

## Major Powers in a Shifting Global Order<sup>1</sup>

Sverre Lodgaard

### Approaches to the Measurement of Power

How to measure power in international affairs is an eternal matter of debate, especially among political scientists. Many generic approaches have been suggested, among them control over resources; control over actors; and control over events and outcomes,<sup>2</sup> and numerous efforts have been made to develop concrete formulas. In China, academic institutions<sup>3</sup> and independent scholars have competed as to how best to measure “comprehensive national power”. All approaches and formulas have something to offer, and all have inherent limitations.

The relevance of specific formulas changes with changing national and international structures, hence the need for adaptations and innovations. For instance, the role of international corporations and non-governmental organisations—often ignored in the past—is increasingly important. Elon Musk—in charge of Tesla, SpaceX and Twitter—is in a position to conduct his own foreign policy. Also, as politics is clamping down on international economic affairs, the field of political economy has become much more important. All the time, however, the control over resources approach—power as something states possess—has been central to the discussion.

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<sup>1</sup> Inspired by the Policy Retreat on “Reconstituting or Replacing the Liberal International Order?”, convened by the Toda Peace Institute, Tokyo 21-23 May 2023

<sup>2</sup> Jeffrey A. Hart, “Three Approaches to the Measurement of Power in International Relations”, *International Organization*, March 1976, pp. 289-305.

<sup>3</sup> Notably the Chinese Academy of Social Sciences, the Chinese Military Academy and the Chinese Institute of Contemporary International Relations.

A much-quoted example of that approach is Ray Cline's formula:  $P = (C+E+M) \times (S+W)$ , where P is perceived power, C is critical mass (territory, population), E is economic capability, M is military strength, S is strategic purpose and W is the will to pursue it.<sup>4</sup> This formula is attractive because it incorporates strategic purpose and political will (the formula is geometric, not arithmetic), thus giving a clue to how resources can be converted into control over actors and events. A simpler version, convenient for use, is the one proposed by Chin Lung Chang, also based on critical mass, economic strength and military power.<sup>5</sup>

Some limitations may be noted right away:

- 1) It is not always clear what types of resources should be included. Different conflicts call for different assets;
- 2) Some dimensions, such as the will to pursue strategic objectives, are hard to measure;
- 3) It is not clear how interdependence, alliances and collective action should be taken into account. During thirty years of globalisation, interdependence has grown immensely.

Add to that the nature of the state. In China, the state is economically strong while in the US, the fortunes are in the private hands – meaning, for example, that when the Chinese foreign minister goes abroad, he may have a few billions in his suitcase while the US foreign minister may have to do with some tens of millions.

At first glance, China and the US are strong on all main dimensions. Russia, Japan, UK, France and Germany are uneven. After crossing the nuclear threshold in 1988, India has been more even than uneven.

For the US, there are question marks about strategic purpose. The hostility towards China is commonplace, but hostility is not a strategy. The current administration is trying to constrain China's growth and global ambitions, but a new administration may wish to do that in a different way. Strategies need to be sustained in order to gain full effect and America, deeply polarised, can no longer guarantee that.

## A Unipolar World

“Power as something states possess” is sometimes used to show that the world remains unipolar.<sup>6</sup> USA military expenditure is larger than that of the following nine states combined. No conceivable combination of contenders seems able to upset it. In addition, the US has 35 military allies. To maintain military superiority by as wide a margin as possible is a consensus objective backed by strong will. To be serious, presidential candidates can leave

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<sup>4</sup> Ray S. Cline, *World Power Assessment 1977: A Calculus of Strategic Drift*, Westview Press, 1977.

<sup>5</sup> Chin Lung Chang, “A Measure of National Power”, Fo-quang University, 2004. <http://www.fgu.edu.tw/~academic/up1/malayconference1/paperscollection.files/conferefncepapers/chang.pdf>

<sup>6</sup> Steven G. Brooks and William C. Wohlforth, “The Myth of Multipolarity”, *Foreign Affairs*, May/June 2023

no doubt about that. If the US is set to decline, its hegemony deteriorating, military superiority is the last pillar to be compromised.

From this unipolar reading, subtract that today big geopolitical displacements often happen as a function not of military dynamics, but of changes in trade policies, the US abandoning free trade; changes in the international financial system, US control weakening; and in the changing effectiveness of economic sanctions, the power base eroding. These are changes that happen incrementally, more or less all the time.

