased changes within the US economic structure. The exports from China to the US are responsible for reduced employment in the manufacturing sector in the US between 1990 and 2007 (Lippert et al., 2020). The competition emerging from China against the US currently goes beyond manufacturing into technology spheres as well. Through its industrial policy strategy, Beijing has outlined its ambition to attain world leadership in critical sectors. Presently, US and China-based firms are embroiled in stiff competition in the area of technology, innovation and artificial intelligence. Both countries are involved in supremacy wars are regard to the development of systems and standards. The US has consistently held that China engages in unfair trade parties; discrimination of foreign firms; trade protection measures and state control over businesses (Lau, 2019).

### **2.1.2 Technology and Innovation**

The rivalry between China and the US extends to the technological and innovation realms. Both nations strive for leadership in cutting-edge technologies, including artificial intelligence, biotechnology, and advanced manufacturing. The competition in technology between China and the US represents a crucial aspect of their overall geopolitical rivalry (Wang, 2022). Both countries have made significant advancements in various technological domains, and the competition spans across multiple sectors. The technology competition between the United States and China is a dynamic one, with both nations vying for leadership in key areas that are likely to shape the future of global innovation and economic competitiveness (Wang, 2022). The technology dominance that is rooted in digital products and services transcends traditional territorial boundaries. Both the US and China view supremacy in the area of technology as a critical precondition for their military and economic prowess, as well as their respective positions in global politics. Currently, the United States remains the frontrunner in various technological domains. Conversely, the Chinese government has expressed its ambition to shed its previous image as the world's workshop and emerge as a leader in technology and innovations. The intensified competition from China as it pursues its goal of a leader in technology and political realms is slowly presenting challenges for states that rely on technological support from either the United States or China (Thomas-Noone, 2020).

The distinctive nature of technology and innovation leads to the technopolitical latitude of influence of the US and China. Firstly, technology and innovation depend on a mix of software and hardware where no single country or firm has full control over all the technology stack levels. Therefore, influence based on technology often overlaps with geo-political influence. For Example, network hardware in China combined with the US operating system can be used to operate applications in European countries. Secondly, most critical digital technologies are operated on a network for global communication which has little to do with territories and national borders. Central network actors can control data flows and access to digital goods and services,

thereby exerting economic and political influence over less central actors, whether they are states or businesses (Wang, 2022).

The United States has long considered technological superiority as a vital aspect of its national security, dating back to the 1940s. Initially, the Soviet Union posed the greatest threat, which was later joined by the rapid ascent of the Japanese computer industry in the 1980s (Wang, 2022). During the first wave of digitization in the 1990s, the United States once again took the lead and established a dominant position in many core digital technologies. Consequently, numerous countries and firms became dependent on American market leaders. Presently, China is pursuing a dual objective to achieve independence from the United States in core digital technologies, and to disseminate its technologies on a global scale. The technology component of the Belt and Road Initiative serves as a pivotal instrument in accomplishing these goals while highlighting China's ambition to establish its technopolitical sphere of influence as a counterbalance to the American sphere (Thomas-Noone, 2020). The initial successes of this strategy are evident in the growing global prominence of Chinese firms that operate social media platforms, provide cloud services, and offer network technologies. Thus far, the United States has designed its sphere of influence to enable as many states and companies as possible to utilize the products and services of American companies.

Generally, the United States adheres to the practice of granting access to its markets to foreign firms, although it also employs targeted measures to limit foreign investment and exercise control over exports. China, on the other hand, takes a more stringent approach in this regard: While Beijing supports the international activities of Chinese business enterprises, it imposes strict regulations and limitations on access to its markets. The issue of technological dependency is not a problem as long as all parties involved perceive it as a desirable interdependence that enhances the overall well-being of States globally. However, complications arise when influential actors such as the United States and China exploit these dependencies to further their objectives. Through their spheres of influence, these actors possess distinct opportunities to exert political and economic influence over other states and business enterprises that rely on them (Xinbo, 2023).

Technological advancements are not devoid of values, political ideas and norms. These elements become integrated into technology as a standard configuration, such as within the software code, and consequently generate political and economic consequences. Social networks like Facebook, which is based in the United States, and China's WeChat are influenced by the values and legal frameworks of their respective home countries. This influence extends to matters such as the limitations on freedom of expression or the requirements for the protection of personal data. For instance, Amazon's global logistics system and Uber's mobility platform exemplify manifestations of US ideas regarding the organization of economic competition. Through these platforms, their ideas and norms have permeated across the globe. Conversely, China seeks to shape the economic affairs of other nations through the global reach of entities like the Alibaba Group or social media platforms such as WeChat (Lippert, Perthes, & und Politik-SWP-Deutsches, 2020).

