



ÇİN'İN YÜKSELİŞİ: BİR KÜRESEL GÜÇ OLARAK ÇİN'İN EVRİMİ

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THE DRAGON'S ASCENT: CHINA'S EVOLUTION INTO A GLOBAL POWER

ÖZ Son on yılda Çin, tarım medeniyetinden dünyanın ikinci büyük ekonomisine ve uluslararası ilişkilerde önemli bir oyuncuya yükselen büyük bir güç haline geldi. Bu çalışma, ekonomik verilerin, politika girişimlerinin ve stratejilerin kapsamlı bir analizine dayanarak Çin'in yükselişini yönlendiren faktörleri ve mevcut küresel düzene yönelik zorlukları anlamayı amaçlamaktadır. Çin, işgücü ekonomisi ve stratejik ticaret politikalarıyla dünyanın önde gelen üreticisi ve ihracatçısı olarak küresel ticaret dinamiklerine yön veriyor. Buna ek olarak Kuşak ve Yol Girişimi (BRI), ekonomik etkisini kıtalar arasında genişletiyor, altyapı gelişimini teşvik ediyor ve ortak ülkelerle bağlantıyı güçlendiriyor. Çin, sınırlarını çevreleyen çok sayıda düşmanca ve güvensiz ulusun varlığıyla karakterize edilen zorlu coğrafi koşullarla karşı karşıyadır. Öte yandan Çin'in büyümesi bazı zorlukları da beraberinde getiriyor. Sonuç olarak, Çin'in yükseliş mekanizmalarını anlamak, değişen uluslararası manzaranın komplikasyonlarını yönetmeye çalışan politika yapımcılar ve uygulayıcılar için kritik öneme sahiptir.

Anahtar Kelimeler: Çin, Ekonomik Sonuçlar, Kuşak ve Yol Girişimi (BRI), Güney Çin Denizi

ABSTRACT The last decades, China has become a great power, rising from an agricultural civilization to the world's second-largest economy and an important player in international affairs. This study aims to understand the factors driving China's rise and challenges to the existing global order based on a comprehensive analysis of economic data, policy initiatives, and strategies. China is driving global trade dynamics as the world's leading producer and exporter, with its workforce economy, and strategic trade policies. In addition, the Belt and Road Initiative (BRI) extends its economic influence across continents, promoting infrastructure development and enhancing connectivity with partner countries. China faces challenging geographical conditions, characterized by the presence of numerous unfriendly and distrustful nations surrounding its borders. On the other hand, China's growth poses some challenges. In conclusion, understanding the mechanisms of China's rise is critical for policymakers and practitioners attempting to manage the complications of the changing international landscape.

Keywords: China, Economic implications, Belt and Road Initiative (BRI), South China Sea

INTRODUCTION

China has developed extraordinary control, posing a challenge to the status quo. China is the only nation other than the United States that compares to that great control status. China's rise was influenced by a variety of factors such as its population estimate, economic growth rate, proportion of global trade, and the size and quality of its military. Until nearly 40 years ago, when it started economic reforms and trade liberalization, China's policies kept its economy stagnant, exceedingly inefficient, centrally managed, and relatively isolated from the rest of the world economy. Since 1979, China has become the world's fastest-expanding economy. According to the World Bank, this is "the fastest sustained expansion by a major economy in history." China has doubled its GDP every eight years, lifting an estimated 800 million people out of poverty (Every CRS Report.com, July 12, 2006 – June 25, 2019).

The fast growth of the People's Republic of China in the late twentieth and early decades of the twenty-first century symbolizes a paradigm change in world politics. China's economic miracle has encouraged growth and development both in the home and abroad. China has become the world's largest economy in terms of purchasing power parity and is a major manufacturer of goods. When faced with rising powers such as China, established superpowers may experience fear, vulnerability, and a need to defend themselves. Beijing is a threat to the West, including the U.S. China's fast modernization of its armed forces, which is also a result of the country's rapidly growing economy. China is using the newly formed SSF to develop sophisticated space and offensive cyber capabilities. China places high importance on its developments because it aims to achieve its own interests through military power.

