

**POWER TRANSITION AND BALANCE OF POWER:  
COMPREHENDING THE POWER DYNAMICS OF THE 21<sup>ST</sup> CENTURY**

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**Abstract**

*Lately, the power transition theory has witnessed a certain revival, becoming a popular perspective for scholars and officials alike, especially as far as the U.S.-China relationship is concerned. Firstly, as the power transition theory was originally developed as an alternative to the balance of power arguments, the present paper reviews the concept of power balance. Secondly, it presents the main features and tenets of the power transition theory. Thirdly, it comparatively assesses the key differences between the power transition and the balance of power theories. The paper suggests that, in order to adequately comprehend the power dynamics of the 21<sup>st</sup> century, one might selectively adopt aspects of the power transition theory, but not doing away with the notion of power balance, as, on one hand, the multipolar distribution of power would likely be the future configuration of it, and, on the other hand, the current and the likely short-term future behaviour of China towards the U.S. fits the notion of soft balancing.*

**Keywords:** power transition theory, balance of power, emerging powers, Sino-American relations

**1. Introduction**

Looking back to the past five centuries or so, one can see that it is made up of historical cycles of „the rise and fall of great powers”, as Paul Kennedy (1988) emphasized in his eponymous book. According to George Modelski (1987, p. 40), although Portugal dominated most of the 16<sup>th</sup> century (1494-1580), the United Provinces most of the 17<sup>th</sup> century (1580-1688), the United Kingdom (UK) most of the 18<sup>th</sup> and 19<sup>th</sup> centuries throughout two cycles in a row (1688-1792, and 1792-1914), and the United States (U.S.) most of the 20<sup>th</sup> century (1914-present), all these nation-states reached a point in which their power suffered a relative decline, because of the rise of a new challenger, i.e. a great power aspiring to exercise world leadership.

As these historical patterns needed to be analysed through theoretic lens, in order to be understood and even anticipated, realist and neorealist theories emerged, such as the balance of power, the power transition, and the long cycles theories. These theories can be classified into systemic theories (which focus on the analysis of the power distribution within the international system), dyadic theories (which focus on the relations between two great powers), and state-level theories (which focus on the national attributes of states) (Geller, 1992, p. 269). Thus, major hegemonic warfare, such as the Italian and Indian Ocean wars (1494-1516), the Spanish-Dutch war (1580-1609), the wars of Louis XIV (1688-1713), the French Revolution and Napoleonic Wars (1792-1815), and the First and Second World Wars (1914-1945) have been analysed from the perspective of such theories.

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## 2. Balance of power theory

The notion of power balance is revolving around the concept of power, traditionally assessed by the realist school in terms of material capabilities. However, while “offensive” realists, such as John Mearsheimer (2001), conceive only economic and military capabilities as indications of state power, classical realists, such as Hans Morgenthau (1985), include factors such as population and demographic trends; territory, geography, and resources, as well as political will, morale, and competence.

The balance of power may refer to the distribution of power between countries, a particular configuration of such a distribution, i.e. the multipolar one, a deliberate foreign policy meant to preserve the balance within the international system, or a family of international relations (IR) theories (Davis, 2008, p. 47).

In the first sense, the concept of the balance of power can be used to designate the status quo at a given time, i.e. the distribution of power at a particular moment in the history of international relations. Any shift in the distribution of power, such as the rise of China and the advance of the BRICS (Brazil, Russia, India, China and South Africa) group or other emerging powers, may change the balance of power. Especially during the Cold War, the balance of power was regarded as a steady state in which power is distributed evenly. Contrary to the hegemonic stability theory claiming that stability is reached when one great power holds supremacy, some realists argued that the balance of power between major power poles generates stability and prevents war.

The second sense of the concept of the balance of power refers to a particular configuration the distribution of power i.e. the multipolar one. The 19<sup>th</sup> century Europe is considered a model of the multipolar system, a classic model of the balance of power. Although economic and political rivalries and a series of wars in the mid- and late-19<sup>th</sup> century caused alliances to shift, overall between 1815 and 1914 this system, known as the "Concert of Europe", produced the longest period of peace between the great powers. Some analysts have identified a "holder of the balance" and the concept of "offshore balancing", both exemplified by Britain before 1914. Britain avoided to be part of any European alliance, but supported the weaker side to rectify any imbalance on the continent. Finally, the multipolar power system of the "Concert of Europe" crystallized into a quasi-bipolar system of military-political alliances, which led directly to the First World War. While later on, throughout the Cold War, bipolarity proved to be stable in the sense of lack of war between the two superpowers, the quasi-bipolarity of political-military alliances by the end of the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> century, paved the way towards the First World War, proving that the bipolar system in itself is not necessarily predisposed to peace.

