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ABSTRACT
China’s rise and America’s global retreat have made China’s role in global governance more important than ever before. By analysing Chinese (mainly academic) literature, this article studies contemporary Chinese views of global economic governance. It finds that the 2008 financial crisis is a notable point of the Chinese discourse. In addition, dialogue platforms – the G20 in particular – rather than key institutions of global economic governance such as International Monetary Fund (IMF), World Bank and Word Trade Organization (WTO) win overwhelming attention in the Chinese discourse. Chinese views of global economic governance also highly value the role of the state, while paying less attention to Non Governmental Organisations (NGO) and civil society. Overall, this article highlights a diverse, shifting and sometimes contradictory Chinese discourse on global economic governance, which helps to develop a more accurate understanding of China’s ambition in global economic governance.

Introduction

The rise of China has brought enormous changes to global governance. These changes are nowhere more obvious than in the economic realm. Since 2010, China has become the second largest world economy. In purchasing power parity (PPP) terms, it surpassed the US in 2014 to become the largest world economy. China’s rise as a global economic power has had profound implications for global economic governance. An example is the China-initiated Asian Infrastructure Investment Bank (AIIB), which is considered by many an alternative to the World Bank.1 The dramatic turn of US allies to join the China-led AIIB has marked the failure of American diplomacy.2 It has also led to an intense debate on whether it represents a challenge to the US-led global economic order.3

America’s global retreat, led by the Trump administration, has further enhanced global expectations of China’s role in global economic governance. After the Chinese president Xi Jinping defended globalisation in Davos 2017, many ironically if not misguidedly framed China as ‘the present champion of economic globalization’.4 At the same time, China seems to signal its willingness to seize the power gap left by the US’s global retreat.5 In this regard, understanding how China views global economic governance has become increasingly important. What are the contemporary Chinese views of global economic governance? By analysing Chinese literature, this article aims to unpack contemporary Chinese discourse on global economic governance and to present the domestic debate of China to a wider,

When examining the Chinese literature, this article finds that the concept of ‘global economic governance’ was adopted by the policy and scholarly community after the 2008 financial crisis. This indicates that the 2008 financial crisis spurred China’s active exploration of global economic governance. This article argues that this is a mixed result of (1) the evolving pattern of adopting the external concepts – ‘global economic governance’ – into the Chinese political context; (2) the Chinese view that the existing governance system is problematic and needs urgent reform; and (3) the general feeling within China’s academic and policy community that a power shift is occurring, and that China now has the ability to do more.

When it comes to discussing China’s participation in global economic governance, there is a general consensus that China should be more active. However, little is agreed upon beyond this consensus. There is a fierce debate regarding the different views of China’s own international identity, the shifting international order and the West. This debate has generated a diverse, fragmented and sometimes contradictory Chinese discourse of global economic governance.

Moreover, Chinese global economic governance literature has a distinct focus. When it comes to reforms of global economic governance institutions, in the literature written in English, the Bretton Wood Institutions and the World Trade Organization (WTO) often occupies the centre of the debate. After all, they are – and always have been – the key institutions of global economic governance. In the Chinese literature of global economic governance, however, the focus is dialogue platforms – the G20 gains far more attention than any other institution. This is partly due to China’s G20 membership and a different emphasis of the key institutions of global economic governance. This echoes the first finding that the collective discussion of global economic governance within China does not have a long history, and an understanding of this is still evolving.

Within the Chinese literature, this article also identifies a notable difference between media and academic discourses. The former tends to frame the ‘G20’ as the core of global governance, and gives high marks to its institutional development, while the latter is more critical of this simplified view. This phenomenon further contributes to diversity and inconsistency within Chinese discourse.