China also uses its hard power in matters such as territorial disputes in the South China Sea. However, China's actions have damaged its reputation. Therefore, China has improved its cultural attractiveness through its soft power. Beijing is developing an International Media Network and establishing Cultural Studies Centers across the globe. China faced demographic, environmental, and trade conflicts with the United States, as well as discriminatory human rights implementation. China's demographic problems began 35 years ago when President Deng Xiaoping decided to limit Chinese families to having one child. Aside from demographics, China's economy faces a number of other obstacles. For instance, there is a trade conflict between China and the U.S. China's environmental concerns, such as outdoor and indoor air pollution, water scarcity, desertification, and soil contamination, have worsened, posing substantial health risks to Chinese inhabitants. Human rights are another issue in China. These problems led to the Chinese Communist Party losing its previous reputation for superhuman competence in managing economic affairs. In my opinion, China's resilient and unwavering posture will enable it to overcome challenges, even in the most difficult circumstances.

BACKGROUND OF CHINA

The evolution of China has become a topic of intense interest and debate for scholars, policymakers as well as the public at large. China has experienced remarkable economic growth, technological progress, and increased global influence over the last two decades.

Over the past few decades, China's economy reached the world's biggest and strongest economies. The fundamental factors contributing to Chinese economic growth include the globalization of the economy,

the process of urbanization, increased private investment, reforms in the distribution of income at both the elementary and secondary levels, advancements in technology, and improvements in education. Due to the globalization of the Chinese economy, China has significant impacts on the global market structure, financial systems, consumer demand, and pricing. By integrating the findings of several studies, it becomes evident that the Chinese economy is a key component of the world's most important multinational industrial networks.

China's industrial growth has been phenomenal in recent decades, transforming the country from a manufacturing hub to a leader in high technology. Chinese companies from more traditional high-tech sectors almost catch up with foreign rivals (Zenglain 2019). China has significantly increased its investment in research and development. The OECD reports that China is now the world's second-largest R&D spender after the US due to its tremendous growth in R&D spending. In many different disciplines, this funding has spurred technological advancements and creativity. Additionally, China has made tremendous progress in information and communication technology (ICT). The country is a global leader in 5G technology, with companies such as Huawei and ZTE leading the way in 5G infrastructure development. The large population serves as fuel to accelerate her expansion. China has made remarkable progress in reducing poverty by bringing 800 million people out of poverty over the past 40 years (World Bank 2022). China has undergone a major modernization of its armed forces in recent years. China has initiated a substantial expansion of its naval forces for two main purposes: firstly, to contest the United States' control over maritime activities in East Asia, and secondly, to acquire significant maritime capabilities as a major global naval power, recognizing the importance of having a strong navy capable of operating in international waters. By applying the idea of "informatization" and applying cutting-edge information technology to every aspect of military operations, with an emphasis on improving command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR) capabilities, China revised its military strategy between 2004 and 2014. China aims to strengthen the PLA's strategic deterrent capabilities. It is known that China's advances in artificial intelligence (AI) and cyber capabilities are central to modern warfare and asymmetric tactics against technologically superior adversaries. During the past forty years of reform and opening up, China has initiated a significant endeavor of technical innovation after implementing reforms in both rural and industrial sectors. Shreds of evidence indicate that China's technical innovation process has undergone four distinct stages. The Learning-Introducing-Supplying Stage (LIS Stage) refers to the technological practice period from 1978 to 1988. This stage involved acquiring knowledge about international business practices and introducing foreign technologies to China. Furthermore, between 1988 and 1998, it implemented the "III Stage," which involved the constant introduction and imitation of foreign ideas, followed by the iterative promotion of new products after adapting them to the Chinese context. Furthermore, between 1998 and 2008, there was a period known as the Integrating-Boosting-Creating Stage (IBC Stage). During this time, the objective was to pursue autonomous, integrated innovation by combining foreign technologies and advantages. Lastly, between 2008 and 2018, the process known as the "Innovating-Iterating-Promoting Stage" (IIP Stage) involved conducting considerable independent research and development as well as learning from international high-level innovation in order to improve upon the results of past independent innovation efforts. Following four decades of experience, the government has become a major force behind industrial development. Chinese investors are particularly interested in the emerging technology domains, financial technology, augmented and

virtual reality, and artificial intelligence. In 2015, China developed in this specific group in their total investment. This percentage increased more in the next year (Brown & Singh 2018).

