

U.S. and China: Hard and Soft Power Potential

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Abstract

The United States, as a leading world power, has to face China – an emerging powerful rival. The potential of both states' power is measured by universal indicators. On a military level, these indicators are: military expenditure, soldiers/reserve/soldiers abroad, offensive weapons, nuclear warheads.

On an economic level: GDP value, reserve currency/public debt to GNP, direct investment home and abroad. With regard soft power, six categories have been taken into consideration: diplomacy, socio-political, socio-economic, education, high and popular culture. All of the three researched levels were correlated with both states' political system specificity and the character of the international arena's relations. It allowed for the assessment of the current levels of both states' power as well as their future prospects.

Keywords: Hard and soft power, America and China's power resources.

In the science of international relations, power is one of the basic categories but like many others it can be ambiguously interpreted (Kuźniar 2005). This diversity means that it is difficult to compare its scale and influence. These difficulties mean that there are a wide range of classifications for factors that create the power of a state (Pietraś 2006, 307; Sułek, 69–94; Fontana, 140). Even if we define what power is, there is a large number of factors that can impede our understanding. There are also many similar words that are used in this field such as force, energy, strength, influence and authority (Wójcik, 49).

To properly define soft and hard power, the most important task to explain is what these categories actually represent. The Polish translation defines this as “power” and this is how the term will be used in this text. Using power by the state means using the mobilized material and non-material resources in order to impose its will regardless of the resistance or cooperation of other states (Kleinowski, 52). So the power is an action or influence and not a hypothetical possibility with its impact depending on its usefulness in a given time and place.

In this sense, power is a research base as devised by Joseph Nye (Nye 1991, 2002, 2005, 2011), where tools are divided into hard and soft power. However, it is still very much blurred with the ongoing discussion about the classification of soft power, which started in the Nineties, being mainly about the scope of the term (Kuźniar 2007, 21). Hard power is quantifiably easier to define because it involves the use of military and economic resources. Initially, soft power was defined by culture, values and the norms that determine the style of foreign policy with other categories being gradually added later (Ogbonnaya, 8). The discussion and rankings began to formulate the ‘soft power’ term and lent its effects and mechanisms more relevance (Rapid-growth, McClory, Soft power, 30).

The discussion about the nature of hegemony (Smith) and factors that determine the power of the State were very important in the characterization of the components of power. There is no question that the bigger the resources of soft and hard power, the greater the power of the state. In the case of the U.S. and China it is crucial to examine which of the two societies’ organizations, democratic or authoritarian, is better suited for using the power of the state. It cannot unequivocally be stated that democracy is the sole determinant of state power (Przeworski, Limongi, 61–64; Przeworski, Alvarez, 40). There are numerous examples in history proving that gaining a significant position by a state was associated with the rule of a strong individual or a group capable of imposing imperial goals on a society and ruthlessly forcing its realization. The key requirement of effectiveness is the relation between the institutions of a state, which enables the executive power to make quick decisions, and the implementation of its plans. When it comes to the United States, the presidential system provides effective use of the entire power of the state. Authoritarianism itself does not determine effectiveness but is rather a quality of authoritarian leaders and the technocrats who advise them (Nye 2008, 98).

It is harder for authoritarian regimes to use soft power because it cannot be fully controlled. However, they can use soft power resources in a more centralized way. In democracy, leaders have to take into account many circumstances of political systems and the relationships between public and private sectors (Fukuyama, 150).

The weakness of authoritarian regimes might be illustrated in the difficulty of implementing soft power decisions from the top level and the dissemination of said decision to lower levels. It is more difficult for authoritarian systems to create and operate soft power. In a well-managed democratic state, transferring the decision down the hierarchy is easier and faster with democracy being able to react faster to changes in international surroundings. A flexible organization is of particular importance in the era of rapid technological changes, especially with regard to communication. Decentralized state institutions can more easily adapt to these changes with the transfer of action at lower levels proving its capabilities. However, it does raise the risk of ceding power which cannot be accepted by non-democratic regimes (Łoś 2012, 166).

Centralized or decentralized action regarding any kind of power has both advantages and disadvantages. Which system is more effective would depend on external circumstances that are not necessarily foreseeable. Those countries that use their soft power resources prudently are those that can flexibly alter the scope of centralization in response to changing external conditions. It is important to recognize that a well-governed state, even those that are authoritarian, can effectively manage soft power resources in favorable circumstances.

