THE CHANGING GEOPOLITICAL LANDSCAPE AND CHINA'S WORLD ORDER

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Executive Summary

- 1. The world's geopolitical landscape has shifted from West to East and from North to South, changing the perception of what is normal in international politics and economy.
- 2. Increasing transnational political and economic activities due to globalisation have weakened the power of sovereign states and their economic powers.
- 3. The United States, albeit being regarded as the world's superpower, is now on a relative decline especially after the global financial crisis.
- 4. Economic power is shifting to the developing countries due to increasing financial power, population and resources and burgeoning spending power.
- 5. The emergence of China as a regional power with increasing economic and political influence is a key variable affecting the traditional balance of power in the Asia-Pacific.
- 6. While it is true that China's assertive foreign policy is perceived to have increasingly threatened its East Asian neighbours, there are other important factors driving geopolitical changes in East Asia.
- 7. These include the relative decline of the United States, the normalisation of Japan as a full sovereign state, the relative recovery of Russia as a great power, the emergence of the developing world like India and the rise of "informal powers" such as the ISIS (the Islamic State of Iraq and Syria).
- 8. International institutions such as the United Nations, the World Bank and the International Monetary Fund are not able to coordinate diverse interests and prevent conflicts between sovereign states.

9. The interplay of these factors will dominate geopolitics in East Asia in the foreseeable future. Countries will have to adjust their foreign policies according to this changing environment.