

## **Emerging Asian Economies: Are they really a challenge to the current *Status Quo*?**

**Bernadette Andreosso-O'Callaghan**  
**University of Limerick and Ruhr Universität Bochum**

**Lucía Morales**  
**Technological University Dublin**

*The gradual shift of economic power towards Asia and in particular towards China is explored in this article using Immanuel Wallerstein's and Fernand Braudel's models of "world-economy" and of "historical capitalism". Although some raw macro-economic data would suggest that economic power seems to have been gradually and inexorably shifting away from the Western economies and towards China, a more subtle analysis shows that a number of other factors, such as the difficulty to deal with the limits to growth in China as well as its limited institutional capacity seem to undermine the challenge to the current status quo.*

### **INTRODUCTION**

With economic globalisation, as well as relative peace and stability since World War 2 (WW2), the economic, political, and military power has been shifting away from the West towards Asia (Schwarzer, 2017). The 2008 Global Economic and Financial Crisis (GEFC) has manifested itself through the slowing down of economic growth in the European Union (EU) and in the United States of America (USA), the epicentre of world economic growth that have been gradually losing ground to the emerging economies. The economic decline of "the West" and its struggle to deal with the GEFC led to a general perception that emerging economies are taken a more prominent role in global affairs. This situation has been exacerbated by increasing levels of political, economic and social instability in Western economies nurturing significant levels of uncertainty. A shift has taken place from a general understanding and recognition of the benefits that international cooperation brought to the development of the world economy, towards discontent and dissatisfaction, particularly among some social groups of key advanced economies that have been left out of the growth process. Sharp criticism against globalisation has nurtured the rise of inward-looking economic policies from key advanced economies. Being a double-edge sword, globalisation generated major opportunities and it also brought remarkable challenges to the world economies that became more intertwined and therefore more exposed to global economic and financial shocks. The strategic role of emerging economies is creating pressures on the world most developed economies that feel that they are being forced to readjust their global and regional strategies and to rethink their approach to global governance regimes and as such the *status quo* is under threat.

The Asia-Pacific region has been attracting a significant level of attention at the global level due to its rapid post WW2 economic growth and to the complexities associated with the region's security challenges; unresolved conflicts in the region might act as deterrents to their desire of being recognised as relevant international players.<sup>1</sup> After World War 2, the developing and emerging countries of Asia have achieved significant levels of economic growth, and as such, they have been demanding a more active role and weight on the international scene.<sup>2</sup> Slow economic growth in the world's most advanced economies and the economic contraction of the Euro-area since the GEFC, have opened the door to demands for a readjustment of global power structures. There is a rising view according to which western economic power is facing a turning point with China being called to play a more decisive role given its impressive economic transformation over the past thirty-five years into one of the world's biggest trading powers (Guerrero, 2014). As a result, the economic success of China and of the ASEAN economies<sup>3</sup> is impacting gradually on the centre of gravity of the world economic order which is shifting towards the Pacific region.

With the outburst of the 2008 GEFC, China managed to weather the global recession noticeably better than the EU, showing thereby that the country enjoyed at the time a relative resilience that materialised for example through its fiscal and monetary stimulus package. Nevertheless, growth did not proceed without a number of limits such as income & wealth inequality and severe environmental problems. Sustained economic growth in China raises a number of concerns as the country has been involved in intense exploitation and extraction of natural resources from poorer countries (namely African countries) that allows meeting the needs of its massive population and rising middle class. China's rapid economic growth has created serious problems to its environment such as water scarcity, desertification, decreasing land for agricultural use as well as considerable problems associated with pollution levels generating serious health issues. Furthermore, China's contributes massively to carbon dioxide emissions that are considered as a major causal factor of global climate change; the country hides behind its status as a developing nation (in the WTO framework), but it would still need to assume more responsibility and accountability in the fight against global warming. China needs to secure its energy supply, its access to both natural resources and to core inputs that are needed to keep supporting its manufacturing exports.

There are therefore important limits to Chinese growth that might ultimately lead to question China's (and other emerging economies') ability to change the current *status quo*. These limits are even more visible today given the global trend of protectionism fuelled by the new USA administration.

This paper seeks to examine the extent to which there is an unchallenged shift of economic power since World War 2 (WW2) in terms of economic rebalancing towards Asia and in particular towards China. It uses Fernand Braudel's *économie monde* framework and Immanuel Wallerstein's *historical capitalism* approach to do so. After a brief review of the post WW2 emerging economic order (Section 1), the emphasis is placed on the financial conduit as the easiest channel of economic integration between "the West" and emerging Asia (Section 2). The specific case of China as an emerging economy is carefully considered, given the economic size of the country. A last section (Section 3) analyses the implications of rising protectionist trends in terms of this global rebalancing. This is followed by a conclusion.