The formation of a new international order means that there are new threats and challenges of a non-military and asymmetric character. These new threats and challenges require a different kind of power.

With the change in the nature of threats, strategies are changing as are the priorities of the use of force and other instruments of the state. This requires an intensification in organizational and institutional skills, higher levels of communication and the moderation of interdependencies. As a consequence, in various spheres there are specific relationships between subjects of different levels of power. To obtain a satisfactory cooperation between these levels, instruments other than military or economic should be used. In this way, these subjects can gain international power in the global system through their engagement with other subjects. This may also mean an increase in the belief that raising their ranking can only be achieved by acting against others. Defining power requires specifying how the relations between states function and how foreign policy is shaped (Ociepka, 166):

- Considering relations in terms of cooperation is conducive to the perception of other participants in international relations as partners and even friends. Cooperating partners are flexible and creative in finding new soft power solutions and tools.

- When the international environment is seen in terms of rivalry or competition, the other participant is regarded as a rival. We do not seek to eliminate

the opponent but treat them as a competitor but does not exclude the possibility of cooperation. This perception means that very balanced components of power cannot be clearly classified as belonging to hard or soft power. These two powers can be used dependent upon the situation. Current international relations and China-US relations should be seen through the prism of this model of behavior.

– When the international environment is perceived as hostile, mutual relations are dominated by conflict. It is assumed that the advantage for one side means a loss for the second with any cooperation impossible. More important for relationships are elements associated with economic potential, natural resources, geographical location, human resources, the size of the territory, and of course military potential.

Relationships in the international environment are, of course, a mix of all three basic forms – military, cooperation and competition, all of which constantly undergo dynamic changes. In contemporary international relations the share in the use of hard power elements (military, economic) is slightly higher than those of soft power. This ratio is shown in chart 1.

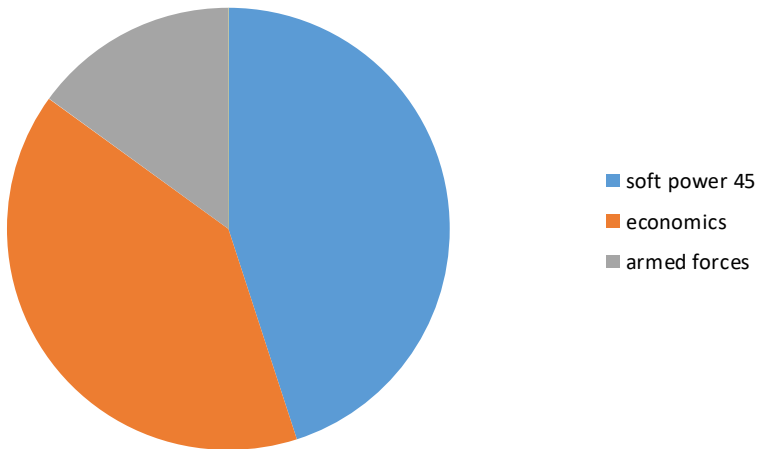


Chart 1. Share of soft and hard power in overall potential of the power of the state.
Source: www.realinstituteelcano.org (accessed: 14.09.2015)

The economic factor is an element of power which has universal significance. There are many categories that can determine the dimension of this power resource like: The Gross National Product (GNP), the ratio of the reserve currency, and the ratio of government debt to reserves expressed as a percentage. The last category is the range of direct investment that was adopted in their own country and exported abroad (Unctad).

Table 1. Summary of factors of economic categories, the value and the maximum number of indicators of the power of China and USA

Category	Number max 40	USA	China
GDP value in USD (bn)	20	17.4	10.5
Reserve currency/Publ. Dept to GNP (bn USD/%)	10	117/ 103	3202/41
Direct investment 2012 home/abroad bn USD	10	228/328	200/100

Source: www.unctad.org (accessed: 13.05.2014)

The U.S. dominates the universal value of GDP, but taking into account the price of the purchase value or per capita we can attain other data. Other values associated with foreign reserves is unfavorable for the U.S. Similarly, the percentage ratio of public debt to foreign exchange reserves is worse for the USA. The debt in the public sphere, businesses and households is growing and the proportion of foreign reserve to debt is negative for the United States. USA gains a little when we consider direct investments. This indicator allows us to specify the scope of the impact of economic mechanisms on other economies. By comparing economic indicators, we can determine the power that results from economic conditions.