Soft power also played a role in China's rising global power. The best approach to implementing "soft power" is cultural and humanitarian cooperation. Soft power is a strategy that aims to exert influence indirectly by generating a strong desire among others to align with the objectives of the entity in power. Higher education allows China to establish university prestige and recruit international elites. China's education programs enroll students from 196 nations. China has actively promoted extensive educational, scientific, and technical collaborations. This includes organizing conferences and workshops within China, sending academics and scientists abroad, and warmly receiving foreign delegations consisting of officials, scholars, scientists, and researchers, as well as students. China is well-known for its "smile diplomacy," which comprises frequent trips by Chinese leaders to neighboring countries. China's media reached audiences in strategic regions of the world by establishing broadcast centers in global capitals like London, Moscow, Nairobi, and Washington. On the other hand, China has also encountered challenges. Demographic changes presented challenges, resulting in an aging population and a gender imbalance. The number of people in the workforce declines as the population gets older, increasing healthcare demands and straining social security systems. Water pollution is one of China's environmental challenges. Water pollutants in China are primarily the result of industrial discharges and agricultural activities. Trade conflicts between the U.S. and China have posed considerable economic challenges for China (Peng 2011). The 2018 trade war caused significant economic disruptions in both countries. The introduction of tariffs on Chinese imports caused a drop in Chinese exports to the United States, resulting in an economic slowdown in specific sectors. Even though China's economy has been growing rapidly, income inequality is still a major concern. The income disparity between different regions and between urban and rural areas has grown substantially. Scholars argue that economic reform and urbanization have contributed to rising inequality by benefiting city dwellers at the expense of rural areas (Kruy 2017). In light of these findings, it becomes clear that China's extraordinary breakthrough impacts global markets and international relations. However, when taking into account the challenges that China faces, such as demographic challenges, environmental issues, and trade conflicts, it is evident that these complexities put strain on its sustained growth.

THE RISE OF CHINA

China's economic growth grew mostly due to reforms launched in the late 1970s under Communist Party leader Deng Xiaoping. He removed trade barriers, allowed market forces to determine costs, and boosted investment levels. After implementing his reforms, such as the "Reform and Opening Up Policy" and agricultural reforms, China went into integration with the global economy via the WTO. It is a multinational trade organization whose mission is to facilitate free trade while minimizing negative consequences, as well as to act as a forum for resolving international trade disputes and discussions through impartial legal procedures. The November 15, 1999 agreement between the United States and China on the terms for China's membership in the World Trade Organization was the most significant transaction between the two countries since diplomatic relations were established three decades ago. The U.S. and world economic countries recognized China as an equal partner. China's membership in the WTO has provided great benefits; an expansion of trade, further reforms that will bring even greater investment from abroad, and

enforcement of the rule of law. Since 2009, it has been the world's largest goods exporter, overtaking even the EU bloc from 2014 onwards.

China's Belt and Road Initiative (BRI), also known as the New Silk Road, is one of the most enormous infrastructure projects ever created. The People's Republic of China launched the Belt and Road Initiative (BRI) as a plan to build land and maritime networks that would link Asia, Africa, and Europe. This initiative is more than infrastructure; it is an interdependent market for China, expands China's economic and political power, and creates the conditions for China to build a high-technology economy. The projects involve building or updating roads, ports, trains, pipelines, and other trade infrastructure. There have also been initiatives to improve internet connectivity and digital advancement. The China-Pakistan Economic Corridor is one of the most important and notable BRI projects to date.