## **SHIFTING EPICENTRES OF ECONOMIC GROWTH – THEORY AND PRACTICE**

The aim of this section is to quantify the gradual shift of economic power from the USA and Europe (more specifically the EU) to the group of emerging countries in Asia, using some key macro-economic indicators. It first starts with an *exposé* of the theoretical framework underlying the analysis.

### **Theoretical Framework**

In order to understand how the epicentre of economic (and also of political) activity shifts from one region of the planet to another, the present analysis uses Immanuel Wallerstein's and Fernand Braudel's models of "world-economy" and "historical capitalism". The "world-economy" model was proposed by Wallerstein in his 1974 publication entitled *The Modern World System*. This model was very much

expanded by Fernand Braudel in his *Civilisation matérielle, économie et capitalisme* (Braudel, 1979, 1992). What the notion of “world-economy” (or “économie-monde”) entails is a geographically confined, and/or an economically-autonomous section of the planet where “exchanges give [it] an organic unity” (Braudel, 1992 translation in English: 22). The geographical spaces are characterised by very slow-moving boundaries, by a dominant city at their centre – with a possibility of rotating leading cities –, and by a hierarchy of economic/trading zones with the core being more advanced and the periphery relatively “backward”. These geographical enclaves are therefore dynamic and superior business enclaves, but their strength and sustainability depend very much on the quality of the state (and of their institutions)<sup>4</sup> visible at the centre of the “world-economy”. According to Braudel (1992: 51), the State of a “world-economy” has to be “exceptionally [...] strong, aggressive and privileged, dynamic, simultaneously feared and admired”. According to Wallerstein (1983) state power is exercised through the control of the borders – suggesting the exercise of a territorial sovereignty –, through the regulation of the production system – and of social relations therein –, as well as through fiscal policy. A “world-economy” with a superior production capacity in the agricultural and manufacturing sectors,<sup>5</sup> and with sovereign trade, monetary and fiscal policies, can eventually become a “hegemon”. But, as Wallerstein puts it, these hegemons are historically grounded, and as all historical systems, they come and go.

Consequently, and of crucial importance in this “world-economy” framework is the incidence of spatial diffusion, of economic growth and eventually of hegemonic power. Both authors, and Braudel in particular, show how “world-economies” and hegemons have shifted spatially from 16th century Venice to Antwerpen-Amsterdam-London between the 17th and early 20th century to the East-Coast of the USA after that period.<sup>6</sup> Wallerstein (1983) notes how wars have been the triggers of the hegemon’s spatial shift; the shift of economic/trading activity from Southern to Northern Europe occurred after the 30 year war (1618-48); the supremacy of London as the new capital city of the new hegemon follows the Napoleonic defeats of the early 19th century, whereas the spatial shift to the USA is also a consequence of a war-devastated Europe after the Nazi defeat in 1945. With the displacement of much economic activity post WW2 to Asia (and to China therein), the question that arises at this juncture is as follows: is the diffusion of economic activity away from the current “hegemon”, namely the USA, and towards Asia (China) irreversible? This very much depends on whether the new putative “world-economy” epitomised by China presents a viable State and viable institutions. The next sub-section will quantify the extent of the economic shift.

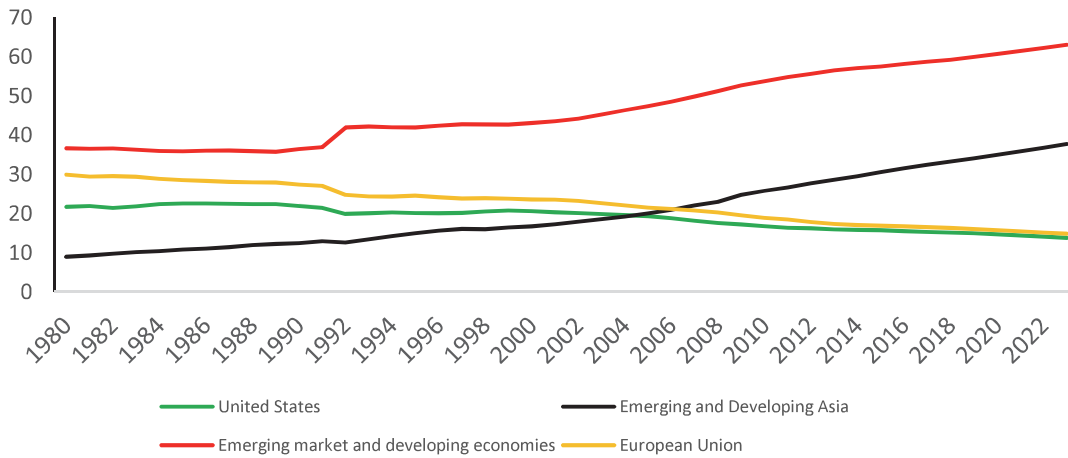
### **Quantifying the Shift of the Economic Epicentre post WW2**