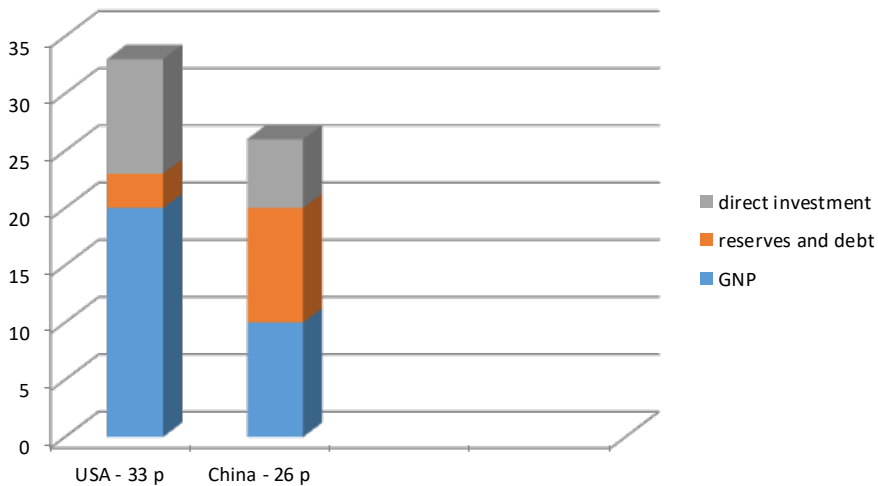


Chart 2. Share of economic factors in U.S. and China's overall potential of power

In this comparison the United States also dominates, although the advantage in this category is not so marked. This is the only category in which China can effectively compete with the United States.

The military factor is very important. Military power also depends on many elements, but we include only those with offensive potential. The most important

elements of military potential are: military budget, the number of troops including reserves, and bases outside the country. Nuclear weapons are included as are arms that can be used outside the country.

Table 2. Summary of factors in the military category, value and maximum number of indicators of U.S. and China's power.

Category	Number max 15	USA	China
Military expenditure in bn USD	7.5	597	145
Soldiers/reserve/soldiers abroad in millions	3.75	1.4/1.1/0.12	2.4/2.3/?
Offensive weapons: CVN/ fighters/ helicopters	2.25	10/2308/957	1/1230/200
Nuclearwarheads	1.5	7700	250

Source: global fire power, SIPRI, IISS The Military Balance Report (globalfirepower.org; www.sipri.org; The Military balance Report 2015: www.iiss.org)

By calculating the four indicators in this category we can attain a power score as illustrated by chart 3.

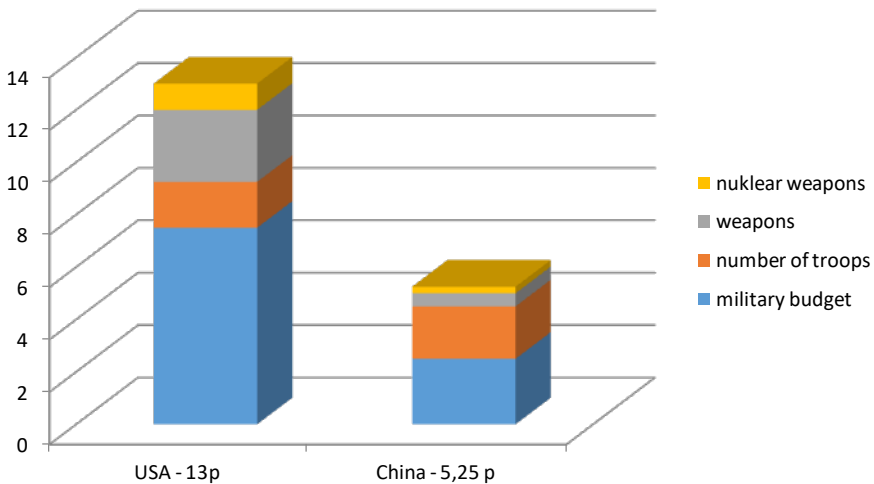


Chart 3. The share of the military factor in the overall potential of the U.S. and China.

We can clearly see a great disparity between the U.S. and China forces. The United States is without doubt the world's foremost military power. They have the advantage not only in expenditure, but also with steady, year on year efforts associated with improving its armed forces. The U.S. Army is also battle-hardened, well-trained and equipped.