Lastly, the Chinese literature shows a search for and reflection on the sinification of ‘global economic governance’ (ie to give a specific meaning and understanding of the ‘global economic governance’ concept in order to make it work in and for the political context of China). Here, more questions are asked than answered. These questions centre on how China and Chinese ideas can contribute to the institutional development and theory of global economic governance. Many argue that as a global economic player, China should also be a key producer of ideas and knowledge. Yet it is widely recognised in China that very little knowledge has been generated so far. How to solve this problem is a key puzzle in the Chinese debate.

Overall, this article presents China’s self-reflection on its role in the world, its evolving understanding of global economic governance and – more importantly – how it plans to change the world, based on this self-reflection and understanding. It shows a diverse, evolving and sometimes contradictory Chinese discourse, which is far from capable of generating a coherent and consistent Chinese view towards global economic governance. Appreciating
this diversity and its evolving nature is essential to develop a more accurate understanding of China’s global ambition.

**Research methods**

In regards to Chinese views of global economic governance, the existing literature often covers it in the wider discussion of global governance. This is quite understandable, given that China was not at the centre of global economic governance. As the largest world economy in PPP terms, its size determines that China’s influence in the economic realm is more important than any other area of global governance. In addition, as Wang and French conclude, China has been more active in the economic realm than in any other area of global governance. Thus, the Chinese view of global economic governance is an important emerging topic that has (will have) a significant impact on the global world order. However, it is not very well understood so far.

This article aims to develop the understanding by studying the domestic debate within China. It uses content analysis to study Chinese-language literature. More specifically, the author first searches the China National Knowledge Infrastructure (CNKI) – the largest journal database in China – using the keywords ‘global economic governance’ (全球经济治理) in the titles. This led to the identification of 177 journal articles published between 2008 and 2016. A similar keyword search using ‘international economic governance’ (国际经济治理) and ‘world economic governance’ (世界经济治理) was conducted to find another seven and six articles, respectively. These 190 journal articles are selected as the main research object of the study.

The articles were analysed based on (1) the number of articles in different years, (2) the key themes, and (3) consensuses and disagreements identified by the author during the pilot study. As the following sections will discuss, the key themes identified include China’s participation in global economic governance, the role of the G20 and development of a Chinese theory of global economic governance. The main debate lies in the different evaluations of global order and China’s future strategy.

Notably, in China, there had been a long discussion over how the global economic system was governed before 2008. The relevant Chinese discourse of, for example, imperialism can be traced back to the late Qing dynasty. Instead of tracing the Chinese discourse to imperial times, this article will focus on contemporary discourse – mainly 2008 onward.

**Chinese views in the era of post-2008 financial crisis**

When examining the Chinese discourse on global economic governance, this article finds that the 2008 financial crisis is a notable point. Figure 1 shows the number of journal articles with ‘global economic governance’ in the title. It shows that there is no article about ‘global economic governance’ before 2008. The result remains the same even if the search is extended from journal articles to all Chinese literature, including conference papers and newspapers.

The first journal article on ‘global economic governance’ was written by Ngaire Woods in English and translated by Qu Bo into Chinese. Woods’ work is translated perhaps due to the growing interest in ‘global economic governance’ within the Chinese academic
community after the 2008 financial crisis. If this translated work is not taken into account, the first Chinese article is a conference review on ‘Institutionalization of the G20 and China’s Participation in Global Economic Governance’ written by Liu Zongyi, a researcher at Shanghai Institutes for International Studies, in 2010. In comparison, Chinese publications on ‘global governance’ did not appear until 1995, as Figure 1 shows. This is because the concept of ‘global governance’ was a political taboo in China until the early 1990s. At the time, it was considered a concept of ‘bourgeoisie’, which should not be used in communist China. In the mid-1990s, the government gradually loosened its control on this concept, thus leading to an increasing discussion on global governance. The major focus of the discussion is the implications of the rise of Non Governmental Organisations (NGO) and international regimes, for example, or the conceptualisation of global governance rather than economic governance.