Analysing the shift of economic power towards Asia is a key issue given that the Asian countries could have a significant impact on the world’s geo-political relationships. Using the theoretical frameworks developed by Braudel and Wallerstein, this sub-section uses first some raw macroeconomic data by following a historical approach.

After WW2, the rise of China and India, combined with the strong economic development of the ASEAN economies have shown the increasing importance of the Asian region and the shift in political and economic influence in the region (Chye, 2012). ASEAN countries have played a significant role as a convenor and driver of regional cooperative businesses and processes whilst encouraging peace and stability in the East Asian region through the promotion of cooperation and dialogue among partners. Since its establishment in August 1967, the ASEAN has aimed to promote peace and stability in the region and efforts have been made to downplay power rivalry, so that the region could make substantial advancements in terms of economic progress.

The economic power structure in the Asian region has undergone significant changes with China developing to become one of the world major economies, when assessed for example on the basis of its world share of GDP (Figure 1).

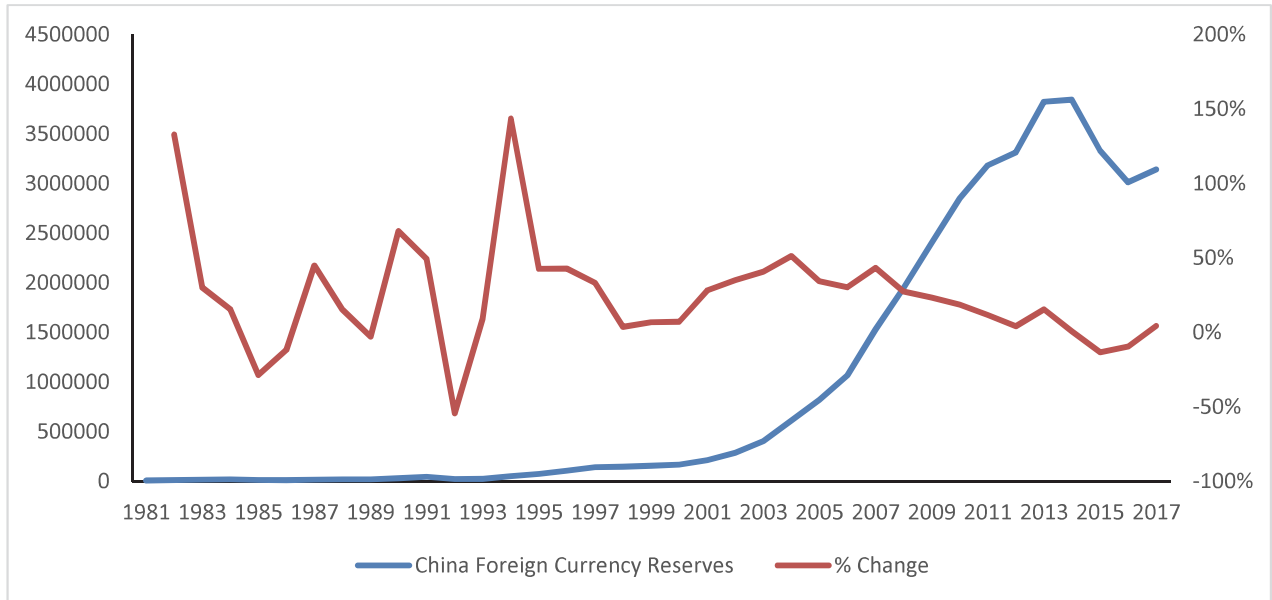
**FIGURE 1**  
**GDP BASED ON PPP SHARE OF WORLD TOTAL**



Source: IMF (2018)