The PRC Army, despite an increase in its military expenditure, possesses a much larger army in order to make up for the technological gap in military equipment.

In order to build a research model for soft power we have to determine the six categories with a number of indicators. In each category, the state can receive a maximum of 7.5 points (Łoś 2016).

1. Diplomacy: state participation in international organizations, the number of diplomatic missions and cultural centers, the number of Internet users – absolute and percentage, the activity of government officials and institutions in social networks, the ranking of influential people predominantly politicians.
2. Sociopolitical: the transparency of rules and fair regulations, political freedom and civil liberties, effectively combating corruption, free access to media- both electronic and traditional.
3. Culture: high and popular: the popularity and spread of the respective country's language, the number of Nobel Prize winners in the field of literature, the number of objects on the prestigious UNESCO list, the number of tourists visiting the country, successes at prestigious sporting events, the number of visitors to the most popular museums of the world, awards at the most prestigious film festivals and top box office movies, the music market, and export of cultural goods.
5. Education: ranking universities, the number of foreigners educated at universities, the number of think tanks, the effectiveness of primary and secondary education, Nobel Prize winners in the categories of science and medicine.
6. Socioeconomic: the degree of institutional connections in business – cooperation, innovation and patents, Gini index, the level of HDI, the scale of development aid.

Table 3. Categories of soft power and the value of the U.S. and China (Łoś 2012)

Category	USA value	China value
Diplomacy	7	3.7
Sociopolitical	7	0.7
Socioeconomic	6.7	3.2
Education	6.75	1.25
Culture high	6.25	3.75
Culture popular	6.75	2.75
	40.5	15.5

Source: R. Łoś, *Soft power we współczesnych stosunkach międzynarodowych*, Łódź 2016, 223.

The U.S. prevails in all of the soft power categories. The above values show that China currently significantly trails the USA in the soft power arena and shows that Beijing will not be able to compete with the U.S. in this category. It is not only the large gap

between the two countries' performances in these six soft power categories, but also the distribution. The symmetry of the development in each category illustrates the advantage of the U.S. as something that is natural for both the state and society.

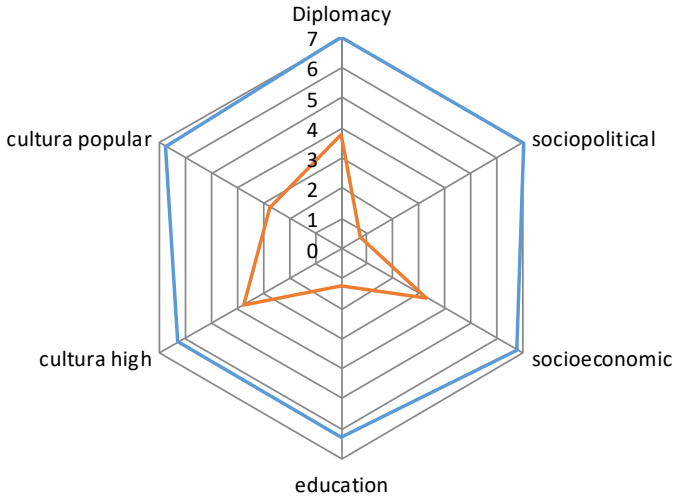


Chart 4. Model approach to soft power for the U.S. and China
 Source: (Łoś 2016) In graphic- 'cultural' x2

A summary of these three elements of power, the scale of possibilities for the U.S. and China is as follows:

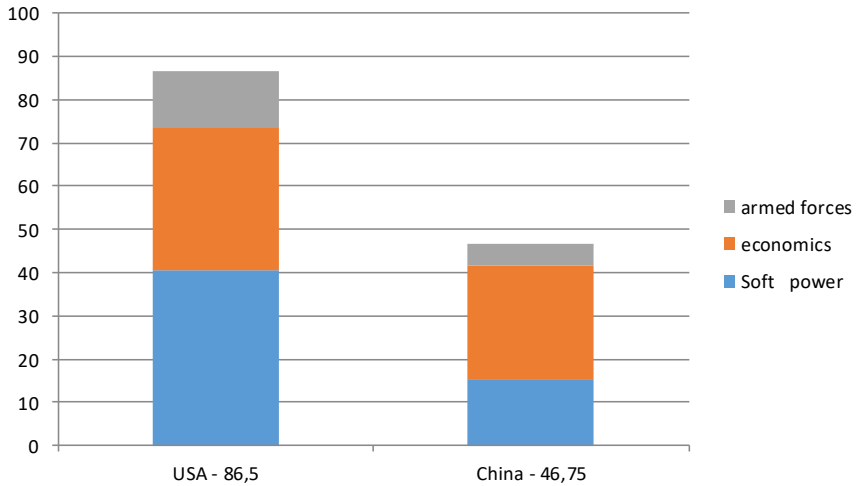


Chart 5. Soft and hard power potential of the U.S. and China (max. 100 points)