The concept of ‘global economic governance’ was not adopted by the Chinese academic community until the 2008 financial crisis. One reason for this is the nature of importing external political concepts in China. When an external concept is adopted by the Chinese government, it is not always clearly defined. The process of filling the concept with specific meaning often happens subsequently. Here, academic and policy discussions play a key role in giving ideas/concepts a new meaning and understanding that works in and for the Chinese political context, as I examined in several previous cases.

The concept of ‘global economic governance’ was first adopted by the Chinese government in 2009 during the ‘G8 + 5’ summit in Italy. Yet the definition of this concept in the official discourse was entirely unclear. Precisely because of this conceptual vagueness, academic discussions were generated to incorporate this concept into the Chinese political context. As this article will discuss later, it is argued that the key themes of ‘global economic governance’ in the Western context (such as emphasising the role of non-state actors) are not applicable to the Chinese context. Thus, China needs to develop its own theory of global economic governance.

Figure 1. The number of journal articles (in Chinese) with ‘global economic governance’ and ‘global governance’ in the title.
Source: Data collected by the author from http://www.cnki.net/.
In this regard, ‘global economic governance’ is a relatively new concept in China. While there were some discussions on reforming the existing governance mechanism before 2008, these tended to be isolated discussions on single issues rather than a collective discussion under the general theme of ‘global economic governance’. The 1997 Asian financial crisis, for example, generated many discussions on the proposed Asian monetary fund, and eventually the Chiang Mai initiatives. However, these discussions were simply not framed within the general theme of global economic governance and did not foster an effective dialogue on this theme.

More importantly, the 2008 financial crisis significantly changed China’s international identity and its evaluation of international political landscapes, and led to China’s active exploration of global economic governance. In the past few decades, China has been practicing Deng Xiaoping’s ‘keeping a low profile’ principle – a strategy of inward focus that emphasises domestic rather than international affairs. Under this principle, China has fully concentrated on domestic development and had not been very motivated to participate in global governance; neither had it considered that providing global leadership was a responsibility of a developing country like China. However, the 2008 financial crisis suddenly raised the world’s expectations of China. The idea of a ‘G2’, for example, was put forward as a solution for future global governance. While its powerful status equal to that of the US was not entirely bad for China, China clearly rejected ‘G2’ at the time. To many, China was neither capable of taking nor willing to take the relevant global responsibility. It is argued that the financial crisis was created by the West, not China, and thus China should not waste resources and effort in solving global problems.

Nonetheless, the Chinese academic and policy community has increased its efforts to explore global economic governance since then. In scrolling forward to Xi Jinping’s China, this exploration has generated a very different understanding of China’s role in global governance. While the concentration on domestic development is still present, China has become increasingly willing to participate in global governance. Under Xi Jinping’s leadership, it has exerted an impressive effort to move from a global system/norm taker to a system/norm shaper, if not yet maker. This is clearly demonstrated by Xi Jinping’s diplomatic initiatives in regards to a ‘new type of great power relations’, which may be interpreted as a revised version of ‘G2’ or ‘G2 with Chinese characteristics’. Many argue that it is time to realise China’s ambition in global economic governance. First of all, however, China needs to find its own role in the current global governance architecture.

Global economic governance in China’s grand strategy

The search for China’s role in global economic governance is deeply embedded within the wider context of China’s domestic reflection on its foreign policy. China’s rise has intensified the domestic debate over its grand strategy. As mentioned, in the past few decades, China’s grand strategy has followed Deng Xiaoping’s vision of ‘keeping a low profile’. This view suggests that China should develop quietly, and avoid taking major international responsibility. Arguably, this strategy has successfully helped China to develop from being a normal power to today’s status.

Nonetheless, this strategy has been increasingly challenged within China. It is argued that ‘keeping a low profile’ is simply obsolete from today’s perspective. This strategy was
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formulated by Deng Xiaoping 2–3 decades ago, when the international landscapes and China’s role were fundamentally different to now. To Yan Xuetong, for example, economic prosperity should no longer be the fundamental goal of Chinese foreign policy. Instead, China should focus more on its security interests. As the ‘keeping a low profile’ strategy is no longer capable of protecting China’s national interests, China should move towards the principle of ‘striving for achievement’ which places greater emphasis on China’s global leadership and international responsibility.

