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## **Preface**

Ever since the escalating conflicts in the South and East China Seas and the Ukraine crisis in 2014, power politics and geopolitics have been front-page news. With a sense of shock, the Western world has become aware that conflicts between the great powers are not a thing of the past, and that even the annexation of parts of a sovereign state is possible in the 21<sup>st</sup> century. In contrast to their Cold War predecessors, however, most Western politicians have no experience of such events. What's more, the populations of Western countries are hardly aware of what is really going on.

This book is an attempt to re-visit existing knowledge in this area and to present new insights. In doing so, the Ukraine case and the ongoing conflicts in the South and East China Seas are examined, cases that have more in common than would initially appear.

This book could never have come about without the assistance of the staff of The Hague Centre for Strategic Studies. Above all, Frank Bekkers went to great lengths to make this study the best book it could be.

Rob de Wijk The Hague, July 2015

## Introduction: 19<sup>th</sup>-century behaviour in the 21<sup>st</sup> century?

'Putin is living in a different world', remarked the German Chancellor Angela Merkel when Russia made moves to annex the Crimea at the beginning of 2014. John Kerry, the American Secretary of State, also condemned Russia: in the 21<sup>st</sup> century, 'You just don't ... behave in 19<sup>th</sup>-century fashion by invading another country on a completely trumped up pretext." What Putin did, however, was more than many imagined: it was the 'normal' power politics of great powers, or countries that see themselves as such. At the same time, a similar power struggle was taking place on the other side of the world. At the beginning of 2014, China, which lays claim to large parts of the South China Sea, was engaged in a sharp confrontation with the Philippines and Vietnam over the control of small islands.

In this book, I explain why power politics never went away and why, due to the relative weakening of the West's position, power politics is becoming more visible and tougher. Upcoming powers are demanding their place in the sun and are gaining more and more influence on the shaping of the world order, which is becoming less and less 'Western' as a result.

A country's power is determined by a combination of factors: its population size, territory, economy and military apparatus. Technology and factors that are less easy to measure, such as political and strategic culture, also play a role. These last two factors determine to a major extent whether a country engages in power politics, and if so, how. Power politics is a country's readiness to use its power and

the way in which it uses it. Germany, for instance, is a powerful country, but it shows little readiness to use its power – something that is certainly true of its military power. Russia, by contrast, is a country with a weak economy and a weak army, but it is willing to use its power.

The current 'Western world order' was institutionalized after the Second World War and reflects the power of the West. One important milestone was the financialeconomic Bretton Woods Agreement, initiated by the United States and agreed by 44 countries in 1944. This provided for a system of fixed exchange rates whereby only the dollar could be exchanged for a fixed amount of gold at the American Federal Reserve. Whilst other currencies were indeed fixed against the dollar, they could not be exchanged for gold. The Bretton Woods system also provided for the establishment of the International Monetary Fund (IMF) and the World Bank. With this agreement, the global primacy of the American – and with it, the Western – economy became a fact. Furthermore, the victors of the Second World War also founded the United Nations (UN) and were given permanent seats on the UN Security Council. A system of global governance was thereby created that covered almost every aspect of global society, but that largely expressed Western preferences. The International Court of Justice (ICJ) in The Hague is also a Western invention. The way in which international law is applied by the International Criminal Tribunal for the former Yugoslavia, the Special Tribunal for Lebanon and the International Criminal Court (ICC), for example, all of which are based in The Hague, likewise reflects Western conceptions of good and evil. The same is even true of 'universal' fundamental principles, such as the Universal Declaration of Human Rights (1948).

The world order, which has been shaped to a major extent by Western countries, is becoming less 'Western', however, due to the rise of countries such as China. This process is being further strengthened by political and societal polarization in the United States and Europe, meaning that democracy has become less effective at solving far-reaching crises. This proved to be the case, for example, during the financial crisis that erupted in 2008.