The third sense of the concept of power balance refers to a deliberate policy for maintaining stability within a system composed of several autonomous units. It is, in this sense, that balance of power can be viewed “as the very essence of world politics” (Modelski, 1987, p. 32). Typically, the authority that ensured a balanced distribution of power within the international system was either a great power, or a group of major powers which, at the time, assured the management of the system. A state which pursues a balancing power policy, evaluates the distribution of power and engages itself in balancing behaviour, seeking at least to maintain a distribution of power that would preserve its independence. As, under anarchy, any state can use force to get what it wants, states shall take measures against the possibility that one of them has means to compel them, to impose its will on them, or even annihilate them. The balance of power theory posits that states will act to prevent a state or an alliance to hold supremacy. It postulates that states will check dangerous concentrations

of power either by building up their capabilities (“internal balancing”) or aggregating their capabilities with other powers in alliances (“external balancing”).

*Balance of threat theory* adds supplementary insights to the balance of power concept. This theory predicts that states will balance against threats, conceived as the end results of three variables: aggregate capabilities (overall military and economic potential), geography and perceptions of aggressive intentions. Balancing strategies will come to dominate foreign policies when one state becomes particularly powerful and its location and behaviour feed threat perception on the part of other states (Walt, 1987). Therefore, the international order will be either the unintended consequence of the balancing pressures, or the expression of learned or formalized rules of balancing and counterbalancing.

The balance of power theory predicts the continuous formation of the balances of power over time. Such a prediction is based on the behaviour of European powers against the hegemonic attempts of some of them between the 16<sup>th</sup> and 20<sup>th</sup> centuries, in general, and Great Britain’s behaviour throughout the 19<sup>th</sup> and 20<sup>th</sup> centuries vis-a-vis France and Germany, in particular. One by one, the House of Habsburg (in the 16<sup>th</sup> century), France (throughout 17<sup>th</sup> and 18<sup>th</sup> centuries, up till the beginning of the 19<sup>th</sup> century), and Germany (in the 19<sup>th</sup> and 20<sup>th</sup> centuries) have attempted to exercise hegemony in Europe, apparently intending to set up a universal monarchy and/or unify the continent under their leadership. The hegemonic ambitions of these primarily continental challengers unleashed against the power that has nurtured them a counterbalancing coalition “coordinated by the world power and basically oceanic in orientation” (Modelski, 1987, p. 33); consequently, this ultimately led to their defeat. Still, because states are interested in anticipating the emergence of possible problems, balancing can occur even before a state or an alliance represents an immediate threat. For example, England and France waged war against the Czarist Empire during the Crimean War (1853-1856), less because they saw an immediate threat to their positions, but because they deemed that Russian unchecked power might someday become a threat to them (Wohlforth, 2010, p. 15). Eventually, one of the key members of the winning coalition leaves it and assumes the role of challenger in the next cycle.

While classical realists focus their inquiry on the unit-level of countries, and underline deliberate balancing behaviour by decision-makers, neorealist theories focus on the crucial role of structure and its generation of recurrent, but unintentional, balances of power over time. “Offensive realists” argue that countries seek to maximize their power in order to maximize their chances of survival in anarchy, while preventing others from gaining power at their expense by balancing.