Obviously, the above debate on China’s grand strategy is partly led by different interpretations of international political landscapes and China’s international identity. It has expanded to almost every single issue of Chinese foreign policy. In regards to global economic governance, while there is a general consensus that China should take more leadership and responsibility in this arena, the debate remains as to whether this entails a new departure from ‘keeping a low profile’. To some, it is the time for China to become a global economic leader. The aforementioned Chinese school of ‘G2’ is an example. It is argued that the financial crisis led to a power vacuum for rising powers. The current economic governance system, including the G8 and Bretton Woods Institutions, fails to represent the interests of rising powers. In this regard, China has to take the lead to reform the existing framework of global governance in order to protect its interests.

Some argue that China’s participation in global governance is contradictory to the principle of ‘keeping a low profile’. It is ‘impossible’ to keep a low international profile when China integrates into the international system. Once it is in, China has to interact within the system, and ‘hiding its intentions and strength’ is no longer feasible in today’s globalised world. There is also an expectation, or perhaps pressure, on China – the second largest world economy – to take more global leadership. Some expect China’s gross domestic product (GDP) to surpass that of the US by 2020 if there is no major incident – it will be interesting to see whether the rise of Trump qualifies as a ‘major incident’. The size of the Chinese economy does not allow China be ‘quiet’ or ‘keep a low profile’ any more. Without China’s participation, global economic governance can hardly be effective.

Others, however, argue that while the shifting international landscape is in China’s favour, the changes are not fundamental. Power transition would go through a long process, and the developed countries and the West will still dominate. The ‘basic framework’ of the global economic governance mechanism is still formed by the IMF, the World Bank and the WTO. The 2008 financial crisis has not ‘made’ for a new international economic order. It is also very hard for Asia to become one of three financial centres, comparable with the US and Europe. If China becomes too active rather than developing quietly, it will lead others to feel a sense of antipathy towards China.

The domestic factor is perhaps more decisive. Indeed, China still faces enormous domestic challenges. Politically, legitimating its one-party system in the context of China’s democratisation and marketisation is still a priority of the Chinese Communist Party (CCP). Economically, meanwhile, the slowdown of the Chinese economy suggests that China’s rise is not linear. Some frankly admit that China’s global economic status is not as ‘powerful’ and ‘solid’ as statistical data suggest. In this regard, Deng Xiaoping’s vision on ‘concentration on domestic development’ still applies to today’s China. These facts suggest that neither international nor domestic landscapes have been through fundamental changes. As such, it will only harm China’s interests if ‘keeping a low profile’ is abandoned too quickly.
China’s participation in global economic governance

Despite the above disagreements, there is a sense of shared joy when discussing China’s role in global economic governance. The membership of G20, in particular, marked China’s first experience of participating in global economic governance as a ‘shaper’, a ‘founding member’ and a ‘core participant’. Obviously, the Chinese official media has not missed the opportunity to publicise this as a sign of China’s global power status. The author’s brief search finds 119 newspaper articles with ‘global economic governance’ in the title published between 2009 and 2016. The (absolute) majority of these articles cheer for China’s rising discursive power and global status, and self-praise China as being a responsible global power. By linking it with China’s rise under the ‘brilliant’ rule of the CCP, propaganda helps to arouse domestic nationalistic pride and thus maintain the CCP’s political legitimacy.

Beyond the propaganda discourse, China’s academic and policy community is forging a more sophisticated discussion. There is a general consensus that China should play a larger role in global economic governance. China’s participation is considered helpful in maintaining a favourable external environment for its domestic development. By participating more actively in global economic governance, China expects to contribute to global economic stability, which is a ‘necessary condition’ for China’s domestic economic development. This is arguably the most important motivation for China’s international engagement.