The US National Security Strategy of 2022 represents a clear break from previous documents. Earlier versions always emphasised that free trade was essential for the maintenance of US hegemony. Today, the US has become protectionist. It has distanced itself from the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) and IPEF (Indo-Pacific Partnership for Prosperity) is no free-trade agreement but is about labour standards, climate provisions, digital trade and tax enforcement. The only free trade agreements left are the ones with Canada and Mexico. The CHIPS and Science Act, the Inflation Reduction Act and the Bipartisan Infrastructure Law are invitations to buy and build American.

The implication is that the US has left the free trade card to China for application in the Global South, possibly also for comprehensive free trade with the EU. This has become a major weakness in the US power base.

Instead, the US is pressing ahead for friend-shoring, shaping supply chains around countries that can be trusted, and de-risking, prohibiting trade in dual-use technologies. Friend-shoring is discussed in the context of IPEF, and the US-EU Trade and Technology Board is the vehicle for discussion and bargaining on de-risking. Friend-shoring and de-risking are closely related notions, and in both settings, the US is more ambitious than the others. The underlying impulse is the desire to maintain Western supremacy in the face of China's aspirations.

## A Bipolar World

China's military expenditure is 1/3 of that of the US, and number three on the list spends less than 1/3 of China's total.<sup>7</sup> Economically, the US and China are in a category of their own. Clearly, these are the powerhouses of the world, and others are gravitating around the US-China axis. An important exception is India, which is not bound by alliances, and which balances its relationships with others not to compromise its freedom of action. Seen this way, the world is bipolar.

China wields power through economic and associated political engagements, the legal basis being the three pillars of the UN Charter: state security, territorial integrity, and non-

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<sup>7</sup> SIPRI Yearbook 2023, Oxford University Press 2023. The top 10 after the US and China are France, Germany, India, Japan, Russia, Saudi Arabia, South Korea and the UK (listed in alphabetical order). They are all in the range of 50-70 billion dollars per year.

interference in internal affairs. The means are comprehensive economic investments; free trade; a commitment to development, which is high in the Chinese value hierarchy; no projection of military power to other regions of the world, underwritten by long tradition; and an overriding foreign policy of win-win, the security equivalent of which is common security.<sup>8</sup>

Based on these criteria, China has a big and growing number of economic partners across the Asian landmass, into the Middle East and further on to Africa South of Sahara, the area that Halford McKinder called the World Island.<sup>9</sup> Latin American countries are tying in as well. Through the Belt and Road project, in particular, China has acquired impressive structural power.

## A Multipolar World

Going by the capability to control events and outcomes, the world is multipolar. Many big powers have or are trying to obtain spheres of interest. A sphere of interest is a region over which a powerful state enjoys cultural, economic, military or political exclusivity, typically a big power claiming special privileges in an adjacent area. The Monroe doctrine was an early example, holding that any intervention in the political affairs of the Western Hemisphere would be regarded as a potentially hostile act against the US.

Historically, high levels of exclusivity have been associated with high levels of conflict between the big powers, and contemporary affairs are no exception. The US claims such privileges in many parts of the world; China and India do so in their respective neighbourhoods; and Russia tries to maintain a sphere of interest in the “near abroad”. France is an ardent supporter of autonomous European military forces to give weight to the European Union’s neighbourhood policy, but the Union is not ready for it. There is a glaring lack of strategic direction and unified political will to pursue it.

Multipolarity also manifests itself in novel ways. One of them is the Saudi Arabia-Russia-China triangle, a new potent power triangle made possible by a spectacular Saudi foreign policy reorientation.

The Saudis are distancing themselves from the US without cutting the ties; they cooperate very closely with China on nearly all issues of importance; they nurture bonds with Russia in the context of OPEC+; and they are spearheading normalisation across the Middle East. In short, they are going by the handbook of geopolitics for medium-sized states, distributing their dependence on many others in order to reduce their vulnerabilities and broaden their freedom of action. Recently, the missing link between Riyadh and Teheran was filled by a tripartite agreement between Saudi Arabia, Iran and China, which has the potential to

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<sup>8</sup> Keynote speech at the 4<sup>th</sup> summit of the Conference on Interaction and Confidence Building in Asia, Shanghai, May 2014. [www.chinatoday.com.cn/english/news/2014-05/22/content\\_620347.htm](http://www.chinatoday.com.cn/english/news/2014-05/22/content_620347.htm)

<sup>9</sup> Alfred Mackinder, “The Geographical Pivot of History”. *The Geographical Journal*, Vol. 23, No.4, (April 1904), pp. 421–433

become a game changer for cooperation in the region. The East-West fault line, which used to go by Iran, has moved westwards to Saudi Arabia.<sup>10</sup>

The US was caught off guard by the tripartite agreement and risks being side-lined. If you think the Middle East is a chaotic place full of conflicts and violence, and your toolbox consists of military capabilities and not so much else, you stay prepared for more occasions to use them. If you have a hammer, the problems wait to be crushed. So far, the restructuring of US forces seems predicated on that assumption.

