INTRODUCTION

International Order and the Reconfiguration of Power: Dynamics of Change in the Political Economy of Russia and China

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ABSTRACT

How did the policies of Russia and China toward integration with the global economy reshape power in the international order? How do Russia’s and China’s policies toward integration with the global economy reshape power in their respective internal socio-political frameworks? These are the two key questions addressed by the special issue through an interdisciplinary perspective. By focusing on historical, sociological and political-economy features of the dynamics of change in Russia and China, the collection of articles focuses on hybrid processes in the political and economic sphere that have led to the emerging role of Russia and China in the international order.

KEYWORDS: Russia; China; Power; Transition; Political Economy

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1 This special issue includes six essays by collaborators of the research team on the topic China and Russia in the global world - a three-year project (2015-2018) funded by the Fondazione Cassa di Risparmio di Forlì and coordinated by Stefano Bianchini and Antonio Fiori at the Department of Political and Social Sciences, University of Bologna.

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The contemporary international order is facing profound challenges with shifting configurations of power in favor of non-Western nations. These challenges might either spell the end of the modern international order, built on Western values, or shape a new articulation of power and cultural differences. The recalibration of power in the international arena is leading to the appearance of new and important emerging actors.

The Russian Federation and the People’s Republic of China undoubtedly represent two key global players in international, regional and European arenas, bringing their own cultural values and practices into the future of the modern international order. Following substantial reforms - the political economy of transition toward democracy and a market economy in Russia and the opening to foreign trade and investments in China – these two actors gained new legitimacy in the global political sphere.

The questions to be addressed in this special issue concern the dynamics of change in Russia and China in an interdisciplinary perspective, focusing on historical, sociological and political-economy features. While the Chinese political establishment embraced globalization by perceiving it as an opportunity rather than a threat, in the new-born Russian Federation of the 1990s the transition represented an abrupt critical juncture with traumatic effects.

Under the communist rule, the political and economic systems of these two countries revealed many similarities. However, in the 1990s the opening to foreign trade and investments followed different patterns of integration in the international landscape: in China power was consciously reshaped, in Russia it passed through a process of economic, social and political turmoil.

This special issue focuses on those hybrid processes in the political and economic sphere that have led to the emerging role of Russia and China in the international order. It brings together different fields of research in political science, international relations, international history as well as international economics and sociology. Its articles offer theoretical and empirical insights that help understand the evolving relationship between the new configuration of power, cultural diversity
and the future of the international order. Economic globalization was probably both the cause and consequence of the development of a multipolar world led by great powers. In the emerging multipolar world, Russia and China presented new political and economic models based on a mix of integration and coexistence of state-owned enterprises and private companies. These countries were able to carve novel paths for their international outreach, by staging themselves as unique global players. Moscow and Beijing have become distinctive global players because they emphasize the state as the legitimate institution presiding both politics and markets. In this manner, the two global players challenge the principles underpinning the liberal-democratic values traditionally adopted by Western international actors.

‘How did the policies of Russia and China toward integration with the global economy reshape power in the international order?’ This is one of the questions addressed in this special issue. In recent years, both Moscow and Beijing have converged on some patterns of political-economic presence and action in world politics, a process fueled by flourishing economic exchanges and able to foster an unprecedented degree of cooperation in the global arena. By progressively broadening the scope of their strategic partnership in functional and geopolitical terms, these two global players have traced new frontlines of great power competition.

In a clear attempt at moving beyond their partnerships with Europe and the United States of America, both China and Russia expanded their presence in the Middle East and North Africa, building on the widespread perception of the Western failure to provide strategic stability to the region. Trentin in this special issue shows how Moscow and Beijing painted their engagement in the region as agents of stability, legitimacy and, significantly, non-alignment. Most notably, by supporting existing regimes, and thus by showing a higher degree of autonomy towards their local partners, if compared to the US, they indicated a more consistent respect of the principle of sovereignty. This strategy helped to assert themselves as providers of institutional stability for old and new elites, possibly inducing the latter to break free from traditional, albeit sterile Western alliances. To be sure, economic interactions between Russia, China and the MENA region were chiefly driven by the in-
creasing need of oil consumption by the two global players, with China becoming the largest importer of oil from the Gulf area. Arguably, however, what has led Moscow and Beijing into a working partnership in the Middle East and North Africa is their growing distrust of the United States, especially vis-à-vis the latter’s aggressive policies in East Asia. This shared belief meant that, despite their different legacies, constraints and histories, Moscow and Beijing converged on the desirability of a multipolar world since the early 2000s.

Prospects for competition and cooperation between the two Eurasian giants are certainly not limited to the MENA region. Another hotspot of the international scenario is the Arctic region, given its unexplored and under-exploited natural resources. The article by Fiori and Passeri examines the key drivers and motives that nourish the evolving trajectories of Russia and China’s political and economic interests in the area. Spurred by strategic needs to diversify energy sources and future sea routes, China is a newcomer to the area. Hoping to gain a solid foothold in the Arctic and legitimate itself as a relevant ‘Arctic stakeholder’, in 2013 China succeeded in obtaining the observer status in the Arctic Council. By contrast, Russia has been a long-standing player in the region. In recent years Moscow has tried to compensate Western sanctions with a more accommodating posture toward Beijing’s aspirations in the Arctic area. Emblematic of this strategic partnership are the ongoing attempts to shape a shared vision for the infrastructural development of the Northern Sea Route. Yet there is an obvious geopolitical dimension to Russia’s and China’s investments in the Arctic. Geopolitical interests imply that future collaboration between the two global players will largely depend on their patterns of alignment in the changing international order, with imponderable effects on the delicate balance between cooperation and competition.