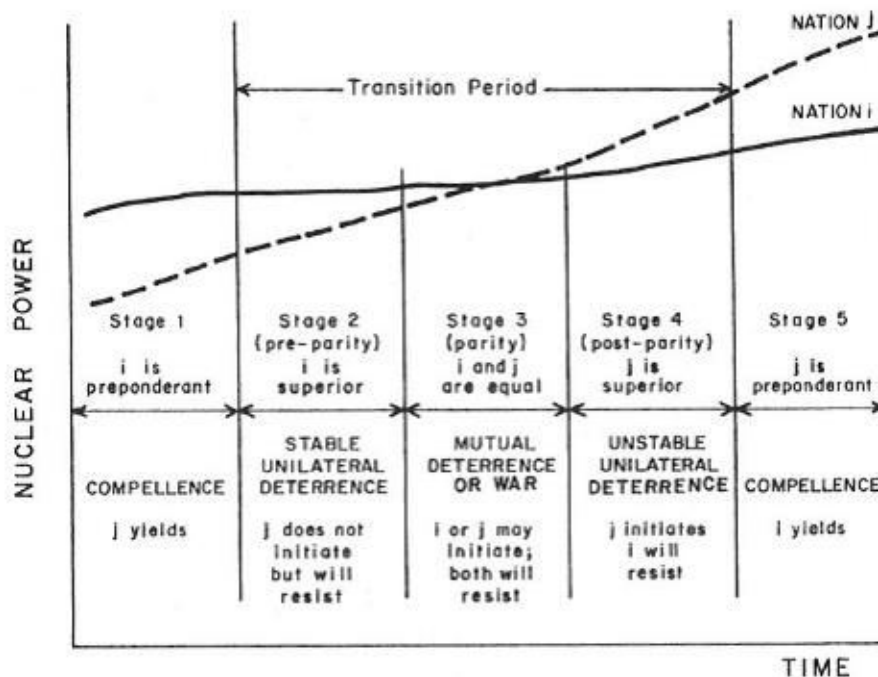
At present, both the balance of power theory and its offshoot, the balance of threat theory, have witnessed a revival against the background of the transition towards a multipolar distribution of power generated, on one hand, by “the rise of the Rest” (Pop, 2014; Pop, 2016) and by the great powers’ behaviour heralding both a new Great Game and a new Cold War, on the other.

### **3. Power transition theory**

Power transition theory tries to explain how international orders are falling apart through recourse to war. It postulates that, whereas the powerful and satisfied states will prefer to maintain the leadership of the international order, the weak and dissatisfied states will prefer to challenge the dominant power as they become stronger against it. Consequently, the clash between the dominant power and the emerging power would manifest, as the capabilities of the two powers are at nearing parity. According to A.F. K. Organski, the distribution of power at the international level is achieved not through the existence of a balance of power, but through a hierarchy of power, concentrated around a

hegemonic power and its allies. To emphasize this assertion, Organski used as an example the idea that periods of world peace have overlapped with the existence of a hegemonic power, while periods characterized by an even distribution of power caused wars (Organski, 1968, p. 363). What exactly the power transition theory emphasizes is that, when a great power challenger reaches a certain level of power parity with the hegemonic power, the result will be war, instead of a balance of power. Kugler and Organski postulated that the transition of power follows five stages: preponderance, pre-parity (the development of the challenger), parity (equilibrium of power between the hegemonic power and the challenger), post-parity (the challenger becomes superior to the existing hegemonic power) and the preponderance of the challenger as the new global power (Kugler and Organski, 1989, p. 187).

Figure 1. The power transition stages according to the power transition theory



Source: Kugler, J., Organski, A.F.K. (1989). The Power Transition: A Retrospective and Prospective Evaluation. In M.I. Millarsky (ed.), *Handbook of War Studies*, Boston: Unwin Hyman, p. 187.

According to the power transition theory, power parity is dangerous because, at this stage, both sides cannot be sure of victory and this uncertainty encourages both the dominant power and the rising challenger to be determined in their bid at preserving and/or changing the status quo. Trying to explain why Germany lost the Second World War (Kugler and Organski, 1989, p. 182), the power transition theory also claims that the challenger tends to declare war to the hegemonic power before reaching power parity with the hegemonic power. Yet, what particularly Organski lost sight of, by exemplifying his theory with Nazi Germany, was not the idea that Germany did not reach power parity with the great powers that it challenged (Germany has just caught up with Great Britain, and had already surpassed France and Russia), but the importance of alliances and the influence they exercise upon the outcome of the war. Even if the vacillation caused by the *buck passing* practice of the great powers, whereby a state tries to get another state to deter or possibly fight an aggressor state while it remains on the side-lines (Mearshmeier, 2001, p. 157-158), gave Germany enough time to score some important victories in annexing territories and strengthened its

belief in its power to change the status quo, the fact that Germany's GNP was not the same as that of Great Britain (it actually was) did not cause the surrender of the Third Reich, but the fact that Germany should have had a GNP equal with that of all those states against it had fought the war, respectively, Great Britain, France and the USSR. If Germany had fought only against Great Britain or France or the USSR, then certainly history would have had a different direction. The limits of this assertion could later be corrected by Organski, who recognized the importance of alliances during power transitions and the fact that a challenger would attack only when being in a position of power parity with the great power and not before this threshold. Although Organski did not fully contradict his idea that two states can start a conflict even if the challenger has not yet reached power parity with the hegemonic power, he recasts the plausibility of such a conflict being generated by the challenger. Kugler and Organski state that in such a case, before power parity is achieved, the challenger could stand up to the hegemonic power, if the latter would start a pre-emptive war. As underlined by the two scholars: "The challengers did not initiate major war prior to the overtaking, but instead waited until they were stronger than the dominant power to make a move" (Kugler and Organski 1989, p. 188).