Another way to assess China’s economic rise is by focusing on its relative financial capability. For example, foreign exchange reserves help central banks hedge against disruptions in the flow of foreign investment; they also act as buffers that help shielding the economy from volatile capital outflows (Kwon, 2017), and they help support the value of a currency (Sunner, 2017). China holds the largest amount of foreign currency-denominated securities in the world, with a current position of more than \$3 trillion in foreign reserves. When this figure is put into the context of China’s large economy, it represents nevertheless less than 30 percent of the country’s GDP, with ratios of between 25 to 30 percent of GDP being considered as being sufficient to meet any contingency; of specific note is the significant decline of the Chinese reserve position since 2013 (Figure 2). Since 2017 the country has faced a major risk of capital flight that the government has managed to control by a combination of tighter capital controls and an uncertain dollar that helped the yuan with spillover effects regarding economic confidence. China’s position in the area of foreign exchange reserves must be appreciated in the background of the Chinese government effectiveness to impose capital controls and also as a relevant indicator of an unstable US dollar

**FIGURE 2**  
**CHINA'S FOREIGN CURRENCY RESERVES**



Source: DataStream (2018)

A question that arises at this juncture is whether the shifting economic power has been paralleled with institutional change, first the level of the global institutions. Despite both Japan's "lost decade" and the 1997 Asian Financial Crisis (AFC) (Hutchinson and Westermann, 2006; Zongze, 2014), the global financial architecture has been fairly stable since the end of WW2 with the predominance of traditional powers in the decision-making process of key global financial institutions and with a clear dominant role played by the USA and its currency at the global level. Although major changes have taken place in global economic affairs, governance structures in the monetary field have not yet recognised the increasing (trading) role of the emerging economies. These economies have been demanding a greater participation and cooperation in international institutions that acknowledge and better reflect the global shift of economic power. In particular, emerging powers in Asia have been challenging the actual legal framework for monetary governance as they seek to create arrangements that are founded on multilateral cooperation that challenge the existing institutional *status quo* (Villard Duran, 2017). Scholars have for some time acknowledged the fact that China's rise would be highly disruptive to the United States of America supremacy in the global system, to stability in Asia and to the international order (Friedberg, 1994). Conversely, the inclusion and integration of China in the international norms and regimes system could help ensure that China contributes to preserve the *status quo* (Economy, 1999, 2005). Chinese leaders have insisted that China's rise seeks to enhance global security, promote peaceful trade, address transnational challenges that rests on a peaceful strategy with a lack of aspiration to become a regional or global threat, since one of the central tenets of political statements is that the country will never seek hegemony. However, major concerns and worries point to China's real intentions and to how it is going to use its growing power; some voices claim that if China tries to build a different order, major tensions will ensue (Yamei, 2016).

The shift of economic power is normally accompanied by a change in political structures, as emerging middle classes increase and aspire at non-material well-being. In addition, populations in advanced economies (including in Japan and as well as in China) are shrinking and ageing, with migration being seen as a possible answer to this issue (UN Department of Economic and Social Affairs, Population Division, 2015). These elements place additional pressures on a country such as China. We can see that the (economically) emerging economies – of which China – have not yet been recognised and

integrated in global affairs and that the model of global power is still rather unbalanced. Integration attempts at the regional level might be a way forward, an issue to which we now turn.

## **THE IMPORTANCE OF REGIONAL FINANCIAL INTEGRATION AND COOPERATION**

Empirical and less empirical evidence shows that Asian economies maintain stronger financial links with the rest of the world than with other economies in the region (Ananchotiku et. al., 2015; Borensztein and Loungani, 2011; Harvey, 2017). However, financial institutions in the region are characterised by their limited influence with a remarkable disconnection amongst countries of the ASEAN. Despite some general progress in terms of regional financial cooperation between countries in the ASEAN group, the level of financial integration in the region remains quite low (Schuller and Wogart, 2017). Advanced economies such as the USA have tended to prevent the rebalancing of power in the global financial sphere by putting obstacles to the development of new financial institutions at the regional level, such as the Japanese idea of an Asian Monetary Fund shortly after the 1997 Asian Financial Crisis (AFC). Wihtol (2016) shows how the USA has historically objected strongly to the development of regional financial institutions. The lack of regional financial integration in the ASEAN and Asian regions has been attributed to the history of the region involved in several armed conflicts over the past with much policy being focused on preventing wars within the region rather than on efforts to develop financial links.