### ***2.1.3 Political and Ideological Aspects***

Political and ideological aspects are significant factors in the context of the United States and China rivalry. These two countries have distinct political systems and ideologies, with debates centring on topics such as human rights, democracy, and authoritarianism. The ideological and political frontier of the rivalry is situated within the competition of democratic and liberal thoughts on one side, and authoritarianism and conservatism on the other. While this may appear as a matter that is internal within a state, it is inherently influenced by the polarization emerging from the US and China rivalry (Chengqiu, 2020). Within the US Congress, support for liberal thoughts and democratic values as an element of the world order take centre stage with both the Senate and the Congress striving for more resolute policies in this regard. The discourse in the United States is characterized by concerns over the ascent of China and the potential for being surpassed. Conversely, Chinese elites also depict a sense of insecurity, perceiving liberal values and worldviews as threatening (Jie, 2020). American criticisms of China encompass normative aspects, with China being perceived as a state that threatens democratic values and human rights. Human rights organizations in China face significant challenges in gaining recognition and support in the face of the influential China communist party and its leadership (Chengqiu, 2020). The clash of values between China and the United States is deeply rooted in the broader ideological conflict between the democratic market economies of the West and the state capitalist systems. The foreign policy tradition of the United States since 1945 has been that of safeguarding a liberal world order. While a direct ideological confrontation on the scale of the Cold War has not yet occurred, both sides engage in the exchange regarding norms and ideals (Jie, 2020).

The contrasting perspectives of the US and China concerning world order ideals present an unsurmountable challenge for the US and China. China on the one hand is focused on the entrenchment and preservation of the power of the ruling communist party and its system of ideals against liberal thoughts emerging from the US. Consequently, the US together with its allies is worried about the potential loss of its interpretive dominance in international politics and the multilateral institution's stability which is deeply rooted in the liberal ideals of the West (Chengqiu, 2020). Further, the US seeks to maintain the status quo as regards its global supremacy status in the Geopolitical affairs of the world. Even though some aspects of the liberal ideals of the West have been eroded, they continue to exert a strong influence on segments of the population in China especially among intellectuals and the youthful population. US-backed liberal and democratic ideologies represent competing alternative systems in China with Chinese states such as Taiwan, Singapore, and Hong Kong having

embraced liberal and democratic ideals and have allied themselves to the US (Lippert et al, 2020).

#### ***2.1.4 Military and Security***

The US and China are also engaged in a military rivalry, with military disputes becoming frequent. This rivalry is characterized by strategic competition in various realms, including the economic and international security domains. The international security domain of the rivalry between the US and China has attracted the attention of scholars and practitioners. The publication of the US National Security Strategy in 2002 marked the beginning of fierce military differences between the US and China with successive regimes in the US being concerned about the modernised and highly military power of Chinese armed forces. In the initial stages of the rivalry, the US was primarily concerned that China may use its military power to harass and intimidate US allies in the region such as South Korea and Japan. However, presently, the international security threat from China is viewed as a global issue. For instance, an annual report by the US Pentagon on the military capabilities of China evaluated Chinese investments in areas linked to security and deemed them highly concerning. This primarily applies to investments in technologies with direct military applications (Mearsheimer, 2021).

Additionally, the Pentagon is apprehensive about the strategic advantages of the Chinese with its investments in offshore infrastructure, such as port facilities and military bases in Countries like Djibouti under the Belt and Road Initiative. Moreover, the US administration thinks that, unlike Russia, China has the economic, political and military muscles to expand its global influence. In contrast, China accuses the US of impeding its geopolitical and economic progress. The strategic culture of China, which has been influenced by its historical experience of vulnerability between 1840 and 1949, continues to play a significant role in the nation's identity and is closely tied to Chinese nationalism. This historical backdrop sets the stage for a relationship between China and the US that depicts a classical security dilemma. In this scenario, both sides' pursuit of greater military power ultimately leads to heightened insecurity for both parties (Lippert et al., 2020). From the perspective of the United States, China's military developments pose a threat to American security and vital interests. China's ongoing naval expansion challenges the United States' role as a global power. Throughout history, the United States, much like Great Britain once did, has dominated the world's oceans and utilized this dominance to safeguard the freedom of navigation. The military capabilities of China are expanding to project power within and beyond its boundaries. This development fuels concerns in Washington that China may eventually pose a direct threat to the United States itself. In August 2017, China established its first foreign military base in the Horn of Africa in Djibouti, and the United States anticipates the establishment of additional bases in the future (Cabestan, 2021).