Organski discerns three stages that cause a power transition to happen (Organski, 1968, p. 340):

1. The stage of potential power;
2. The stage of transitional growth in power;
3. The stage of power maturity.

The potential power stage refers to the stage of reindustrialization that a state goes through. As the majority of the population lives in rural areas, employed in agriculture, the state's economic output being relatively small and its leaders lacking a vision that enables progress, such a state cannot get an important position within the world system, even if practicing a stable power.

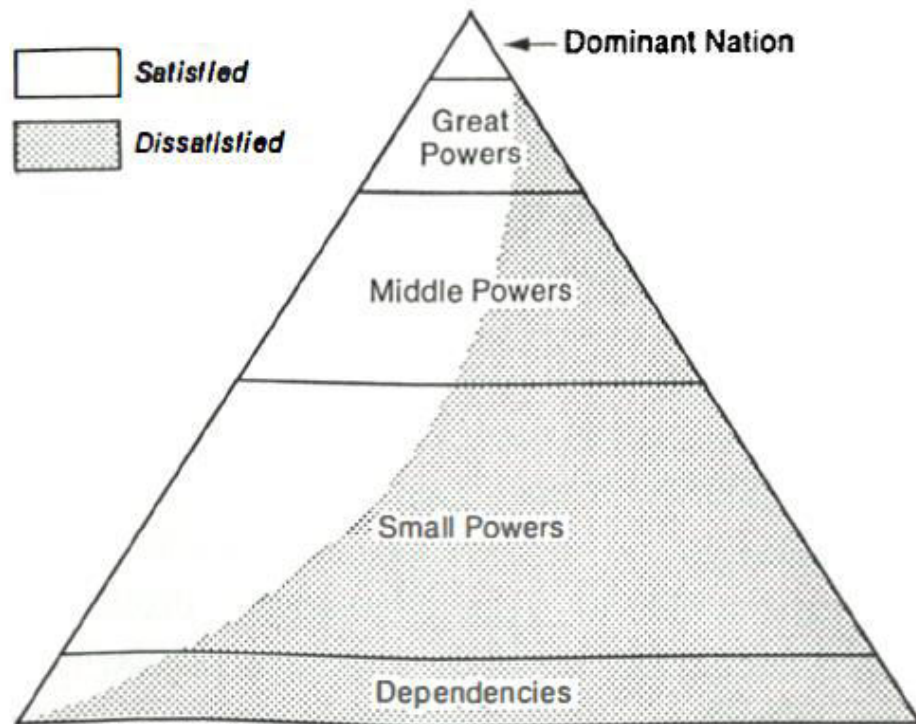
The stage of economic power transition gives a challenger the capacity to influence the behaviour of other states, therefore maximizing its power. This stage is representative of states that go through a process of industrialization and accelerated development, as it is the case today of China and India.

The final stage represents the maturity of power of a state, generated by the fulfilment of a higher level of economic development. It is the case of the United States, Japan and the Western states that still observe GDP growth, but at a slower level than the one recorded during their stage of economic power transition. This is the stage that defines the relative decline of the United States and, why not, the beginning of China's slower growth rate of the past years, as "a nation may decline in the stage of power maturity, even though the nation continues to grow richer, more industrial and more efficient" (Organski, 1968, p. 343).

Possibly by far the most defining characteristic of the power transition theory is the fact that, even if the theory is classified as belonging to neorealism, it does not see the international system as being anarchic, but as hierarchic, whose hierarchy is determined through a model of cooperation between states, similar to the interactions that take place inside a state. Organski admits, though, that there is no sovereign entity that controls the international system (Toft, 2007, p. 245). To identify the states which could upend the global order and global stability, thus changing the *status quo*, Organski used a hierarchy of powers (Organski, 1968, p. 364), based on their satisfaction or dissatisfaction with the world system:

1. The powerful and satisfied;
2. The powerful and dissatisfied;
3. The weak and satisfied;
4. The weak and dissatisfied.

Figure 2. The hierarchy of power according to the power transition theory



Source: Organski, A. (1968). *World Politics*. 2<sup>nd</sup> ed. New York: Knopf, p. 364.