The 1997 AFC and the 2008 Global Economic and Financial Crisis represented turning points in the region, as the East and South-East Asian economies sought to gain in autonomy and moved away from the dominance of European and US financial systems. These countries started to look for more focused and balanced domestic and regional relationships, due to the necessity of establishing financial institutions that were more connected to their needs. As such, the region became involved in the development of new initiatives that aimed to foster regional and financial cooperation with an emphasis on regional liquidity; in the aftermath of the AFC, the Chiang Mai Initiative (CMI) - a network of bilateral swap agreements -, and local currency bond market initiatives between ASEAN nations was eventually established. The CMI aims to act as a regional liquidity support facility to prevent sudden capital stoppages and to fight currency speculation. The CMI can be considered as an important initiative in terms of financial cooperation in the region. The initiative aimed to reduce the risk of subsequent currency crises and potential contagion effects as the region experienced serious liquidity problems during the Asian Financial Crisis (Kawai, 2015). Another important development after the GEFC has been the setting up by China of the Asian Infrastructure Investment Bank (AIIB) that was able to attract funding from the Asian region as founding members; these countries were captivated by the idea that the new bank would provide a rich and alternative resource capital base for infrastructural finance (in line with China's Belt and Road Initiative); it would stir regional development and it provided evidence of China's ambitions of becoming an economic leader in the region.<sup>7</sup> These regional financial institutions support and protect these countries' own interests and as such, regional cooperation can help in achieving a variety of objectives, such as for example: 1) protection against the intrusion of outsiders to the region or possible attacks from dominant economies within the region; 2) protection against market forces like global economic and financial crises that can damage the regional economy; 3) improvement of trade relationships, investment and technology; 4) stronger role and influence in the global context through influence in global politics. On the other hand, the setting up of regional financial institutions brings costs in terms of loss of control of domestic affairs; financial sovereignty will have to be transferred to the newly created institutions and that might not be welcome by potential partners. For example, regulatory institutions might overtake the role of central banks or bank supervisors and regulators, and limitations in terms of resources mobility could be established. Further issues that need to be considered carefully relate to good governance, impartial staffing and good lending practices, all aspects that, if badly managed, could lead to significant risks for shareholders and for the financial system with the creation of subsequent negative spillover effects to the macroeconomic system (Schuller and Wogart, 2017).

Further regional financial and banking development should contribute to the growth of capital markets that would provide alternative sources of funding so as to counteract the effects of potential

distress. Theoretically, financial integration can bring new opportunities and benefits to a country and to a region, as it can spur the development of the financial sector and as such of more sophisticated financial products. The availability of a more developed financial sector can contribute to economic growth, employment and access to open markets for poorer regions that are at disadvantage. In this regard, capital markets should be able to experience improvements in terms of liquidity, reduction of capital costs, efficient capital allocation and better management of risk diversification. Unfortunately, regional financial cooperation and integration is affected by significant limitations in terms of surveillance organisations, capital market initiatives and credit facilities.

As was hinted at above, financial cooperation in the region was triggered by the failed intervention of the IMF in the Asian region during the Asian Financial Crisis and this was heavily criticised by many Asian countries (Armijo and Katada, 2014). The IMF was accused of intervening too late and of providing bad policy advice that damaged the region's interests. Later and as a result, Asia was reluctant to turn to the IMF during the Global Economic and Financial Crisis (Henning and Khan, 2011); closer regional financial cooperation after the GEFC could be interpreted as a need for protection against the intrusion by outside powers (Amijo and Katada, 2014). There is a perception that the IMF treats developing and emerging economies differently when compared to "large systemic countries" (Kruger et al., 2016). As a result, Asian emerging economies question the role of the IMF and its intervention in the region, and do not welcome intervention as it can harm regional development and progress.

At the same time, there are concerns with regard to the IMF regional role, as it could be acting as a control institution to prevent emerging economies from taking a more prominent role in global affairs and helping to keep the dominance of the USA in the region. The USA influence within the IMF is quite strong and emerging Asian economies face significant challenges when trying to influence the decision-making process about global financial policy. Weisbrot and Johnston (2016) point out that the USA use the IMF as a channel to implement and protect their geopolitical interests.

At this juncture, an interesting question is to ascertain whether the USA are continuing to distance themselves from the EU in this area in light of recent developments, particularly vis-à-vis China.