China has had rapid economic growth for the past three decades, dating back to the 1978 economic reform drive. This expansion has been mostly driven by export-oriented, labor-intensive manufacturing activities. China's advancement of technological innovation has a substantial impact on economic growth. The main drivers of China's policies are reform and innovation, which have led to remarkable achievements. The Science and Technology System Reform Act, published by the central government in 1985, was the first top-down system reform across the country. The main goal of this Act was to close the gap between research institutes and related sectors and improve the economic impact of science and technology spending by focusing on competitiveness and market connections. Launched in 2015, the "Made in China 2025" strategy plan aims to promote Chinese technical producers in the international market while reducing China's dependency on foreign technology. By making sure that innovation, product quality, economy, and integration drive manufacturing across ten main industries, China hopes to decrease its reliance on foreign technology while boosting domestic industrial competence and smart manufacturing. Those sectors include modern rail transport equipment, aerospace and aeronautical equipment, energy-saving equipment, and new energy vehicles. Made in China 2025 has encountered widespread challenges and is viewed as a global threat. A significant foreign challenge is the high tariffs levied by the United States on China's firms. Despite several challenges related to trade barriers and technology restrictions, the implementation of the "Made in China 2025" plan has been progressing significantly towards its key objectives. In closing, the Made in China 2025 initiative is an ambitious and significant project that intends to push Chinese technological and strategic industries to become self-sufficient, challenging, and exceeding Western technology supremacy. With a combined battle force of around 372 ships and submarines, including almost 135 major surface combatants, the People's Republic of China possesses the largest naval fleet in the world (U.S. Department of Defense 2023). The primary reason for the development of China's naval force is to protect its overseas interests. Expanding its naval capabilities allows China to assert its claims in the South China Sea and East China Sea. China is considered to have undergone the most significant and rapid military advancement of any country since World War II, potentially surprising the pace recorded in human history.

China has positioned itself as an advocate for globalization. It accomplishes this by focusing more on soft power. This term introduced by Harvard University scholar Joseph S. Nye Jr. in 1990, refers to how a country gets other countries to "want what it wants." Nye pointed out that the key role of international politics is played by a country's perception of legitimacy, attractiveness for ideology and culture, as well as its social norms. It is now essential for nations to have a moral culture in order to provide a favorable picture in

international politics (Nye 2004). Under President Xi Jinping's leadership, China has incorporated the idea of cultural soft power into its political rhetoric. The Chinese government has been working to make the country more appealing to foreigners for the past ten years. Beijing has been constructing cultural study centers worldwide and growing its network of foreign media outlets. In 2009, China decided to globalize its media, recognizing the importance of sharing its own perspective with people around the world and challenging the dominance of Western media in shaping perceptions, as described as 'from the West to the Rest.'. The CCP's media influence and soft power efforts focus on two groups of people: overseas Chinese and non-Chinese foreigners. Their main goals are to shape a favorable image of China and a positive perception of the CCP, attract foreign investment into China, promote openness to Chinese investment abroad, and silence voices, investigations, and political commentary criticizing the Chinese government. In 2009, China decided to globalize its media, challenging the dominance of Western media in shaping perceptions, as described as 'from the West to the Rest.'.

Chinese authorities and scholars believed that soft power was crucial to China's image-building, with The Confucius Institute at the forefront. The motive for using Confucius's name at the language institute is due to its teachings based on Confucian philosophy, which is an educator and thinker inspired by Chinese cultural traditions. Confucianism can be described as a system of social values and ethical philosophy. The CIs aim to ensure the education and promotion of cultural relations with other countries. The Confucius Institute offers an opportunity for the world to discover China's language and culture. Despite the growth and popularity of Confucius institutes since the early 2000s, they have faced numerous challenges. The first challenge was about the founding teachers. Not many educators are prepared to leave their loved ones behind in order to work abroad. Also, the lack of sufficient teacher training appeared as another problem. In the host countries, some teachers did not know about the local education system, the learning styles of local students, intercultural communication skills, and foreign language skills.

INTERNATIONAL RESPONSES TO CHINA'S RISE

Several nations perceived China's ascent as a strategic challenge and implemented efforts to offset its influence. China's growing global economic leverage is a challenge to the U.S. China's expanding global influence is described as a 'tentacle' by U.S. officials. Through the Belt and Road Initiative, China aims to improve its own standards and norms in areas such as trade, investment, and technology. By establishing alternative standards, China seeks to reduce the influence of Western-led institutions such as the World Bank and the International Monetary Fund (IMF), potentially undermining the global influence of the U.S.-led international order. The White House sees the Belt and Road Initiative as a tool for promoting China's security. U.S. policymakers believe that BRI strengthens China's potential to project power by securing energy supply routes and allowing for future military or intelligence use of Chinese ports and infrastructure. This has prompted Washington to depict the Belt and Road Initiative as a vehicle for China's regional economic development and military expansion. The Belt and Road Initiative (BRI) is perceived as a strategic tool for China to enhance its geopolitical sway by allocating resources towards developing infrastructure projects across Asia, Africa, Europe, and other regions (Mc Bride & Belman & Chatzky 2023). Thus, the US fears that its own strategic interests in the region could be damaged by China's growing influence in the Indo-Pacific. Both countries were interested in the Indo-Pacific region from an economic and security standpoint. Some of the fastest growing economies and rising markets in the world are found in the Indo-