This impression is corroborated by the fact that the threshold for application of economic means is much lower than for military ones, and the economic instruments are mainly in Chinese and Saudi hands. China is wielding soft power as well by being a peace facilitator in the Middle East and positioning itself with a view to a political solution in Ukraine.

### China's Geopolitical Identity

China has one leg in the bipolar competition with the US and another in the multipolar world. It cannot extricate itself from the bipolar rivalry, which captures the headlines, but its stakes in the Global South<sup>11</sup> are often underestimated – the main organisational expressions being BRICS (Brazil, Russia, India, China, South Africa), the SCO (Shanghai Cooperation Organization), AIIB (Asia Infrastructure Investment Bank) and the NDB (New Development Bank). China is central in all these institutions.

Until recently, China described itself as a developing country, and on occasion it still does. In this arena, in relation to developing countries and emerging powers, it is making headway. More countries are knocking at the SCOs door and there is pressure on BRICS to expand. Saudi Arabia, the new leader of the Arab World, has emerged to become a strong candidate; Turkey is another. A Brazilian, Dilma Rousseff, just become head of the NDB.

It is first of all in the Global South that China can reap the full benefit of free trade. The US tries to constrain it and is on guard, especially when China begins to penetrate Latin America, where it has used economic means, political pressure and covert operations ever so often to stop attempts at interference and turn regimes their way. Much will depend on China's own economic growth; when the pandemic slowed it down, the Belt and Road program slowed down as well.

To be a credible part of the Global South, China has to meet the expectations of these countries. It is not enough to promote development and free trade. It has to document itself

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<sup>10</sup> Sverre Lodgaard, "The Geopolitics of the Middle East", Policy Brief No. 155 from the Toda Peace Institute, March 2023

<sup>11</sup> Although the majority of Global South countries are located in the tropics or the Southern Hemisphere, the term itself is strictly economic in reference to various categories of less developed states. The notion has emerged as a unifying identity of many of the countries it encompasses.

The [United Nations' Finance Center for South-South Cooperation](#) maintains a list of Global South countries. As of early 2022 it includes 78 countries, referred to as the "Group of 77 and China."

as an alternative to the US in other respects as well. It can do that by emphasising that its security doctrine is win-win or common security, a doctrine that is alien to the American security community. It can do so by sticking to the age-old tradition of not projecting military power to other regions of the world, contrary to US practice and that of European colonial powers. It can do so by repeating that, in principle, it is against economic sanctions while in practice, it resorts to such means itself on occasion. It can do so by declaring itself neutral in relation to ongoing conflicts and by facilitating peace agreements, and it can filter visits and discussion agendas in order to show allegiance to partners in the Global South.

China is doing much to curry favour with the Global South. It is more comfortable in the multipolar world than in the bipolar power competition with the US. By taking a neutral position on topical conflicts and distancing itself from big power peers, it gains legitimacy with the Global South. As long as the outcome of a war with the US over Taiwan is uncertain and quite possibly in the US's favour, it may deem it best to tread carefully, biding its time while building relations with emerging economies.

The multipolar world also meets the interests of important European countries. However, East European states see it differently. Many of them are small states still affected by the traumas of Soviet years and alerted by Russia's aggression in Ukraine. Their geopolitical interests are different from those of medium-sized countries like France or Saudi Arabia, which seek cooperation in many directions to broaden their action space. This is no option for them, for they do not have the resource-base to aim that high. They are best served by being under the protection of a big ally.

### **The Ideological Overlay**

For the time ahead, there will be a great many forms of national governance. In any future, there will be democracies and dictatorships and myriads of hybrid regimes. They will have their vices and virtues in combinations that no one can predict.