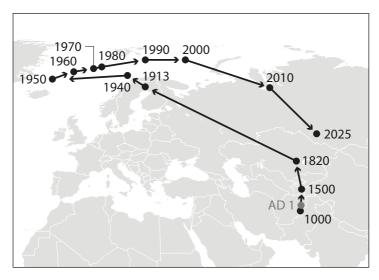
All of this allows upcoming countries to question the dominance of the West. The shift of economic, military and associated political power to the East has implications for the way in which the West is able to determine the rules of international relations, protect its interests and promote its values. Upcoming countries want to see international institutions adapted in ways that reflect their new positions and values. The first 'victim' of this development has been Western 'soft power', or the ability to co-opt and attract. This is based on values, but is being backed up less and less by military 'hard power', political unity and superior economic power.

As a result of these developments, it will become more difficult to impose traditional Western preferences, such as a foreign policy that gives prominent place to the promotion of humanity and democracy, because upcoming countries do not tolerate any interference by other countries in their domestic affairs. This brings practical, political and psychological challenges for the West, where security has been seen largely in terms of human security in recent decades. In the West's view, if this is at stake, then intervention in other countries is not only justifiable; it is even a duty. This is expressed in the Responsibility to Protect (R2P), a doctrine grounded in this Western vision that has been adopted reluctantly by the UN member states.<sup>2</sup>

History teaches us that transitions of power are always accompanied by friction, and even by conflicts. In the longer term, the system of international relations itself can change radically. I argue that international crises mainly occur at the fault lines of the international system. There are also areas, however, where the spheres of influence have not yet crystallized fully: in space and in the polar regions.

That power transitions are accompanied by friction and even by conflicts is understandable. Countries that see their position worsening will want to counter this, whereas countries that are rising will not allow their ascent to be thwarted. Moreover, there is a much greater chance of misinterpreting each other's intentions if not one, or two, but a number of countries are dominant. Misinterpretation of other states' intentions is a major cause of conflict in international relations. Leaders also tend to underestimate the effects of their actions on the leaders of other countries, to endow their convictions with the status of truth and to judge their opponents on moral and ethical grounds. On a visit to Kiev, for example, European leaders, including the Dutch Minister of Foreign Affairs, Timmermans, and the Members of the European Parliament (MEPs) Van Baalen and Verhofstadt, declared their strong support for the pro-European protest movement in Ukraine. The Russian leader Putin, meanwhile, saw this as an attempt by the European Union to prise the country out of his sphere of influence. As the later President Petro Poroshenko said at a meeting in Lithuania in January 2014, this made these politicians jointly responsible for the escalation of the conflict.3

As I shall explain later, Western politicians did not have a very realistic picture of the deeper background to the Ukraine crisis. In fact, this crisis marks a new phase in the power politics between East and West. Arguing from



1. How the world's economic centre has shifted in the last 2000 years, according to the McKinsey Global Institute and based on data from Angus Maddison of the University of Groningen.

the perspective of Realism, the school of thought based on power politics to which we shall return later, the crisis would not have broken out had there not been a decline in Western power, especially in Europe, and a lack of political unity. It is therefore no coincidence that calls for higher European defence spending were already sounding during the Ukraine crisis. The American President Barack Obama made a clear point of this during his visit to Brussels in May 2014.

The geopolitical changes that became manifest in the first half of the 2010s were not unexpected. Due to the rise of countries such as China, the power of the West had already been declining from the mid-1990s in a relative, if not in an absolute, sense. As a result, these emerging powers gained more latitude in international relations, and the West, less. For President George W. Bush, who took office in 2001, the

rise of China was an absolute priority for American foreign policy. This priority was pushed aside, however, by the attacks of 11 September 2001. Ironically, it was the military interventions in Afghanistan and Iraq, which were indeed direct outcomes of the September 11<sup>th</sup> attacks, which in fact contributed to the acceleration of the geopolitical changes and even to the creation of new local crises. This is something that I shall explain in more detail later.

This book shows that the main lines of the development of international relations are relatively predictable. The discussion about multipolarity and the question of which powers would become dominant had already begun at the beginning of the 1990s. Many authors made relatively good predictions about which way the world was heading. Detailed predictions about how, where and when each type of conflict would arise could not be made, however.

