The New International Landscape of "East Rising, West Falling" and Global Economic Governance

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The international political landscape of "East rising, West falling" is primarily manifested in the fact that nations in the Global South such as China, Russia, and Iran are cooperating against hegemony, while the United States and the West are gradually declining. This new international political landscape is grounded in a new international economic landscape. Since the 2008 global financial crisis and the 2022 Ukraine crisis, the new international economic landscape has increasingly reflected an "East rising, West falling" dynamic (coexisting with the "strong West, weak East" pattern). This manifests as a decline in the economic significance of and share of global GDP contributed by the Western economies represented by the G7, alongside a rise in the economic importance of and share of global GDP contributed by developing nations represented by China and other BRICS countries.

On April 9, 2023, according to the latest data released by UK-based Acorn Macro Consulting, the BRICS group – comprising the world's five major developing economies – has surpassed the G7 in terms of global GDP share when measured by purchasing power parity (PPP). Specifically, the BRICS nations – Brazil, Russia, India, China, and South Africa – contributed 31.5% of global GDP, while the G7 nations – the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom – collectively accounted for 30.7% of global GDP.[2] In other words, the combined GDP of the BRICS

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2 Djoomart Otorbaev. "BRICS Set to Be Bigger, Stronger amid Push

nations now slightly exceeds that of the G7, and the economic share of the expanded "greater BRICS" bloc far surpasses that of the G7. China's performance stands out particularly. According to data from the International Monetary Fund and other sources, based solely on exchange rates rather than PPP, China's GDP accounted for 1.8% of the world total in 1978. Starting from a low of 1.76% in 1990, China's share began to rebound. By 2022, GDP of China's mainland totaled approximately 71.1% of the GDP of the United States. In 2022, the combined GDP of the 27 EU member states totaled US$16.6 trillion, lower than China's. China's actual GDP growth in 2022 was 3%, reaching 121 trillion yuan (US$18 trillion). This equated to approximately 71% of the US GDP and accounted for about 18% of the global GDP, solidifying China's position as the world's second-largest economy. In 2022, the US GDP grew by 2.1% year-on-year, reaching US$25.47 trillion, representing 25.55% of the global total. The gap in GDP size between China and the United States is rapidly narrowing.[3]

The new international economic landscape of "East rising, West falling" is shaped by multiple factors: the numerous contradictions within and outside the United States; the inherent mechanisms driving hegemonic decline; and the proactive participation of developing nations in global development cooperation-nations that are actively exploring new development pathways while adhering to self-reliance and independence, all grounded in their specific national circumstances.

As a major developing country, China has successfully advanced Chinese modernization, achieving remarkable development accomplishments that have drawn global attention. The narrowing gap

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for Unity." https://www.chinadaily.com.cn/a/202304/27/WS6449cc4a-a310b6054fad00c2.html.

3 Arendse Huld, "GDP Expands 5.2% in 2023 – Analyzing China's Key Economic Indicators." https://www.china-briefing.com/news/chinas-gdp-in-2023/.

between China and the United States stems from the divergent development paths taken by American modernization and Chinese modernization, not a negative impact imposed by China's economic growth on the United States. On the contrary, China's economic development has repeatedly faced various illegal sanctions and suppression by the United States in violation of international law. In particular, in recent years, the hegemonic practices of the United States and the West – using the so-called "China overcapacity narrative" as a pretext to pursue protectionism – have politicized, instrumentalized, and weaponized economic, trade, and technological issues. This amounts to a real manifestation of trade protectionism and hegemony, which will inevitably continue to inflict severe disasters on global economic development.[4] Meanwhile, measures taken by the United States to curb China's development through illegal protectionism under the guise of "deglobalization" will inevitably undermine the normal development of both Chinese and global economy, and in turn will also significantly damage the US economy.[5]

The current abuse of international multilateral mechanisms by the US government has severely undermined the authority and credibility of the international system. This has increasingly exposed the lack of inclusivity and fairness in the traditional global economic governance framework, rendering it incapable of resolving the imbalances in the global economy. Consequently, the global economic governance system is undergoing a quiet transformation. The economic rise of emerging markets and developing countries has objectively weakened the absolute dominance of the hegemon-

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[4] Cheng Enfu and Chen Jian. 2024. "Analysis of the 'China Overcapacity Narrative' Hyped by the United States and the West." *Chinese Journal of Political Economics* [in Chinese], no. 2.

[5] Sun Shoutao and Zhang Chaoyang. 2024. "The Nature, Roots, and Consequences of the Resurgence of US Protectionism." *Journal of Economics of Shanghai School* [in Chinese], no. 2.

ic power in global economic governance, ushering in a multipolar landscape of global economic power. To safeguard its interests, the hegemonic power, while implementing trade protectionism, has reduced its willingness to provide global public goods. This marks a shift from traditional great-power hegemonic governance toward multi-stakeholder co-governance. However, the Biden administration is vigorously defending the self-proclaimed global "leadership position" of the United States, and is continuously strengthening transatlantic and transpacific alliances to establish their common trade, financial, and technological policies against the so-called "non-market economies." The administration is also intensifying pressure on developing countries to make choices, attempting to reverse the trend toward a multipolar world.

However, the new regional and group-based economic and political governance organizations such as the BRICS, the Belt and Road Initiative, the Shanghai Cooperation Organization, the Group of 77 and China, and the G20 have gradually integrated developing economies into the global governance system and facilitated regional cooperation and high-level dialogue, serving as crucial platforms for advancing multilateral cooperation to higher levels. Notably, China has successively proposed initiatives centered on building a community with a shared future for mankind, expanding to encompass the Belt and Road Initiative, the Global Development Initiative, the Global Security Initiative, the Global Civilization Initiative, the Global AI Governance Initiative, and No-First-Use of Nuclear Weapons Initiative, thereby broadening thinking on global economic and political governance.

On November 10, 2022, at the 21st meeting of the United Nations, Pakistan, as a member of the Group of 77 and a UN member state, introduced the draft resolution titled "Towards a New International Economic Order." On November 21, 2022, the United Nations adopted the resolution titled "Towards a New International Economic Order" at its 22nd meeting. The resolution received 124 votes in favor, including those from China and Russia;

50 votes against, including those from the United States, Ukraine, the United Kingdom, Japan, and South Korea; and 2 abstentions, including those from Armenia and Turkey.[6] This fully reflects that the United States and its allies make desperate efforts to maintain an unreasonable international economic order, while the vast majority of developing countries and countries in the Global South, represented by China and Russia, earnestly desire reform of the unjust old international economic order and hope for strengthening international economic governance. It is evident that progressive and friendly nations' resistance to and countermeasures against the "American-style" economic, political, and military hegemonic governance, and their joint efforts to build a community of shared interests, responsibility and destiny are not only a practical necessity for nations to achieve common prosperity, but also a governance requirement for safeguarding world peace and development.

It should be recognized that the actors participating in global economic governance include not only sovereign states, groups of states, and international organizations, but also transnational corporations, non-governmental organizations, and social movements. Among these actors, major countries or strong nations often play pivotal roles. At present, effective international economic and political governance can only be achieved through the united struggle of nations in the Global South against new hegemonism, new imperialism, neocolonialism, neo-racialism, "neoliberalism," and neofascism. This is particularly true in opposing the Ukraine crisis and conflicts in the Middle East instigated by the United States and the West, as well as resisting their attempts to provoke conflicts in various regions of the Indo-Pacific.

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[6] "Second Committee Approves 14 Resolutions, including Text Calling upon States to Strengthen Cooperation in Combating Illicit Financial Flows", https://press.un.org/en/2022/gaef3577.doc.htm.