Sometimes, when Americans talk about a rules-based order, the source of the order seems to be US foreign policy, i.e., rules as defined by the US, for others to follow but from which the US may exempt itself. Exceptionalism peaked during the so-called unipolar moment and has declined since, but it remains alive and kicking.

The Biden Administration is not there, however. It wants to revitalise the liberal rules-based order established in the aftermath of WWII. This is heavy lifting. The difficulties begin at home, where the national conversation has broken down and democratic governance is flawed. They continue abroad, where the war in Iraq became the mother of all wars in the Middle East, lasting for 15 years, and the 20-year commitment in Afghanistan failed miserably. Promotion of democracy was enmeshed in all of it and left a miserable legacy. Economic sanctions against autocratic regimes have not fared much better. In many cases they have proven counterproductive and on occasion, hypocrisy has been glaring. Massive sanctions have been imposed on Iran, but none against Saudi Arabia.

Spurred by the war in Ukraine, the West issues sanctions, boycotts, condemnations and cancellations against autocratic governments in many parts of the world. In the process, it encapsulates itself and pushes others away, with the best of liberal intentions or in the belief that it brings an upper edge in relation to its adversaries, sometimes asserting that it is on the right side of history.

That assertion is not supported by statistics. “[T]he number of countries in the world that are currently experiencing democratic setbacks, or autocratisation, has greatly increased over the past ten years.”<sup>12</sup> In 2012, 46 per cent of the world’s population lived in autocracies; ten years later, the percentage was 72 (5.7 billion people).<sup>13</sup> In the US, confidence in the governing institutions is at a historic low. In 2022, only 20 per cent said they trust the government in Washington to do what is right most of the time. (Pew Research Center). The Europeans are holding the fort for democracy, Northern Europe in particular, but there has been some backsliding in Europe, too. (Poland, Hungary, Turkey, right-wing populist movements in other countries).

Western ideological warfare has many flaws. It is arrogant, claiming to know what is good and bad not only for itself but also for others; it is provocative in relation to people who have confidence in their own rulers; it blurs understanding of where others are coming from historically, culturally and politically; and it makes international lines of conflict deeper and cooperation more difficult. When liberal internationalism is touted as an adjunct to military strength and exercise of coercive power, it becomes poisonous.

Other values weigh in. Cutting ties in the name of ideological convictions is at odds with prevention of catastrophic conflicts—environmental conflicts and another world war—which call for consultation and cooperation to solve common problems. Today, bridges are burnt in the name of ongoing conflicts without much reflection about the long-term opportunity costs.

While Western countries are excoriating others for lack of democracy and respect for individual human rights, China does not interfere with the way other countries organise themselves. It defends its own governance system vigorously, to the point of imposing severe trade restrictions on countries that are seen to challenge its core interests but stays committed to the Charter principle of non-interference in the internal affairs of others. That fits their objectives hand in glove, primarily but not only in the Global South.

Clearly, democracy is on the defensive and has been so for almost a decade. A decade is a short period of time in this connection, however. There have been set-backs before—for instance, in the 1930s in Europe and in Latin America in the 1970s/80s, when a wave of military coups happened there—followed by a return to democracy practice. Therefore, conclusions should not be drawn hastily.

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<sup>12</sup> Staffan Ingemar Lindberg, “The world is becoming increasingly authoritarian - but there is hope”, University of Gothenburg, Sweden. <https://www.gu.se/en/news/the-world-is-becoming-increasingly-authoritarian-but-there-is-hope>

<sup>13</sup> V-Dem Democracy Report 2023, University of Gothenburg, Sweden

## Summary and Conclusions

(1) The Western world is in the midst of a major rearmament drive, and its capability to conduct modern warfare seems unrivalled. Presumably there is a bandwagon effect: perceived superiority works by its sheer existence.

Diplomacy can enhance that impact. In Southeast Asia, Chinese and American leaders have visited many capitals recently, the US offering security cooperation and China economic partnerships in competitive bids for political favour. For US diplomacy to be effective there must be threats to avert, and they are not necessarily a function of sober assessment, but of what you have in the toolbox.

The US has turned protectionist. It has abandoned free trade and it completely ignores the World Trade Organization. It's for China to exploit the attraction of access to a vast home market.

(2) Compared to that of the US, China's economic growth continues apace. From the beginning of 2020 to the end of 2022—the period of the pandemic—the accumulated growth adjusted for inflation was 14 per cent. US growth over the same period was 6 per cent. Estimated Chinese growth in 2023 is above 5 per cent. Still, compared with the recent past, this is a depressed trajectory.