The challenger tends to become part of the group of strong and dissatisfied states, being unhappy with its current position within the international system and wanting to reform it. Weak and dissatisfied states will tend to *bandwagon* behind the challenger, while strong and satisfied powers will choose either to ally with the hegemonic power, or to maintain their neutrality between the two sides, in the hope of avoiding involvement into a war, or due to ethical considerations. It is important that the hegemonic power has the support of the strong and satisfied powers (Kugler and Organski, 1989, p. 175), as this will enhance its power in the face of a challenger and, thus, the stability of the international system. But the equilibrium generated by these alliances cannot exist *ad infinitum*, as it can put a hold on the development of some states and, maybe, even the development of the international system. Thus, sooner or later, the international system tends to regenerate itself through war which makes way for a new hegemonic power.

Thus, the power transition theory is similar to the hegemonic stability theory which argues that the unbalanced power, i.e. the hegemon, generates stability. Hegemonic stability theory explains the stability of the international system configuration created around a hegemon through the mutual benefits derived from this system for both the dominant power, and for other actors of the system. The theory starts from the observation that powerful states tend to seek dominance over the whole or only parts of the international

system, thus generating a degree of hierarchy within the overall systemic anarchy. The theory tries to explain how cooperation can occur between major powers and international orders – which include rules, norms and institutions – appear and are supported. The central prediction of the hegemonic stability theory is that any international order is stable only insofar as the relations of authority within it are supported by a distribution of power sustaining these relationships.

Although similar to the hegemonic stability theory in that it sees the presence of a preponderantly powerful actor as conducive to peace and stability, the power transition theory differs from it by not requiring the status quo to be a collective good (Lemke, 2008, p. 696). Moreover, unlike the hegemonic succession theory, interested basically in the conditions for preserving order, the power transition theory is primarily interested in explaining the start of the international conflict leading to a new status quo (Clark, 2011, p. 14). Indirectly, the power transition theory supports also the democratic peace theory assumption that democracies are less likely to fight each other. As the dominant powers of the past two centuries have been democracies, they were more inclined to be satisfied with the status quo.

#### **4.Key differences between power transition and balance of power theories**

The main theoretical cleavage between the power transition and the balance of power theories is generated by the idea of power parity among two states. Whereas the power transition theory stipulates that the balance of power is just a precursor to war, the balance of power theory contrasts with this idea, claiming that the newfound balance between two states is tantamount to securing peace at the international level, due to their capacity to balance reciprocally. In fact, the balance of power theory seeks the premises of peace in the equal distribution of power and interstate alliances. Anyway, peace is not a consequence of states intending to ensure a stable international environment, but a consequence of their fear of the outcomes generated by war (Kugler and Organski, 1989, p. 176). By contrast, power transition theory suggests that peace can be obtained only when there is a hegemonic power, in other words, only when a balance of power is absent, while being replaced by a hierarchy of power. It acknowledges the existence of a hierarchical power mechanism, which structures the international order and justifies the maintenance of peace through the power advantage held by the dominant power, together with its alliance with the satisfied states (Kugler and Organski, 1989, p. 177). Although Organski did not fully denounce the idea that two states can maintain peace following the logic of the theory of the balance of power, he believed that this may be possible only if the challenger is a pacifist one, which is looking to cooperate with the hegemonic power without seeking conflict (Kugler and Organski, 1989, p. 188).

The other important difference between the balance of power and the power transition theories is the fact that theoreticians of the balance of power mostly focus on military power, while those of the power transition theory take into account many other factors when analysing state power, such as economics, demographics, and domestic politics. The power of a state is defined as an S-shaped curve, being more developed during the industrialisation phase, still remaining efficient in the post-industrialisation phase of power as well (Levy and Thompson, 2010, p. 44). An important role in attaining power is played not just by industrialization, but also by demographics. Thus, while China recorded its economic boom over the past decades due to its large number of young workers (a trajectory that India seems to follow as well), the United States has managed to maintain its edge ahead of the Asian states due to immigration. "If population size is a major determinant of national power, immigration should be an important means of adding to a nation's strength,

provided that the migrants arrive in large enough numbers and provided that they can be absorbed into the economy and the social system" (Organski, 1968, p. 351). Thus, migration becomes a key element of state power. Maybe the country that understands this best is Japan, which, because of its adversity to immigration, proved unable to recover after more than two lost decades of economic stagnation. Not even Abenomics, with its combination of fiscal and monetary policies and structural reforms, has managed to free Japan from the clutches of deflation and almost non-existent growth.