We can draw a comparison here with the climate and the weather. The climate changes slowly, just like international relations. Only sporadically will something so drastic occur that it changes the climate or international relations fundamentally. When a meteorite hit the Yucatán Peninsula in Mexico 65 million years ago, the climate changed so much that food chains were disrupted and the dinosaurs became extinct. Mega-incidents such as these also occur in international relations. Think, for example, of the fall of the Warsaw Pact and the Soviet Union, which heralded the end of Communism as the challenger to the system of democracy and capitalism. After a mega-shock such as this, a new reality or new paradigm arises, which is only eroded when a new mega-shock occurs. We can see most shocks coming, although we can never be certain as to whether they will actually become manifest and when, precisely, they will appear. Climate scientists predict a climate shock

if CO<sub>2</sub>-values continue to rise. According to experts, such a shock could be avoided if adequate measures were to be taken. In international relations, the rise of China is just such a shock in waiting. Even if the Chinese economy ultimately turns out to be a bubble and the country collapses, due to China's size, a mega-shock will still occur. Some authors, such as Jonathan Holslag, think that the economic course that China has taken must end in catastrophe. In his view, the emphasis on state capitalism, cartels, dysfunctional industries and unbridled speculation will lead to economic nationalism and protection, which cannot be maintained in the long term.<sup>4</sup> Just as with the weather, it is not easy to predict how, where and when actual incidents will occur in international relations. For this reason, humanity is repeatedly overcome by crises and events, which are indeed unpredictable, but which fit very well into the changing 'climate' of international relations.

Predictions about shocks in international relations can spur policymakers and politicians to act, which gives the impression that experts' predictions are incorrect. For example, it seems that the Chinese President Xi Jinping shares Holslag's concerns, as he has launched a far-reaching anti-corruption campaign in order to avert a crisis.

At the same time, however, the psychological phenomenon of cognitive dissonance comes into play: people do not want to know about potential shocks, and ignore information about them. Heavy storms and extreme rainfall are part of climate change. They should therefore not come as a surprise, but they nevertheless do, because people are not – or do not wish to be – aware of the effects of climate change on a daily basis. The same is true of international relations. For the experts, the crises in Ukraine and the South China Sea were not unexpected, although it was not

possible to state their exact nature and timing accurately beforehand. As early as 1993, the most important policy document produced by the Dutch Ministry of Defence read: 'Potentially the most dangerous problems are those in the relationship between Russia and Ukraine regarding the Crimea.'<sup>5</sup> In other words, the conflict had been predicted, but for politicians, journalists and the average citizen, it nevertheless came like a bolt from the blue.

This book explains geopolitical development and power politics on the basis of theoretical schools of thought. Theory also allows us to sketch out the potential scenarios of possible outcomes of the change process. I discuss two cases of typical power politics that are closely associated with geopolitical change: the Ukraine crisis and the conflicts with China in the South China Sea.

The conclusion is that due to rising powers and the development of multiple centres of power, international relations is not only becoming less 'Western', but also more complex. This means that more will be demanded of the quality of foreign and security policy, and of politicians, who have not actually engaged in the practice of power politics since the end of the Cold War. Because the West remained the dominant power after the Cold War, the difference between 'high politics' and 'low politics' also evaporated to a large extent. High politics is about the security and ultimately the survival of the state, and focuses on national security, foreign policy and defence. Low politics is about the functioning of the state and focuses on the preservation of prosperity and the welfare state. As the major threat disappeared after the end of the Cold War, national security and defence began to compete with education and healthcare, for instance. In the absence of a clear threat, these latter categories won;

but the Ukraine crisis makes it clear that high politics is still essential.

For many Western countries, geopolitical change requires a mental and practical adjustment of their foreign and security policy, an adjustment that starts with the acknowledgment that in international relations powerpolitical considerations are becoming more important, and moral and ethical considerations less so. Only countries that are able to deal with the new complex reality of the multipolar world will be able to benefit from it, in terms of more prosperity, stability and influence on the shaping of the new world order. This does not mean that other countries, by definition, will be left completely powerless, but they will not be players that can shape the new world order in such a way that they profit maximally from it. Time-honoured beliefs will have to be abandoned. For the countries that have dominated international relations in recent centuries, this will not be easy.