China thrives in the multipolar world, where the Saudis have become an important partner. Saudi Arabia is a candidate for membership in the SCO and for co-optation into BRICS, and it is in talks about joining the NDB. Should it decide to write its oil deals in yuan and start trading on the Shanghai petroleum exchange, US financial interests may be severely affected.

China sticks to foreign policy principles that meet the sympathy of many Westerners, too, but some of them are hard to uphold in the bipolar setting. Arms racing does not square with common security, and sanctions are imposed in spite of opposition to them in principle.

All the time, declaratory policy must be checked against action policy. Possession of big power usually generates a wish to be free to use it at will, hence the temptation to extricate oneself from declared principles and international commitments. Presumably, this applies to China as much as to its peers.

(3) The division between the West and the rest is deepening. The conflicts over Ukraine and Taiwan account for much of it, but the main driver is the hegemonic struggle between the USA and China. China may or may not aim for hegemony, but the US sees an economic trajectory about to cross its own and a military curve that rises steeply. This is a classical predicament fraught with dangers.

To contain China, de-risking, friend-shoring and screening of outward and inward flows of investments and technologies are under way. "We cannot allow countries to use their market position...to disrupt our economy or exercise unwanted geopolitical leverage. So let's build on and deepen economic integration...with countries we know we can count

on.”<sup>14</sup> To date, it is unclear how far such integration campaigns will go, for allies in Europe and Asia are holding back. Neither is it clear which countries can be “counted on”.

(4) Multipolarity is a flexible notion. In addition to the US, China, the EU and India, it may be stretched to include all members of BRICS plus Saudi Arabia and Nigeria. Saudi Arabia has become the leader of the Arab world and Nigeria is dominant in West Africa.

Only the US, China and India are geopolitical powers with a global reach. The EU is strong on critical mass and economic strength but weak on military power, and it lacks the necessary strategic direction and political will to be a geopolitical player. At this juncture, it is deeply split. The close, cooperative relationship between France and Germany is no longer the mainstay of EU policy. France does not regard Taiwan as a European issue and takes a cooperative approach to China while the German government is divided on the matter.

India is a great power in its own right. It is not alliance-bound, and it is keen to maintain its freedom of action. Nobody comes to grips with India. Being big on all classical dimensions of power—critical mass, economic strength and military power—it has the weight to be a balancer in the multipolar system.

(5) Globalisation is slowing down but not retreating – the metrics being trade in goods and services, foreign direct investment and migration.

What actually caused the slowdown is a complex question. In a sense it does not matter, for we have entered an era where future patterns of economic cooperation are shaped top-down by politically motivated governments rather than by market forces. Political arguments need not square with statistical analyses; they sometimes acquire a standing of their own. Right or wrong, globalisation is perceived to produce huge economic inequalities; to be deaf to environmental concerns; to be vulnerable to financial crises; and to create long and shaky supply chains.

Such political impulses may bring more protectionism in their tracks and become a set-back for the world economy. The US is protectionist already and may care less than others. China, which is well served by free trade and multilateralism, may be more worried. It depends more on trade than the US. The way ahead is largely up to the two big trading blocs—China and its partners in the Global South and the European Union and its partners in the wider European economic area—to decide.

(6) Attempts to promote democratic governance by force have failed totally. Sanctions and boycotts have not done much better. There is a flurry of condemnations and cancellations, but much overshoot in the form of arrogance and ignorance—*besserwissen*—triggering push-back and consolidation in recipient states. When exercised in the context of big power

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<sup>14</sup> Special Address by US. Treasury Secretary Janet Yellen, Atlantic Council April 13, 2022. <https://www.atlanticcouncil.org/blogs/new-atlanticist/janet-yellens>

rivalry led by a state that is known for its democratic flaws, exceptionalism and unpredictability, the effects are dubious.

Studies show that international democracy aid specifically targeting the core building blocks of democracy—civil society, free and fair elections, media freedom and human rights—has a positive effect.<sup>15</sup> Experience also shows the fundamental importance of local ownership in order to legitimise the projects and ensure that national framework conditions are taken into consideration. Democracy promotion should be home grown. Democracy promotion as an ideological overlay of big power rivalry does the opposite.

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<sup>15</sup> “Effects of Swedish and International Development Aid”, <https://www.v-dem.net/publications/democrac...>

## The Author

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