According to Organski, the optimal model for analysing the development of a challenger and the path for the transition of power is the sum of factors determined by the level of economic development, population and the elites' capacity to manage domestic politics. Consequently, we have the following equation: Power = (Economic Production Per capita X Population) X Relative Political Capacity (Kugler and Organski, 1989, pp. 190-191).

Furthermore, Organski's observation that the prevailing world order is established by the dominant powers to their advantage, and these states would be reluctant to make concessions to the latecomers of their own accord (Organski, 1968, pp. 327-328) is at least partially confirmed by the slow pace of the process of matching the emerging and developing countries' economic weight with their power and influence within global economic governance structures. Thus, Organski's assumption that the international system's distribution of benefits represents a source of international disputes remains a fundamental valuable insight of the power transition theory. It points to the need for satisfying the expectations of developing and emerging powers, including and chiefly China, relative to their representation in the economic global governance structures and, thus, their benefit share in the international system, as a means not only for avoiding potentially dangerous rivalries (Chan, 2008, p. 126), but also for their better embedment in the global world order (Pop, 2012). As structural conditions provide the pre-conditions for conflict and cooperation, decision makers have leeway in advancing policies that eventually lead to either war or peace (Efird, Kugler, and Genna, 2003), such a policy would lead to cooperation rather than conflict with China, thus reiterating the rather peaceful Anglo-American power transition.

### **5.Revisiting the power transition theory: the case of the Sino-American relations**

Yves-Heng Lim reminds us also that, whether a transition of power materializes in a hegemonic war or not, it depends largely on the level of dissatisfaction that the challenger manifests vis-à-vis the status quo (Lim, 2012, p. 282). Zhiquan Zhu reinforces this argument: "If the rising power is dissatisfied with the status quo, like pre-WWI Germany, then a violent power transition is expected. When both powers are satisfied with the international status quo, the actual overtaking is most likely to be peaceful" (Zhu, 2005, p. 3). From China's point of view, there is no need to change the status quo, because China is not dissatisfied with the current order, but rather with its position in this order. So, while a "Beijing Consensus" and a "Chinese model" (Lim, 2012, p. 291) may become a model for other less developed countries, this will not become a challenge for the status quo, because China is much too tangled into the existing order and does not want to change it, but rather to reform it for accruing its benefits derived from participating and being a part of it.

It was argued also that the "process and outcome of a power transition are determined by the interactions of the international environment, domestic politics, societal links and individual leaders" (Zhu 2005, 4). From this idea stems a hypothesis regarding the relationship between the dominant power and its challenger. If both countries' governments, leaders and societies see the relationship between the two actors in positive terms, then the power transition is likely to be peaceful (Zhu 2005, p. 4). With regard to this aspect, Yan



Xuetong claims that even though China and the U.S. might have more conflicting interests than mutually advantageous interests, they still see each other in friendly terms. Thus, even though U.S.-China relations are at times marked by tensions, after a while, the two countries return to a relationship characterized by what has been described as a “superficial friendship” (Yan, 2010).

Not refuting altogether, the central claim of the power transition theory, that, in a power parity situation the danger of war becomes greater, although the idea that the overtaking of a former dominant state by a latecomer heralds war is in fact supported only by Germany overtaking the UK prior to both the First World War and the Second World War, Chan took issue with several aspects of this theory’s standard explanation of the process leading to hegemonic war. First, hegemonic war can originate not from a struggle for pre-eminence among global great powers, but from rivalries among lower rank powers. Secondly, the instigator of war can be not just the rising state, but the declining state, due to a preventive motivation. Thirdly, an emerging power’s relative growth tends to make it more willing to postpone its status gratification. Fourthly, as there are multiple possible candidates for the role of challenger, it is the dominant power which in facts chooses which one to conciliate with or oppose to and its course of action influences their subsequent alignment. Fifth, neither the rising state is necessarily revisionist, nor the hegemon is necessarily bent on preserving the status quo, as it might want to change the international system in order to further extend and consolidate its own interests and values (Chan, 2004, pp. 140-141; Chan, 2008).

Thus, dissociating himself from the wisdom typically associated with the power transition theory in relation to China’s rise, Chan emphasized that China might be dissatisfied with the current distribution of benefits accorded by the international system, without being inclined to challenge it. Consequently, China is unlikely to instigate a confrontation with the U.S.; rather, it is likely to accommodate with it. Moreover, while military conflict (over the Taiwan Strait or the South China Sea) is indeed possible, this would more likely be triggered by China’s inability to prevent U.S. involvement, rather than its willingness to deliberately provoke the U.S. (Chan, 2008).