The USA's advantage seems obvious. All of the categories of power show the superiority of the United States. The chart includes the extent of power and division of its elements taking into account the dominant model of international relations (rivalry).

As previously defined there are many additional factors that decide if soft and hard power instruments are successful. Economic factors cannot be merely reduced to a form of quantitative calculations based on a complicated formula. The economic power of the United States, which is associated with the term *Washington Consensus*, combines the principles of democracy and the free market. The U.S. advantage also results from a privileged position in the institutional system of Bretton Woods related to the activities of the International Monetary Fund, World Bank and World Trade Organization. Despite the growing criticism of the *Washington Consensus*, as a way of reducing global poverty, the U.S. gains significant benefits (grants, support, etc.)

The Chinese model of development (*Beijing consensus*) is based on state activity in shaping national consensus on modernizing and ensuring the overall political and macroeconomic stability, in which the communist regime secures its political position. China applied most of the basic macroeconomic principles drawn from the *Washington Consensus* but rejected or changed neoliberal aspects that could have significantly reduced the role of the state through rapid privatization and democratization. The astonishing economic success of China is presented as a sign that the *Beijing Consensus* is a better way to achieve economic growth with no apparent social or political disorder that usually emerges as a by-product of democratization. This is a very strong argument for the Chinese model in its competition with the Western model (Liber, 13; Ferguson, 380–398; Nye 2011, 192).

Another very important feature of soft power is that it reduces the sense of danger. This is especially true for China, which is trying to soften concerns resulting from its emergence as a world power. However, we cannot overestimate soft power capabilities and assume that states and nations will uncritically follow another actor in international relations. The problem of soft power is that it works in places where people are already willing to adopt foreign standards. It can also be assumed that the culture and values of one state can be attractive to others only when its success is visible in other areas. This works best for an attractive economic model. The strengthening of economic and military power increases self-confidence, arrogance and intensifies a belief in the superiority of culture, values and the institutions of the state. But the weakening of economic and military power, is followed by doubt in its own strengths, an identity crisis and looking for the key to success in other cultures. It can therefore be assumed that soft power is only effective when it is appropriately supported by hard power.

The power of both states can be assessed by a realistic or liberal approach, but it does not provide us with answers regarding the creation of a new international

order. China will not overtake the United States (with exceptions) until it makes progress with its soft power capabilities. But it is beyond the full control of a centralized state to do this. In the case of hard power resources, which are assigned to the control of the state, we can observe an increase in Chinese power. Beijing must develop its soft power as its increasing hard power capabilities will raise concerns in the international arena.

The United States is currently, as has been illustrated earlier, the dominant power. The country is at the forefront of the international order and assumes responsibility for the existing order. The U.S. leadership is not based on military power alone, but in practice it is largely the military that defines the pre-eminent position of the United States. The USA's advantage is strengthened even further by additional economic factors such as raw material resources, technological skills, the size of territory and population. Successive waves of immigrants have enriched this country, stimulating its growth, innovation and dynamism. This absorption capacity is a unique feature of the United States and even now allows it to stay ahead of the 'global pack'. What is more these resources and capabilities are created and used in a balanced way.

China transformed itself from being a poor country without financial capital into a country of great opportunities. Taking into account the territory and population of China, it is now one of the world's great powers. The Chinese economy is organized as a great society, and its economic success allows it to return to the idea of *the Middle Kingdom*, surrounded by states which are lower in the hierarchy. China has considerable armed forces, which are constantly modernizing, including nuclear capabilities. One of the most noteworthy and significant instruments of Chinese soft power is its culture.

It is difficult to determine the future winner of this competition: The American free markets with democracy or the Chinese model of a partly free market within an authoritarian system. It will depend not only on the nature of the state with its internal structure determining the development of power, but also on the trends and changes in the international system.

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