Perhaps the increasingly globalized nature of contemporary international relations provides the impetus for both Russia and China to redefine their role as well as their image in world politics. If China is actively engaging in the One Belt – One Road project and its Silk Road Economic Belt component, Russia is expanding its remit through the Eurasian integration process. As Yarashevich argues in this
special issue, the Eurasian Economic Union, launched in 2015, which involves Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia, is a geopolitical and economic arrangement where Russia is formally on equal terms with her partners. Although such formality may represent a mere façade that conceals a *de facto* hegemony of Russia in all realms, the Eurasian integration process is definitely a new regional experience. There are inevitably conflicting views about the integration process among its member states. While Russia perceives it as a geopolitical asset, the other partners appear more concerned with the economic benefits of the integration. In light of these divergent driving forces of the Eurasian Economic Union, and considering the unequal size and asymmetric power of its members, with Russia being the strongest state, it is no exaggeration to say that the solidity of the political economy of the Eurasian integration project rests on rather shaky foundations. Indeed, the Eurasian integration project testifies to Russia’s renewed ambitions regarding former Soviet countries. It should be noted, however, that being an intergovernmental arrangement with supranational institutions, it shows how Russia attempts to legitimize itself by acting, at least formally, on principles based on ‘an equal level playing field.’

The crucial role played by principles, beliefs and values in the international conduct is central to Fasola and Lucarelli’s article in this special issue. Values, images and principles do shape both the discourse and practice of foreign policy and thus of global players’ relations with friends and foes. Although scholarly work on NATO-Russia relationships has often focused on institutions, foreign policies and military equipment, nevertheless it is well canvassed in the literature that interactions among social actors, be they individuals, organizations or states, include visions, aspirations, worldviews, norms and beliefs that may significantly affect their policy design and decision-making programs. Following this line of reasoning, Fasola and Lucarelli provide a cognitivist perspective on the ups and downs of the relationship between NATO and Russia. These authors focus on these actors’ ‘strategic culture’, defined as a broad cognitive framework that subsumes an actor’s self-perception and worldview. They argue that the images of the world depicted by
Russia and NATO in their international actions cannot and should not be easily dismissed when examining their relationships. Values, principles and beliefs shape the identities of the two actors and, in so doing, they set limits to their margins of maneuver, while at the same time offer opportunities to change their interests and self-representations. In this sense, understanding the links and connections as well as the distance and diversity between a plurality of values, and the different interpretations that are given to them, is crucial to analyze how they mold plans of actions. Ultimately, Fasola and Lucarelli claim that the reason why Russia and NATO undertook certain practices is deeply embedded in their incompatible strategic cultures. Consequently, and at least in the short run, their interactions are bound to be conflictual if not adversarial.

Examining the reconfiguration of international power by exclusively focusing on the international scenario unduly neglects crucial issues of internal socio-political effects. Thus, the second question addressed in this special issue is ‘How do Russia’s and China’s policies toward integration with the global economy re-shape power in their respective internal socio-political frameworks?’. As regards Russia, the neoliberal model of post-socialist transformation adopted in the early 1990s under Boris Yeltsin has restructured the social fabric of Russian society. In this period, the emergence of Russia as a global player amplified the expectations of many in the field of gender equality. Yeltsin's political and economic reforms raised new hopes for freedom, social progress and democratic representation. Mulé and Dubrovina in this special issue ask whether these reforms produced favorable or unfavorable conditions for women to enter both parliament and the labor market. Using a political economy approach that moves beyond giving pride of place to either the economic or the political sphere, these authors explore instead the interaction between the politics and the economy. Their work analyses the quantity and quality of women’s participation in the political process as well as of women’s labor force participation, emphasizing the feedback effects between political representation and labor market participation. The authors examine how the introduction of neoliberal policies under Yeltsin ushered in hefty cuts in social spending, unleashing a new dy-
namic with significant consequences for the political economy of gender equality. In particular, a revival of a conservative call for the return of women to caregiving and housekeeping seems to be a paradoxical outcome in a country where high female education and employment rates should protect women’s socio-economic and political status. The authors conclude that by neglecting the interdependence of social needs and economic activities, the Russian government may ultimately weaken the legitimacy of its regime.

Challenges to regime legitimacy of autocratic political systems may also be raised by the spread of technological innovation and its impact on government information management. Using China as a case study, Cai in this special issue is concerned with the relationship between information and the resilience of autocratic regimes. Cai examines in great details the challenges faced by a plurality of agencies and actors involved in processing, collecting and managing a vast body of information. In contrast to conventional wisdom that views information as a tool of power, thus undergirding the benefits to society as well as to government, Cai stresses the costs of obtaining and processing information. The author points out how knowledge can backfire because the lack of government responsiveness causes a decline in regime legitimacy. Cai demonstrates how new technologies yield top-down and bottom-up political effects. From a top-down perspective, the spread of technological innovation enables the Chinese governments, at both central and local level, to orchestrate sophisticated systems of monitoring the people, increasing their capacity to censor information as well as identify regime critics. Although information collection may also violate citizens’ rights or privacy, from a bottom-up viewpoint, new technologies render more visible to the wide public the government’s mismanagement of information. In this manner, a better flow of information can become a source of pressure for local and central governments and help enhance their accountability. More generally, Cai’s detailed empirical research illustrates how in the contemporary era, technological progress may induce authoritarian governments to improve their responsiveness.

To sum up, the articles included in this special issue address the mul-
The multifaceted nature of a changing international order, highlighting the complexity of political, economic, social and cultural diversity of Russia and China, two emerging new global players. The articles show that this complexity can better be understood by adopting an interdisciplinary perspective. Strategic interests, strategic cultures, political institutions and economic priorities are neither the first nor the last piece of the puzzle; rather, they are equally important to our understanding of the reconfiguration of the international order.