Similarly to Steve Chan, John Ikenberry speaks about the possibility that China may overtake the U.S. in terms of power, but he is very skeptical that China may change the Western international order, because China is not an outsider of this order, but a country which reaped the benefits of globalization and joined Western institutions such as the United Nations (UN), World Trade Organization (WTO), International Monetary Fund (IMF), the World Bank, and so and so forth (Ikenberry, 2008). Because of this, if a power transition takes place, it will most likely be peaceful, premised on the fact that China is integrated in the international system created by the U.S.

Furthermore, China has a strategy to deal with the United States which is “at odds, but not at war” (Lai, 2011, p. 173). This illustrates the fact that China is interested in maintaining a peaceful climate, although it may not restrain from some skirmishes like the Hainan island incident in 2001, when an American plane was forced to land on the Chinese territory and the crew was seized, or the repeated interceptions and harassment of American ships and planes in the South China Sea, or even the altercations with Japan over the Senkaku/Diaoyu Islands. Although throughout history, China or the numerous Chinese states were prone to start a war in order to establish a dynasty, or to enlarge their boundaries, on the philosophical level, China is the standard bearer of the peaceful rise and co-existence, and as the Chinese strategist Sun Tzu advocated, it is better to win a war without fighting. The same strategy was adopted by Deng Xiaoping, the mastermind behind China's economic development. Deng memorably said that China must “keep a low profile and bide its time, while also getting something accomplished”, which is another

interpretation for a non-belligerent attitude towards neighbours or other countries, as China's priority should be its internal development.

As Ikenberry notes, the U.S. created an integrated world system in which its rivals became its new partners (Japan and Germany) (Ikenberry, 2008, p. 28). This may be the same path that China may try to implement with the Belt and Road Initiative (BRI) and the Asian Infrastructure Investment Bank (AIIB), the new development bank set up by China. These upgrades to the international system implemented by China may increase its influence and transform China into a responsible stakeholder, while preserving the system that the U.S. created. In this scenario, China can eventually reach the apex of the international system without a war and without changing the system.

Many scholars have seen, especially in the AIIB, a way by the help of which China may challenge the Bretton Woods order. Even the U.S. saw the AIIB as a potential threat, choosing not to participate in the formation of the bank. But the wave of Western countries which joined the AIIB and the subsequent partnerships the bank signed with the Asian Development Bank, the European Bank for Reconstruction and Development and the World Bank obliged the AIIB to adopt international standards and regulations, integrating the bank even more in the existing international order, making AIIB a global bank (Brînză, 2017). This situation proved once more that China must juggle with the existing international order if it seeks to improve its status on the international arena.

In the case of the Belt and Road Initiative, a grand development and investment strategy, China may obtain leverage given by each alliance established with the countries along the way. Therefore, the power and the prestige China will develop may help it in its attempt to become a global power. Regarding to its status, China has advocated for a higher place on the international stage through the motto "new type of great power relation" - with China as an equal to the U.S. in terms of power and status. Hence, China is looking for multipolarity, in which it would act as a balance of power to the U.S. Therefore, the relations between the U.S. and China may be seen through the lens of the balance of power and not so much through those of the transition of power.

Still, the South China Sea may act as a war trigger in the US-China relation, as seen through the power transition angle. The big difference in this sphere is that China, the challenger, intends to expel the U.S. from the region, but it is not very committed to starting a war along a route through which 82% of its oil imports pass annually (U.S. Department of Defense, 2015, p. 94). The South China Sea disputes involve 6 countries (China, Taiwan, Malaysia, the Philippines, Vietnam, Brunei) and 3 groups of islands: the Pratas Island, the Paracel Islands and the Spratly Islands, plus the Scarborough Shoal, in an amalgam of claims, incidents and construction of artificial islands.

China is determined to become a naval power with a blue water navy, an important feature of a great power, and the U.S. seems to disapprove of the evolution of the Chinese power, because, as Mearsheimer claimed, "if China continues to grow economically, it will attempt to dominate Asia the way the United States dominates the Western Hemisphere" (Mearsheimer 2014). However, in these circumstances, the U.S. is advised to focus on a "generic hedge" that does not target China specifically and which would represent a shift from big military equipment, like aircraft carriers, to high-tech and low-cost weapons, like drones and cyberwarfare tools (Etzioni, 2011, p. 657).