#### ***2.1.5 Global influence and Diplomacy***

The rivalry between the United States and China holds significant implications for global influence and diplomacy thus shaping the international landscape through various means. The diplomatic relations of nations around the world are influenced by the ongoing rivalry between the United States and China. These countries must carefully navigate their interactions with both powers, often striving to strike a balance between economic interests, security concerns, and geopolitical considerations. indeed, both the United States and China actively participate in forging alliances and partnerships to expand their global influence. The United States strengthens its ties with traditional allies in Europe and Asia, while China broadens its reach through initiatives such as the Belt and Road Initiative (BRI). Furthermore, both nations invest in projecting a positive global image and promoting their respective values, ideologies, and ways of life. The control and influence over global media outlets also constitute a significant aspect of this rivalry. Both countries engage in efforts to shape narratives, control information, and exert influence on public opinion on a global scale (Wu, 2020).

### ***2.2 Implications of Power Struggle between US and China for Global Peace***

The implications of the power struggle between the United States and China hold great significance for global peace and stability. If the strategic rivalry between these two nations solidifies into permanent global conflict, it may potentially trigger a process of deglobalization, ultimately resulting in the establishment of two parallel orders: one controlled by the US and the other by China. The ongoing conflict between the United States and China continues to intensify, hastening the bipolarization of the international system. Over time, this could undermine the foundations of global multilateralism. Both Beijing and Washington assert that their intentions are fundamentally defensive while accusing the other of adopting an aggressive strategy. The United States perceives China as a rising power seeking to challenge its dominance and undermine the rules-based international order. The rivalry between the US and China is likely to impact peace and stability in aspects such as international trade, political dependence, cyberthreat and Geopolitical tension.

#### ***2.2.1 Disruptions in global supply chains and International Trade***

The rivalry between the United States and China has led to disruptions in global supply chains, as both countries have implemented tariffs and trade restrictions. Businesses across the globe may need to adapt to the changing dynamics of trade

and consider diversifying their sources for supply chains. The ongoing conflict between the United States and China poses a threat to the very institutional basis of the world trade and finance system. Both nations have impeded the activities of the World Trade Organization (WTO) and the multilateral world trading system with their trade policies. China has been accused of disregarding key WTO principles like transparency and non-discrimination in world trade. In contrast, the US has continued to breach critical terms of the WTO treaty and has repeatedly imposed punitive tariffs and non-tariff barriers. The blatant disregard for the WTO rules by the two major economies is concerning concerning the future of the multilateral system of Trade. The two nations have continued to enter into bilateral agreements with other nations in a way that disregards the rules of the multilateral trading system. This disregard is slowly resulting in the degeneration of the WTO's trade framework. The trade agreements entered into by the US and China are relatively beneficial to the two global economies even if they disadvantage other nations (Lippert et al., 2020). Further, the conflict has witnessed the US imposing additional sanctions and boycotting supplies from Chinese firms while intensifying its push for its allies to do the same. Firms and business enterprises in other states as increasingly being confronted with a decision of engaging in business with either the US or China. The ongoing trade, economic, and technological dispute between China and the United States has already resulted in significant economic damage, impacting not only the involved parties in the rivalry but also other states not directly involved in the rivalry. The reciprocal imposition of punitive tariffs by China and the US has led to substantial reductions in bilateral trade and, in some cases, a drastic increase in the cost of imports from respective states. Importers from the US have had to shift to alternative suppliers, benefiting countries like Vietnam, the European Union and Mexico. Further, manufacturing has also been relocated. Consequently, the risks associated with foreign trade, both in terms of supply and sales, have increased worldwide. Investors are adopting a cautious approach, minimizing their investments to mitigate risks. This uncertainty has played a significant role in the recent economic slowdown such as the one witnessed in 2009.