There is a historical (domestic) context for this. In the early 1990s, the collapse of the Soviet Union seriously shocked the CCP. There was concern that the CCP would have the same fate as the communist regimes in East Europe and the Soviet Union. Immediately after the collapse of the Soviet Union, the CCP had to relaunch market reform programmes to boost economic performance in order to save its legitimacy. As the domestic factor was the focus, the CCP sought to avoid international conflict and reduce international – or perhaps more correctly, Western – pressure on its one-party (communist) rule. A favourable international environment was also considered positive for China to attract foreign investment, and thus promote economic growth for the ultimate goal of saving the CCP’s legitimacy. In this regard, ‘maintaining a favourable international environment’ is directly linked with the fundamental aspect of Chinese politics: CCP’s survival.

It is against this background that Deng Xiaoping highlighted his aforementioned vision of ‘keeping a low profile’ for the CCP to survive in the transition from a bipolar world towards a unipolar one. Looking back from today’s perspective, this policy helped China’s remarkable economic success and its rise as a global power. Despite a completely different political landscape, the need to maintain a favourable external environment for China’s domestic development is still there – after all, regime survival continues to be the most important concern of the CCP. As such, even proponents of ‘keeping a low profile’ would agree that China should take more international responsibility in order to stabilise its external environment. Otherwise, dysfunctional global economic governance may invite another global financial crisis. China’s increasing overseas investments and currency internationalisation also mean that China has to be more active in participating in global economic governance in order to protect its rising economic interests abroad. This provides a common ground for China’s academic and policy community to reach a consensus about China’s global participation in the post-financial crisis era.

Beyond this consensus, some go a step further to point out other ambitious goals. It is argued that the rising powers including China were in the position of ‘being ruled’ within
the global governance system. They had to passively accept the value systems made by the West, and were forced to obey the West-made global governance system. To proponents of the ‘striving for achievement’ strategy, the financial crisis may thus be a prime opportunity for China to collaborate with other rising powers, thus establishing a new international order in favour of developing countries like China.

This does not mean that China will ‘overthrow’ or ‘refuse to participate in’ the current international order. Rather, the argument is to get both hands ready. On the one hand, China should adapt to the current international order and participate in the global governance mechanism. At the same time, China should actively promote reforms within the current system. On the other hand, China should start to establish a secondary-level rule system, in which China dominates. To some, these two systems are parallel and do not necessarily conflict with each other; thus, the West should not look at it based on a ‘zero-sum’ mentality. This argument was fulfilled by the subsequent establishment of the AIIB in 2015. While continuing to push for reforms in the IMF, China created the AIIB to establish a (sub-) regional-level financial order in which it plays a dominate role. This put the aforementioned ‘get both hands ready’ advice into practice.

Moreover, to many, China’s active participation in global governance will translate into discursive power and global influence. There is a consensus that China should have a bigger say on the international stage. Here, the discursive power and global influence are considered the sources of legitimacy to support China’s role as the main body of global economic governance. Some also argue that discursive power is more important than military power.

The above discussions also echo China’s strategic move from a system/norm taker towards a system/norm shaper (if not yet a maker). As mentioned before, it is argued that China should no longer passively accept the rules made by others but participate (if not dominate) in the process of rule-making in order to maximise its national interests. To some Chinese scholars, it is ‘not a big problem’ to ‘simply’ be a system/norm taker if China is a small economy. However, as the second largest world economy, only being a system/norm taker will lead to considerable economic and political losses.