## **CHINA'S ROLE IN THE NEW ECONOMIC ORDER**

*A priori*, the relationship between the EU and China has been evolving smoothly as the EU has made significant efforts to participate and engage in China's Belt and Road Initiative (Zongze, 2016). In this regard, Simon and Klose (2016) indicate that Europe does not share the views of the USA in relation to China's emergence as a challenging force for either the regional or global orders. However, more recent developments seem to suggest that some "China fatigue" is also perceptible in some EU countries, in particular in Germany (Harnisch, 2017). In the USA, the basis of the rise of China (*i.e.* its opaque state-led market) has recently been met with much scepticism, leading to the current protectionist wave from the part of the US administration. At the time of Deng Xiaoping's economic reforms in the late 1970s-early 1980s, China was considered as a developing country that would not pose serious challenges to the West-dominated international order. However, after China's accession to the WTO in 2001, Western perceptions of China changed, particularly in the USA. The rising of China started then to be considered as an important challenge to the contemporary world order (Ling and Xiaohui, 2010). Despite its WTO status as a developing country, China is not *perceived* as a developing country anymore, and analysts prefer to use terms such as: "new emerging power", "emerging superpower", "driving force for global change", and "rising challenger". China is now viewed by Western countries as a potential serious competitor, and its status should be changed so as to recognise its global role and adjust its responsibilities and accountability. Some of the main factors that have contributed to the change in the general perception about China are as follows:

1. Economic achievements that are supported by double digit annual average GDP growth rates in a consistent fashion over more than two decades. China now holds massive foreign exchange reserves.

2. A move up the value chain with major achievements in science and technology, strong investments in clean energy, and significance progress made in the production of solar and wind energy.
3. The transition from being a recipient of foreign aid to becoming a donor country; China is providing aid to poor African and Latin American countries.
4. The international influence and status of China at the regional and global levels have been labelled as being those of a “superpower”. Global matters pertaining to climate change, nuclear non-proliferation, and multilateral agreements are just some examples of global issues that require China’s involvement as the country that has become a driving force in the international community.
5. Encroachment of China in some disputed territories possibly igniting new tensions in the China sea for example.

At the moment at least, the rise of China is primarily reshaping the distribution of power in the Asian region itself with implications in terms of regional security and stability. This is leading towards different views and understandings on the role that China would play when challenging the *status quo* in the global trade and economic regime. According to Acharya (2014), the Asian future security order is subject to different views and opinions that vary in terms of their level of pessimism and optimism.

1. According to a rather pessimist stance, the region might be heading towards major confrontations and conflicts that might end up into wars as China seeks to increase its power and to challenge the United States’ regional role.
2. Another pessimistic view foresees that China is seeking regional hegemony to control its neighbours and to impose its own interests over those of less developed economies.
3. On a more optimistic note, some analysts foresee a balance of power order emerging in Asia, with China acting as a leading force that collaborates and supports regional growth and development.
4. Even more optimistically, China’s ascendancy is perceived as bringing a new regional order in Asia with China acting as the conduit for peace and prosperity, and as such it would lead the way towards a more consolidated Asian emerging power (the “Pax Sinica” view).

Growth and economic interdependence in Asia are constrained by concerns about unequal benefits of regional trade agreements, fears of Chinese dominance and the rise of bilateral trade arrangements. From the optimistic front, a vision of a regional community that is supported by economic integration, the development of multilateral institutions and shared norms and identity will remove any concerns and dangers of heading towards an armed conflict (Acharya, 2014). In contrast, Wang and French (2014) argue that China has not exercised substantive leadership and it has not been able to benefit developing countries; on the contrary, the authors claim that the country’s changing economic interests are the drivers for its support to different regimes. Furthermore, China has been generally lagging in its contribution to global governance (Wang and French, 2013). Shambaugh (2005, 2013) argues that China is a partial power with a significant accumulation of economic resources, that has not tried to solve any global problems and it is very much focused on its own immediate interests. As Asian economies are looking for a better representation of Asia within international organisations, it is not clear whether China’s status of superpower might play a role in paving the way to these regional aspirations, due in particular to the reluctance of countries such as Japan. Emerging Asia has clearly shown that their countries are playing a significant role in international trade relationships and it has shown that its economies were better positioned than those of the USA and Europe during the Global Economic and Financial Crisis (Brunschwig et. al., 2011).



## CONCLUDING REMARKS

Using Wallerstein's and Braudel's models of "world-economy" and of "historical capitalism", the present analysis shows that Asian economies in general and China in particular have been playing a significantly growing role in the international economic system since WW2. The emerging countries of East and South-East Asia have played a prominent role in facilitating the recovery of the world economy after 2008 and China is a key factor in the Asian region. These elements lead to question whether these countries can challenge the current status quo, as is normally thought (Manyuan, 2010).