### ***2.2.2 Political Dependence***

Given the foreseeable future, it is unlikely that any other state will be able to rival the technological capabilities of the US and China. Both countries will strive to expand their technopolitical influence. However, this poses a predicament for states that are net consumers of technologies as the rivalry heightens economic pressures and erodes political autonomy. Other states are thus compelled to align themselves with either the US or China hence placing their trust in the technologies of one of the two competing nations leading to increased dependence. Even though such an alliance limits the flexibility of technology-dependent nations, it also may create opportunities for exerting influence within the relationship. For instance, such an alliance and dependence can be observed in the close working relationship between the intelligence services of the US, Taiwan and the United Kingdom in terms of technological espionage methods. A similar close technology relationship is evident in the alliance between China and Russia (Lippert et al, 2020).

### ***2.2.3 Cybersecurity and Information Warfare***

The cyber activities carried out by the US and China contribute to concerns surrounding cybersecurity and information warfare. The development and deployment of offensive and defensive cyber capabilities have implications for global security. A power imbalance is evident within the technopolitical spheres of influence. In the global network framework, actors who have massive control of central nodes in the network also can moderate and manipulate technologies relying on the framework that is critical to other states and their businesses. This is particularly evident in the realm of surveillance and cyber espionage happening in the US. Most of the key world's internet service providers such as Microsoft, Google and Amazon have their head offices in the US. Furthermore, the personal data of their customers both within and outside the US are hosted in US data centres (Lippert et al., 2020). The United States intelligence services strategically leverage the global internet communication that flows through their servers and fibre-optic cables, which are predominantly located within their borders. This advantageous position grants the US the ability to engage in eavesdropping activities. Furthermore, security agencies, under the jurisdiction of court orders, possess the capability to access cloud data that is hosted in US-based data centres, belonging to global enterprises. Regrettably, states lacking such a central position are deprived of these opportunities. In response to these developments, China has taken measures to enhance its surveillance capacities about crucial fibre-optic internet exchange points. Additionally, the EU, Russia and China are actively pursuing initiatives geared towards the repatriation of their citizens' data from the United States. Notably, China compels foreign companies operating in China soils to host customers' data within China, therefore enabling the security authorities in China to access the said data (Lippert et al, 2020).

The phenomenon of technological dependency empowers central actors to exploit their influence to execute acts of sabotage. Such actions can disrupt or even impede the flow of data and the availability of digital services within states dependent on these actors. The sabotage tactics include denying access to services hosted by these central actors, imposing restrictions on particular digital products within marketplaces, suspending cloud-based software updates, and even intentionally undermining IT systems. An example of technology dependence is evident in the occurrence of outages in Google services or Amazon web services, whether accidental or deliberate, which can paralyse firms and websites in other states not directly involved in the rivalry. Further, China's Huawei technology company concerns US and Western governments about the potential for China to sabotage the newly developed 5G mobile networks. Moreover, the United States, through its restrictions on exports to Huawei,

demonstrates how global supply chains can be interrupted, thus disrupting production processes within digital enterprises.

### 2.2.4 Geo-Political Tension

Geo-political tension manifests itself through disputes about territorial claims in the South China Sea and the competition for influence within the Asia-Pacific region. The military rivalry between the United States and China, particularly within the Indo-Pacific region, has significant implications for regional stability. The potential for these territorial disputes to escalate and negatively impact the stability of the region is a cause for concern. Furthermore, tensions surrounding territorial disputes and strategic interests have the potential to give rise to geopolitical conflicts. The sensitive and potentially volatile issue of Taiwan's status serves as a source of geopolitical tension in U.S.-China relations. The United States' support for Taiwan and China's territorial claims contributes to this tension and has the potential to lead to regional conflicts (Hilpert et al., 2022). Furthermore, both the United States and China are actively engaged in efforts to modernize their military capabilities. This rivalry contributes to an arms race, characterized by the development of advanced military technologies and strategic posturing. As a result, tensions between the two nations are heightened. It is increasingly evident that China is positioning itself to become the world's most powerful nation, as evidenced by the ongoing trade wars between the United States and China. The writings of Thucydides provide insight into the potential consequences of such competition, suggesting that it may ultimately lead to full-scale military conflict.

## 3. Conclusions

The rivalry between the US and China has manifested itself in various fronts including trade and investment; technology and innovation; military and strategic concerns; human rights and ideologies; global influence and diplomacy, among others. Such rivalry has implications for global peace and stability in terms of disruptions in global supply chains and International Trade; Political dependence and shrinking political space for other states; cybersecurity and information warfare and Geo-Geopolitical tension.

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