In the debate, some propose more concrete plans for China to prepare for equal global leadership with the US. The research group of the Guangdong Institute for International Strategies suggests that China should share equal responsibility with the US to co-govern the world – very similar to the idea of G2. However, there are also some sharp criticisms of this view. Huang Yongfu, an expert based in China’s National Development and Reform Commission, for example, argues that China should take on some international responsibilities, but not more than the amount that China’s comprehensive national strength merits. Huang criticises many Chinese officials and scholars for exaggerating China’s economic success, thus providing an ‘excuse’ for Western countries to ask China to take on more international responsibilities. After all, China still faces enormous domestic challenges. According to Huang, China should place greater emphasis on domestic difficulties in order to avoid certain international responsibilities. This view echoes Deng Xiaoping’s ‘keeping a low profile’ principle and indicates interesting similarities with Trump’s global retreat and ‘America first’ policy.

If China wishes to be an active participant in global economic governance, then the question that follows is through which institutions it aims to do so. The next section will look into the Chinese debate over key institutions of global economic governance.
Institutions of global economic governance: the G20

In the English-language literature, when discussing global economic governance, a key theme is to reform the Bretton Woods Institutions and the WTO. Even when it comes to studies on China, they are still the focus as they are the foundation of the existing global economic order. It is precisely because of (1) China's dissatisfaction with its under-representative status in the Bretton Woods Institutions and (2) the delays in the US congress in ratifying the IMF changes that it was driven to establish the AIIB in 2015. As mentioned, this has led to an intense debate about whether China is establishing a new global economic order. In this sense, the dominant theme of Chinese literature should be how to reform the Bretton Woods Institutions in order to better represent rising powers.

While there are some articles that study the role of the IMF, the World Bank, the United Nations (UN) and the AIIB in the Chinese literature of global economic governance, these are not the focus of these articles. This is clearly demonstrated by the author's title search. Among the 190 articles that the author examines, 20 have ‘G20’ in their titles, indicating their primary focus on the G20. These 20 articles on the ‘G20’ are distributed equally from 2010 to 2016, with the exception of 2014. That is to say, the 2016 G20 Hangzhou did not lead to a sudden increase, at least before its opening. More notably, the first four Chinese articles on ‘global economic governance’ are primarily about the G20, if the translated work of Ngaire Woods is not included. In other words, it is the ‘G20’ that began China’s exploration of global economic governance. By comparison, there are a total of five, one and one articles with ‘AIIB’, ‘UN’ and ‘World Bank’ in their titles, respectively – none has ‘IMF’ in its title.

This finding remains robust when examining the full text of these 190 articles. The G20 remains a leading focus compared with all other institutions. The fact that studies on the AIIB are limited is perhaps due to its recent birth in 2015; however, the IMF and the World Bank have much longer histories than the G20, which only started to win attention after 2008. Given China’s G20 presidency in 2016, the G20 continues to dominate the Chinese debate. Obviously, functioning as a forum or ‘talk shop’, the G20’s low level of institutionalisation means that it is hardly comparable to the Bretton Wood Institutions and the WTO.

Why does the Chinese debate focus on dialogue platforms – the G20 in particular – instead of key institutions of global economic governance? One interpretation may be the fact that it is the first time that China has been a core founding member of the global economic governance mechanism. The positive sentiment regarding China’s role naturally leads to attention. China has also organised a couple of academic conferences that specifically examine the ‘G20’ and ‘global economic governance’, which has translated into academic journal articles.

More importantly, this phenomenon may be due to China’s scholarly community’s evolving understanding of global economic governance that started just after the financial crisis. According to my interview with a leading scholar in the Chinese debate,

In fact, in China, there are very few people who actually understand global governance. They discuss the G20 simply because of blindly joining the fun of organizing the G20 summit. There is no group of scholars who have a stable long-term research interest in multilateralism and international organizations. Many have no idea about the actual operation of the IMF and the World Bank.
Within the Chinese discourse of the G20 and global economic governance, the author also finds a more cautious academic discourse that departs from the relatively optimistic and simplified media discourse. Newspaper commentaries explicitly and implicitly highlight that the G20 will become, or already is, the core of global economic governance.\(^5\)