An analysis which goes beyond the simple presentation of macro-economic data shows that many questions are posed as to the ability of the Asian region (and of China) to take over a leadership role – both economic/financial and political - at the world level. These encompass first their lack of financial integration (financial credibility) and the ongoing regional conflicts. Although some efforts have been made by the ASEAN economies to engage in cooperation and to develop and foster economic and financial interlinkages, weak institutions and bad governance are substantial problems affecting the Asian region. The region is exposed to regional frictions that could undermine the role that Asian emerging economies can play at the international level in the years to come. Other increasingly important issues include rising inequality, weak social safety nets, shrinking populations (Japan and China) and environmental degradation, all issues that might act as a substantial constraint to further growth (Walter, 2014). These are reminiscent of the warnings by Karl Marx and other scholars such as Joseph Proudhon according to which capitalist expansion would be associated with a simultaneous creation of wealth and poverty, prosperity and misery, as well as with progress and spoliation; interestingly, these warnings are valid in contemporary China where the one-party state regime controls much of the process of capital accumulation. These issues are even more important in the present times dominated by a shift towards protectionism and retrenchment. Consequently, it is clear that a growing number of economic, institutional and political factors seem to undermine the challenge to the current status quo.

## ENDNOTES

1. Examples of ongoing unresolved and tense issues in the region are the Senkaku/Diaoyu dispute opposing Japan and China.
2. Some international recognition of these countries has taken the shape of the formation of the G20 in 1999.
3. Association of South East Asian Nations.
4. While the United States of America (and Japan) have opposed the creation of the AIIB, Europe and most EU member states appear to have been supportive of China's initiative looking for the creation of financial institutions that address regional demands.

## REFERENCES

- Acharya, A. (2014). Power Shift or Paradigm Shift? China's Rise and Asia's Emerging Security Order. *International Studies Quarterly*, 58-173.
- Ananchotiku, N., Piao, S., & Zoli, E. (2015). *Drivers of Financial Integration: Implications for East Asia*, 3-5 Asian Dev. Bank. *Working Paper* WP/15/160, 2015.
- Armijo, L. E., & Katada, S.N. (2015). Theorizing the Financial Statecraft of Emerging Powers. *New Political Economy*, 20(1), 2015.
- Borensztein, E., & Loungani, P. (2011). Asian Financial Integration: Trends and Interruptions. *International Monetary Fund*, Working Paper, no. 11/4, 2011.
- Braudel, F. (1979). *Civilisation matérielle, économie et capitalisme* (English translation in 1992).
- Brunschwig S., Carrasco B., Hayashi T., & Mukhopadhyay, H. (2011, February). The Global Financial Crisis: Impact on Asia and Emerging Consensus. *ADB South Asia Working paper Series*, 3, Asian Development Bank.
- Chye, T.S. (2012). Changing Global Landscape and Enhanced US Engagement with Asia – Challenges and Emerging Trends. *Asia-Pacific Review*, 19(1), 108-129.
- Economy, E., & Oksener, M. (1999). *China Joins the World: Progress and Prospects*. New York, NY: Council on Foreign Relations Press.
- Economy, E. (2005, August). China's Rise in Southeast Asia: Implications for the United States. *Journal of Contemporary China*, 14(44), 409-425.
- Friedberg, A.L. (1994) Ripe for Rivalry: Prospects for Peace in a Multipolar Asia. *International Security*, 18(3), 5-33.
- Guerrero, D. G. (2014). China Rising: A New World Order or and Old Order Renewed? in Eds. Buxton, N. and Bullard, N. *Shifting Power Critical Perspectives on Emerging Economies*, TNI Working Papers, Amsterdam.
- Harnisch, S. (2017, December). *Deutschlands Politik gegenüber der Belt-and-Road-Initiative der Volksrepublik China 2013-2018*. University of Heidelberg.
- Harvey, B. (2017). Evaluating Financial Integration and Cooperation in the ASEAN. *Michigan Business and Entrepreneurial Law Review*, 7, 119-158.
- Henning, R., & Khan, M.S. (2011). Asia and Global Financial Governance. *Working Paper Series* WP 11-16, Peterson Institute for International Economics, Washington.
- Hutchinson, M., & Westermann, F. (2006). *Japan's Great Stagnation – Financial and Monetary Policy Lessons for Advanced Economies*. CESifo Seminars, The MIT Press: Cambridge (MA).
- Kawai, M. (2015). From the Chiang Mai Initiative to an Asian Monetary Fund, 3. Asian Dev. Bank Inst. *Working Paper*, ADBI Working Paper, 527, 2015.
- Kruger, M., Lavigne, R., & McKay, J. (2016). The role of the International Monetary Fund in the post-Crisis world. *Staff Discussion Paper 2016-6*, Bank of Canada. Retrieved from <http://www.bankofcanada.ca/wp-content/uploads/2016/02/sdp2016-6.pdf>.
- Kwon, A. (2017). *Trends in the Accumulation of Net Foreign Reserves since World War II*. Hopkins Institute for Applied Economics. The Johns Hopkins University in Baltimore. Retrieved from <http://sites.krieger.jhu.edu/iae/files/2017/12/Trends-in-Net-Foreign-Reserves-Final-Draft-Edits-Austin-Kwon.pdf>
- Ling, J., & Xiaohui, S. (2010). How the West Perceives China's Developing Country Status. *China International Studies*, 22, 138-156.
- Manyuan, D. (2010). *The Strategic Role of Major Developing Countries*, 22, pp. 4-22.
- Schuller, M., & Wogart, J.P. (2017). The emergence of post-crisis regional financial institutions in Asia – with a little help from Europe. *Asia Europe Journal*, 15, 483-501.
- Schwarzer, D. (2017). Europe, The End of the West and Global Power Shifts. *Global Policy*, 8(4), 18-26.
- Shambaugh, D. (2005) China Engages Asia: Reshaping the Regional Order. *International Security*, 29(3) (Winter 2004-2005), p. 88.
- Shambaugh D. (2013). *China Goes Global: The Partial Power*. New York: Oxford University Press.