Pacific region. The United States intends to expand its economic clout in the region and encourage free and open trade to ensure fair competition and market access for American companies. This involves enhancing economic collaboration through projects such as the Indo-Pacific Economic Vision and the Blue Dot Network.

Japan was among the countries that responded to China's ascent. Japan is unable to address the structural issue of China's ascent on its own. The Japanese government was concerned about China's rise as an emerging power due to issues such as China's military buildup, the Exclusive Economic Zone (EEZ) issue, the Senkaku/Diaoyu Islands conflict, the Chinese Law of the Territorial Sea of 1992, Chinese nuclear testing (1995), and military drills in the Taiwan Strait during the 1996 presidential election. Japan views the transition from a U.S.-led to a Chinese-led order as a significant strategic challenge to national security. Japan is shifting toward more military-oriented strategies known as hard balancing in reaction to China's expanding power. In the years following the Cold War, Japan responded to China's expanding influence with three major strategies: engaging, hedging, and balancing. Since the Cold War ended, Japan has aimed for a balanced approach towards China's rising influence. However, a deeper analysis shows that Japan has been intensifying its balancing efforts from the start of the post-Cold War era. This has involved modernizing its military, strengthening security alliances, and forming new security partnerships beyond its alliance with the United States. China has become more assertive in preserving its national interests in terms of maritime security. This was demonstrated by the event in 2004 in which a Chinese nuclear submarine entered Japanese territorial seas, escalating tensions between the two countries in the maritime domain. As a result, Japan took steps to strengthen and deepen its alliance with the United States (Singh 2021).

India is another nation that has responded to China's rise. There are various reasons for the heated dispute between the two Asian superpowers. One factor is the deterioration in the balance of power among these two countries, which led to a growing sense of insecurity within India. India is under great pressure, both regionally and globally, due to its enormous financial resources and the influence exerted by China. Beijing has been using political pressure against India on several occasions. As an illustration, China continued to prevent India from becoming a member of the Nuclear Suppliers Group when Indian Prime Minister Narendra Modi made direct appeals to President Xi Jinping. For several years, India has been pursuing membership in the Nuclear Suppliers Group, which is a regime dedicated to monitoring nuclear technology, as a part of its endeavors to become integrated into the global nonproliferation framework. Similarly, China has often used its influence to stop India from getting individuals in Pakistan, wanted by India for terrorist charges, put on a United Nations watchlist. In addition to these political pressures, the worsening imbalance is also affecting the relative military strength. For quite some time, India has prided itself on being Asia's only nation with a functioning aircraft carrier. China currently operates two functional aircraft carriers and its newest aircraft carrier class is said to have almost twice the displacement of India's. China is rapidly developing its naval capabilities, while India lags behind. It is merely a matter of time before these vessels begin to operate in waters close to India. To push back China's growing power in the Indian Ocean Region (IOR), New Delhi has established naval bases and cooperated with important countries in the Indian Ocean Region, a deal the priority for India was the Strait of Malacca, the main crossroads. Moreover, India's role in the development of the Port of Sabang in Indonesia is seen as a way to counter China's growing interest in the region (Hu & Meng 2020: 143-176)