The discourse of the media here echoes the official line of the Chinese government. As the then Chinese president Hu Jintao elaborated in his talk at the 2010 G20 Toronto summit, ‘China … suggests to ensure the G20 to play a key role in promoting international economic cooperation and global economic governance’.\(^5\) In contrast, academic discourse tends to be much more cautious about the role of the G20. Some scholars accuse the Chinese media of exaggerating the real influence of the G20 and argue that ‘the propaganda should not publicize the G20 as the core of global governance’.\(^5\)

Many media commentaries also tend to give higher marks to the development of the G20. For example, according to Zhang Hong, a journalist of Caixin, ‘the 2013 St Petersburg G20 Leaders’ Declaration’ demonstrates that the G20 has ‘gradually become an institutionalized mechanism of global governance’.\(^5\) This view is directly criticised by Pang Zhongying, a leading scholar in the Chinese debate over global economic governance, who states that ‘it is not strange for a journalist to have such comments, however, I am not a journalist’.\(^5\) According to Pang,\(^5\) it is questionable whether the Declaration means ‘remarkable progress’. In addition, it is hard to tell whether the Declaration will be fulfilled.\(^5\) The implementation of the G20 Leaders’ Declaration requires serious academic research; yet there is no research organisation in China that has worked on this.\(^5\)

The above difference between media and academic discourses may be due to their functions. Despite its marketisation, the Chinese government still has strict control over the media, and thus the media tends to follow the official line more closely than academics do. As mentioned before, highlighting the sudden increase in China’s global status is helpful to generate national pride and thus enhance the CCP’s legitimacy. In this regard, the media discourse tends to highlight the importance of the G20 for political purposes. When it comes to news coverage, the G20 may also have a stimulating effect, as it has reportable events that can capture the imagination in a way that the daily business of the other institutions (e.g., the IMF) cannot. In addition, a simplified populist discourse, rather than sophisticated academic analysis, is more popular among the wider audience within society. In comparison, academic discourse is generated for intellectual exchange and reliable policy advice in a much small community.

It is notable that there is also great diversity within Chinese academic discourse. As Chen Dongxiao points out, there is a lack of consensus over the role of the G20 in global governance.\(^5\) For example, there is intense debate over China’s strategy towards the G20. On the one hand, many are positive about the future role of the G20 in global governance. To some, China should seek to replace the ‘G8’ with the ‘G20’ and strengthen the latter as a key platform of global governance.\(^5\) It is argued that China should promote a multilevel global governance strategy based on the G2 and the G20 as invisible and visible frameworks, respectively.\(^5\) This is to say that an invisible G2 would operate within the institutional framework of the G20. This view echoes the ‘G2 within the G20’ argument in the English-language literature without directly engaging with it.\(^5\)

On the other hand, some argue that China should not overestimate the role of the G20.\(^5\) China is not powerful enough to decide on the agenda of the G20, or to make international rules.\(^5\) Thus, China should actively participate in the G20 but have (more) moderate
expectations. This disagreement also echoes the aforementioned wider debate on China’s grand strategy. The former considers that the current shifting international order provides an excellent opportunity for China to take global leadership, and the G20 is a mechanism to realise that leadership. The latter, however, insists that these changes are not fundamental, and that China should continue to ‘keep a low profile’ within the G20 framework.

These two views also suggest a different relationship between G20 and global economic governance. The latter view considers G20 to be a means (ie a platform) to an end (ie a better governance mechanism). Thus, G20 is a way of promoting reforms in other institutions. It was at the G20, for example, that an agreement was made that led to the 2010 IMF voting quota reform. In this regard, the G20 is a complementary institution of global governance. However, in the former view, in particular of ‘G2 within the G20’, G20 is an end in itself. It is often framed as a more representative and legitimate governance institution that has the potential to replace, rather than complement, the existing governance framework.

Towards a Chinese concept of global governance?