- Schüler-Zhou, Y., & Schüller, M. (2017, June). Trump's shadow over the US-China economic relations. *GIGA Asia Focus*, No 4. Retrieved from <https://www.giga-hamburg.de/en/publication/trumps-shadow-over-us-china-economicrelations>.
- Sunner, D. (2017). Trends in Global Foreign Currency Reserves. *Reserve Bank of Australia*, Bulletin – September Quarter, 2017. Retrieved from <https://www.rba.gov.au/publications/bulletin/2017/sep/pdf/bu-0917-9-trends-in-global-foreign-currency-reserves.pdf>
- UN Department of Economic and Social Affairs, Population Division (2015a). *World Population Prospects: The 2015 Revision, Comprehensive Tables* [online]. Retrieved from [https://esa.un.org/unpd/wpp/Publications/Files/WPP2015\\_Volume-I\\_Comprehensive-Tables.pdf](https://esa.un.org/unpd/wpp/Publications/Files/WPP2015_Volume-I_Comprehensive-Tables.pdf)
- UN Department of Economic and Social Affairs, Population Division (2015b). *World Population Prospects: The 2015 Revision, Key Findings and Advance Tables* [online]. Retrieved from [https://esa.un.org/unpd/wpp/publications/files/key\\_findings\\_wpp\\_2015.pdf](https://esa.un.org/unpd/wpp/publications/files/key_findings_wpp_2015.pdf)
- Villard Duran, C. (2018). How Emerging Powers are Promoting Institutional Changes in the International Monetary System. *Revista de Direito Internacional*, 15(1), 71-89.
- Wallerstein, I. (1974). *The Modern World System*. Academic Press Inc: London.
- Wallerstein, I. (1983). *Historical Capitalism*. Verso Books: London and New York.
- Walter, A. (2014). Should We Be Sceptical about Prospects for an “Asian Century”? *The Australian Economic Review*, 47(3), 370-7.
- Wang, H., & French, E. (2014). China in Global Economic Governance. *Asian Economic Policy Review*, 9, 254-271.
- Wang, H., & French, E. (2013a). China's participation in global governance from a comparative perspective. *Asia Policy*, 15, 89–114.
- Wang H., & French E. (2013b). Middle range powers in global governance. *Third World Quarterly*, 34(6), 985–999.
- Weisbrot M., & Johnston, J. (2016). Voting share reform at the IMF: will it make a difference? *Center for Economic and Policy Research*, Washington. Retrieved from <http://cepr.net/images/stories/reports/IMF-voting-shares-2016-04.pdf>.
- Wihtol, R. (2016). Beijing's challenge to the global financial architecture. *Georgetown J Asian Aff*, Spring/Summer, 7–15.
- Yamei, S. (2016). Strengthening Regional Order in the Asia-Pacific: An Analysis of China-Japan-US Perspectives. *China International Studies*, 58, 87-104.
- Zongze, R. (2016). Towards a New Type of Cooperative and Win-Win International Relations. *China International Studies*, 58, 5-13.
- Zongze, R. (2014). What Kind of Neighbourhood Will China Build? *China International Studies*, 45, 26-50.