For more than a decade, China's development has been altering the global balance of power. The EU and China have become increasingly interdependent. China's quick development and significant contribution to globalization have strengthened trade ties with the EU: trade volume increased roughly eightfold between 2000 and 2019, reaching 560 billion euros (Zenglein & Holzmann 2019). As Europe has become a 101 important export destination for Chinese products, Beijing relies on rising European demand for Chinese-made goods. The EU relies heavily on Chinese imports in crucial areas such as chemicals and electronics. China is a key strategic partner of the EU in addressing international and global concerns. China possesses both the capacity and the obligation to significantly contribute to and resolve regional security concerns. For example, China's active participation and support for the Iran Joint Comprehensive Action Plan have been important to the agreement's early success as well as its effectiveness in full implementation. The EU and China's combined approaches for counter-piracy operations in the Gulf of Aden and off the Horn of Africa have increased marine security in those areas. Besides, the EU also labeled it a "systemic rival" and "economic competitor," indicating a growing firmness in Europe's stance towards Beijing. Chinese policies of restricting foreign firms' access to the market, implementing industrial strategies that intentionally eliminate international competitors, and granting preferential treatment to state-owned enterprises have compelled European countries such as Germany and France to aggressively prioritize their own economic advancement. Due to the potential national security risks associated with utilizing Chinese 5G technology, several European countries are reevaluating Huawei's role as a 5G infrastructure supplier. In January 2020, the European Union announced a proposed plan for its member countries to stop Beijing from gaining control over 5G markets and taking advantage of security weaknesses. In response, many countries signed agreements with the U.S.A over 5G security. These agreements aim to restrict Huawei's involvement in their respective markets. Alternatively, Britain has suggested the establishment of a "D10 club of democratic partners," comprising the G7 together with Australia, India, and South Korea. The overarching objective is to establish alternative providers of 5G equipment and other technologies.

Since 2017, the Chinese government has implemented a comprehensive and organized campaign targeting Uyghurs and Turkic Muslims in Xinjiang. The list of human rights abuses encompasses various forms of oppression, such as widespread and indiscriminate imprisonment, physical and psychological torture, forced disappearances, extensive monitoring of individuals, systematic discrimination based on cultural and religious beliefs, the tearing apart of families, coerced labor, sexual assault, and infringements on reproductive freedoms. The U.N. Human Rights Commission bring up a report on August 31, 2022, which strongly condemned the Chinese government for its breaches of human rights against Uyghurs and other Turkic Muslims in Xinjiang. The study concluded that these actions could potentially qualify as crimes against humanity. Earlier in 2023, Volker Türk, the UN High Commissioner for Human Rights, highlighted the importance of "concrete follow-up" on the report's findings. The United States has implemented numerous measures. Multilateral actions also respond to the Chinese treatment of Uyghurs. On May 20, 2021, the Lithuanian parliament decisively denounced China's extensive, organized, and severe human rights abuses and crimes against humanity. They also urged the United Nations to initiate a formal investigation into the Uyghur genocide. The voting count was 86 in favor, one against, and seven abstentions. On March 22, 2021, the European Union declared 112 synchronized sanctions on those responsible for severe human rights abuses against Uyghurs. Four officials from the People's Republic of China (PRC) and the Xinjiang police agency have their financial assets frozen and their visas restricted as a result of the sanctions. The Czech Senate recognized the Chinese government's atrocities as crimes against

humanity and genocide on June 10, 2021, and demanded a diplomatic boycott of the Beijing 2022 Olympic Games.

CONCLUSION

We must not underestimate the significance of China's transition from an agricultural industry to becoming the second-largest economy in the world. By conducting a thorough analysis of China's economic growth, she acquired a prominent position as a major producer and exporter that influences global trade dynamics. China has played a significant role in programs such as the Belt and Road initiative, which aims to improve connectivity and create infrastructure. Naval aspirations, cyber warfare, and space technologies have been the focus of military progress. China's growth also led to PLA modernization, which brought about structural reforms. Technological advancements in China have also contributed to its rise. China has become a global leader in innovation thanks to its notable advancements in digital frontier technologies including artificial intelligence (AI), 5G, and cloud computing.

China also enhances its national might by leveraging its soft power. She cultivated Confucian intuitions, which increased their global influence. In addition, she adeptly utilized the media, which faithfully depicted its prominence.