In the Chinese discourse, there is also a self-reflection on what more China could do. According to Zhang Dianjun, a scholar based in Tianjin Party School, China’s contribution to international economic policy and institutions was only limited at the regional and bilateral level. During the first post-financial crisis G20 summit, for example, China failed to provide any global policy or proposition to save the global economy.

According to some, this incapacity is due to a lack of sound knowledge of global governance as a guide of action. In China, there are also various calls for China’s theoretical contributions to global governance. It is argued that the current global governance theory is based on Western development experience. These theories are developed with the rise of neoliberalism, NGOs and civil society. In this context, a key theme is that of ‘governance without government’.

In China, however, the state still plays an overwhelming role in socioeconomic affairs – despite marketisation. NGOs and civil society are considered to be a threat to the one-party system, and thus their development has been increasingly restricted under Xi Jinping’s leadership. Thus, those Western theories that focus on, for example, ‘governance without government’ are not applicable in the case of China. In this regard, China needs to generate its own experiences of governance and develop its own theory. This Chinese theory should be helpful in serving its own national interests and in enhancing its discursive power. In this regard, developing a sound Chinese theory – similar to, for example, the American school of International Political Economy (IPE) – seems to be a secondary concern. Despite framing in the name of theory, the main interest is to find either a more convincing justification of official policy or theoretical guidance for policy.

In order to do so, some also look for Chinese traditional wisdom and cultural heritage. As mentioned before, the current global governance theory is considered to have been generated from the European experience. It is argued that China’s traditional world values – such as ‘world harmony’ and ‘all under heaven’ – provide a basis for China to develop its own global governance theory. To some extent, this is part of the project to establish a Chinese school of IPE that is comparable with the British and American Schools of IPE, or a Chinese school of international relations. Yet, as Pang and Wang point out, Chinese
scholarship has generated ‘little new knowledge and theoretical innovation’ so far. The relevant discourse is still in an early stage, and needs further development.

**Conclusion**

Many argue that the big question of the twenty-first century is whether the future world order will continue to be liberal when China becomes a key global economic player. Some even point to a Sino-centric world order in the nearly future. While it is not difficult to identify ambitious Chinese proposals, Chinese discourse clearly indicates an evolving and diverse understanding of global economic governance. China is still in the process of finding its own role, and its domestic debate on the grand strategy is unlikely to end soon. In this regard, in the near future, China will continue to send mixed signals over its expectations for global economic order and its own role within the system.

Another notable pattern within Chinese discourse is its strong interest in the G20. In regards to the influence of the G20, a more cautious and sophisticated academic discussion departs from the populist media discourse within the Chinese literature. Nonetheless, the relevant literature shows limited interest in studying the core of global economic governance: the Bretton Woods Institutions. Recognising its lack of understanding of global economic governance, Chinese scholars have attempted to seek a Chinese approach/theory to global governance, but there is still a long way to go.

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**Notes on contributor**


**Notes**

2. Corre, “Dividing the West.”
3. Foreign Affairs, “Should Washington Fear the AIIB?”
4. In fact, economic globalisation is one of the few issues that China actually supports. In other issues such as the political system, cyber governance and culture, the Chinese government is not completely positive towards globalisation.
6. Pre-2008 discussion on this topic tended to be fragmented and not framed under the general theme of ‘global economic governance’.
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14. For example, the case of ‘core interest’; see Zeng, Xiao, and Breslin, “Securing China’s Core Interests”; Zeng, “Is China Committed”; a similar formation pattern is found in Chinese-coined concepts, such as ‘new type of great power relations’, ‘internet sovereignty’ and ‘belt and road initiative’; see Zeng and Breslin, “China’s ‘New Type of Great Power relations’”; Zeng, “Constructing a ‘New Type of Great Power Relations’”; Zeng, “Does Europe Matter”; Zeng, Stevens, and Chen, “China’s Solution to Global Cyber Governance”; Zeng, “Is China Committed.”
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