Even if China has not expressed its interest to dominate Asia, it has made it clear that it is looking to break through the First and Second Island Chains. These island chains are two natural barriers which impede Chinese control of the Pacific Ocean. The First Island Chain stretches from the Ryukyu Islands (Japan) to the Mindanao Island (the Philippines) and the second one stretches from Japan throughout the Mariana Islands, to the West Papua (Indonesia), both island chains being dominated by a US military presence.

China wishes to become a maritime power; its economic development over the past four decades created numerous Chinese overseas interests, while the meteoric rise of its military expenditures over the last 20 years offered it the means for such a naval expansion. Nowadays, China is no longer contented with focusing on its internal affairs and has started to abandon the motto of “keeping a low profile”, as it seeks to project its power outside its borders, as the great power does. Still, even taking into account all these aspects, Chinese military expenditures as a percent of GDP are much lower to those of the U.S. While China's military expenditures reach almost 1.9% of its GDP, U.S. military expenditures account for 3.3% of its GDP (The World Bank, 2017).

Regarding China-U.S. relations, there are two parallel scenarios, one focused on the military developments, which hint toward a power transition outcome, with possible conflicts in the South China Sea or the East China Sea, because China might attempt to challenge the U.S. and to expel it from the Pacific, and the other scenario based on China's economic rise, with China largely integrating in the current international system, while still trying to balance the U.S. and creating a multipolar order based on a balance of power. Until now, China seems to be juggling with both these scenarios. Although the military developments, like the construction of aircraft carriers or cutting-edge stealth fighters, the construction of artificial islands and opening of overseas military bases (starting with the one in Djibouti), seem to have overtaken the economic development strategy, China's experience in dealing with Taiwan, for example, has proved that it is able to tackle stringent impulses and sensitive problems without resorting to the use of force. Before the Taiwanese elections in 1996, China conducted aggressive missile tests to intimidate Taiwanese voters, but ahead of the presidential elections in 2016, China used a soft power strategy and economic opportunities to lure Taiwan. The soft power strategy consisted in a meeting between Xi Jinping, the Chinese President, and the President of Taiwan, Ma Ying-jeou, to support the Kuomintang candidate (the party that sustains the status quo and is interested in an eventual reunification with China). Such a shift in strategy could be considered an additional indication for China's predisposition for a peaceful rise scenario.

Analysing the power transition between the U.S. and China, some scholars have become sceptical that China will replace the U.S. as a new global leader, because, as David Lai remarked, China will not surpass the U.S. to take the helm of the international order because it is not a democracy, therefore, China “will not replace the United States to become a champion of democracy and human rights” (Lai 2011, 85). However, with the Trump administration and the protectionism and apparent isolationism that the U.S. seems to promote nowadays, China may end up by being seen as communist and authoritarian inside, but multilateral and globalized outside. As a multilateral international power, China aims to become a steadfast advocate of free trade, globalization, as well as a supporter of international institutions and of a union of peaceful common destinies, as represented by the Belt and Road Initiative.

## **6. Conclusions**

The power transition versus the balance of power dilemma is not just a theoretical one. The way one sees it and through what theoretical lenses one comprehends the current and future global and regional power landscapes has pragmatic and practical underpinnings and implications. If one chooses the power transition theoretical lenses, one would be inclined to view the current pre-parity and future power parity distribution as merely replicating the recurrent trend towards hegemonic war. By contrast, if one chooses the balance of power assumptions, one would self-reassuringly assume that power parity preserves peace. However, mixing the two theoretical lenses for comprehending the complex

dynamics in the 21<sup>st</sup> century is not only possible, but also desirable, as testified by the case of the Sino-American relations.

According to the latter, the power transition theory would predict that a hegemonic war or, at least, a Cold War-type rivalry might ensue between the U.S. and China if China's economic growth is not slowing down, or the U.S. cannot find ways suitable to accommodate China's preferences. However, until now, China cannot be depicted as an ascending power that will go to war to change the existing system, but more like an ascending power that was absorbed by the current international system, so that the need for war has been diminished considerably. Moreover, the relationship of economic interdependence between Washington and Beijing, as well as Beijing's preference for peaceful rise, make such an outcome rather unlikely, indicating China's preference for accommodation with the U.S. Nonetheless, the power transition scenario cannot be entirely dismissed and has to be taken into account, while keeping an eye on China's military modernization.

Similarly, taking power transition theory seriously does not mean doing away with the balance of power theory, as the current and the likely short-term future behaviour of China towards the U.S. fits the notion of soft balancing intended to both distract and wear-down the incumbent dominant power and to maintain a stable internal and external environment in order to obtain a greater share from the distribution of the international system's benefits.

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