However, human rights in China are still a major problem. There are many problems, like the absence of freedom of speech, mistreatment of ethnic minorities, forced labor, restrictions on practicing religious freedom, and so on. The international human rights system is under assault from China, which is considered an "existential threat." Aside from that, China has also faced significant reactions from other states and the EU. For example, Japan and the U.S. have increased their integration and cooperation as they perceive China as a threat. Japan has become a key ally of the U.S. and is pursuing the United States' strategy toward China. Recent news revealed that Japan and the U.S. are engaging in discussions to increase their military collaboration. Due to China's highly developed technology and its dedication to pursuing China's interests in security issues, the U.S. views China as a competitor, which continues to deter their relationship. On the other side, India no longer sees China as its global partner. To counterbalance China, India has developed relationships with other nations, such as the Indo-US alignment and the Quad bloc, to improve security and cooperate in the procurement of advanced weapons. Furthermore, the EU refers to China as a "systematic rival," and the EU-China relationship heavily depends on each other. According to the EU, the imbalance in their economic relationships continues to worsen. China has been greatly impacted by the economic difficulties it is currently undergoing. Trade tensions between the U.S. and China disrupted supply chains and created economic uncertainty. Demographic trends are also important topics to consider in China's challenges category. The long-term economic stability of China is at risk due to its demographic challenges. The one-child policy, which was put in place to curb population increase, has led to an elderly population that puts a burden on social services and economic output. The "one-child policy" is the primary cause of the gender imbalance, resulting in disproportionate growth in the male population and exacerbating societal concerns.

The largest change to hit the world since the conclusion of the Cold War is the emergence of China. Technological progress, economic growth, and diplomatic relations, all led by China, are challenging centuries of American and European hegemony. The greatest challenge to U.S. hegemony as a global war

power is the proliferation of the Chinese military. China has more soldiers than the U.S. military, and it's also home to the world's largest number of actively engaged duty fighters with 285,000 members. By the year 2035, China is also on track to quadruple its nuclear arsenal, which would bring it to parity with the U.S. However, China is expected to face economic challenges in 2049. The first major problem is the transition of the growth model from input-driven to innovation-driven. For several decades during the reform period, China has profited from low-cost benefits. Labor costs could remain low and manufacturing would continue to expand rapidly as long as large numbers of farmers were moving from the countryside into cities. However, given that rural surplus labor is nearly depleted and per capita GDP is approaching the high-income level, China must rely on industrial upgrading to maintain economic growth. This is the so-called "middle-income challenge." Both the GDP proportion of industry and the GDP share of exports are already declining as China no longer enjoys the low-cost advantage. The growth strategy needs to transition from an input-based to an innovation-based model. The central question is: Is China capable of innovating? Coordinated efforts across several domains lead to the development of inventive capacities. The accumulation of human capital is one factor. Chinese universities annually graduate millions of students specializing in sciences and engineering, yet the average educational attainment of the 300 million migrant laborers is at the junior high school level. This could pose a big problem, as there may be a substantial discrepancy between the future demand for labor from more advanced businesses and the availability of unskilled workers to meet that demand. Population aging is the second biggest obstacle. According to the forthcoming "China 2049" volume, the working-age population may drop between 2019 and 2049, while the dependence ratio—the percentage of the non-working-age population to the overall population—is expected to rise that time. (Dollar, Huang, & Yao 2020). Population aging, particularly “getting old before getting rich”, could have genuine results for the Chinese economy in the coming decades: dropping labor supply, reduced consumption demand, increased demand for aged care, and financing deficits.

At times, the distribution of power can change rapidly and significantly. President Xi Jinping introduced the idea of "The East is Rising, the West is Declining" in 2018 to represent China's rebirth and ascent, implying that it would outshine the waning Western culture represented by the United States. President Xi Jinping had numerous justifications for his assurance. China successfully managed the challenges and uncertainties of the coronavirus outbreak, positioning itself as a secure destination for individuals seeking refuge from COVID-19. China was the sole major nation to achieve positive economic growth in 2020, while other countries struggled with the pandemic. Even with perfect timing, China will take longer to surpass the U.S. as the world's largest economy. Assuming a 5% annual growth rate, China might not overtake the U.S. until 2035. There are many who believe China's GDP will never surpass America's. Given the United States' vast geopolitical advantages, it appears unlikely that China will quickly overtake the United States as the world's leading power. China has taken the lead in establishing and hosting several international organizations, including the Shanghai Cooperation Organization, the BRICS New Development Bank (NDB), the Asian Infrastructure Investment Bank (AIIB), and the Silk Road Fund. These Chinese-based companies are seen as good substitutes for well-known international organizations including the United Nations, W.B. and IMF. The United Nations' second-largest source of funding is China, which also has one of the five permanent veto powers in the Security Council.



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