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# China's ancient statecraft and the future of the global order

Does China pursue hegemony or harmony?

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### Summary

- China's current foreign policy rhetoric emphasizes the desire to build a world truly shared by all in the spirit of peace and cooperation. In reality, China is perceived as an ideational rival or an outright adversary in the West, while in the Global South, its influence is growing.
- According to international relations theorist Yan Xuetong, China should adhere to the principle of "moral realism". In his view, foreign policy based on moral principles is necessary but not sufficient for a state's leadership to be recognized. Soft power must be supported by a strong economy and military capabilities.
- Moral realism builds on the *Xunzi*, a classic work of Chinese statecraft written over two millennia ago. It stresses righteousness and justness as the most effective ways of winning the hearts of people across borders. At the same time, it recognizes the practical value of realpolitik-based actions.
- As US soft power declines, China has an opportunity to strengthen its global leadership. While China's behaviour currently appears more predictable than that of the US, deep-seated distrust persists. Building soft power, which it still lacks, demands trustworthiness – and trust must be earned.

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## Introduction

China's current foreign policy rhetoric emphasizes the desire to build a world shared by all. This message has so far fallen on deaf ears in the West, where China is perceived as an ideational rival or an outright adversary. In today's world, with the soft power of the United States in notable decline as a result of the second Trump presidency, it could be possible for China to emerge as the champion of global order and stability. China already has the economic clout to make it a leader in economic terms, and its model for modernization without democratization appeals to many governments in the Global South. Many countries in Europe, and notably Canada, have also recently started to rekindle their bilateral relations with China. In order to increase its appeal, China would need to be perceived as a trustworthy and just partner.

Such a positive perception may be regarded as a form of soft power, and it is questionable whether a country under single-party rule can achieve that. A prominent international relations theorist, Yan Xuetong, presents "moral realism" as the best way for China to grow its prestige and goodwill. The idea builds on the statecraft classic the *Xunzi*. Like other Confucian works often quoted by the Chinese leadership, it stresses righteousness and justness as the most effective ways of winning the hearts of people across borders. At the same time, however, it recognizes the practical value of realpolitik-based actions.

Drawing on the ideas of the *Xunzi* and Yan Xuetong, this Briefing Paper discusses the ideational background of China's foreign policy in relation to contemporary realities. The paper argues that as US soft power declines, China now seems to have an opening in the global arena to take the lead.

However, it is worth examining whether contemporary China's alleged reliance on traditional values for moral leadership merely serves as a mask for the pursuit of hegemony.

## The ideational background of China's grand foreign policy goal

The Xi Jinping-era catchphrase articulating China's grand foreign policy goal, "a global community of shared future", emphasizes China's desire to build a world truly shared by all, where peace, cooperation and common prosperity reign. It is based on the idea that the development of one country is closely intertwined with that of others, and includes an aspect of collective security: no country can single-handedly seek absolute security for itself. The catchphrase – originally coined by Hu Jintao in 2012<sup>1</sup> – is intended to pose a rhetorical challenge to the Westphalian system of separate nation states, famously dubbed a "non-world" by a Chinese scholar.<sup>2</sup> In Chinese, the phrase invokes the ancient concept of *Tianxia* ("all under Heaven").

In this context, the concept refers to the world or a global community. Historically, it has been used with differing meanings, sometimes referring to the empire, "our" cultural sphere, or the known world. Ideally, *Tianxia* was a value regime with *Datong* – Universal Commonwealth – as its goal. *Datong*

1 Xinhuanet (2012) Shuping: Zhongguo de jixu qiangda youli shixian "renlei mingyun gongtongti" [Commentary: China's continued strength is conducive to realizing the "community with a shared future for humanity"]. [http://www.xinhuanet.com//18cpcnc/2012-11/13/c\\_113680750.htm](http://www.xinhuanet.com//18cpcnc/2012-11/13/c_113680750.htm).

2 Zhao Tingyang (2008) Tianxia tixi de yige jianyao biao-shu [A concise exposition of the Tianxia system]. *Shijie jingji yu zhengzhi*, No. 10. <https://www.cssm.org.cn/download/08122404.pdf>.

has been named by Xi Jinping as one of the main elements of China's "splendid traditional culture",<sup>3</sup> and it appears in the same classic Confucian text as the phrase "*Tianxia wei gong*", "all under Heaven belong to all", which has been used by Xi Jinping when talking about the global community of shared future.

One of the earliest and most comprehensive descriptions of the *Tianxia* system can be found in the statecraft classic the *Xunzi*, named after its author, who lived at the end of the Warring States period (475–221 BCE).<sup>4</sup> As the name of the period implies, China was not yet a unified empire at that time, but the ideal of unity nevertheless formed the cornerstone of all political thought. The concept of *Tianxia* encapsulated imperial China's worldview of the one-and-only Son of Heaven occupying the centre of the known world, with every entity outside the centre bound to allegiance by different ritual obligations depending on their distance from it. During the imperial era, this worldview was manifested through the tributary system, whereby lesser rulers were obliged to pay tribute to the emperor, who would provide them with protection and trading rights in return.

Over the centuries, the centre was expanded from the Royal Domain – the area directly governed by the ruler and surrounding his palace – into the Chinese heartland, while the surrounding minority areas were understood as "impenetrable fortresses" protecting the centre. Existing remnants of this ancient worldview may arguably be seen in the absence of a recognized border between the polities of the People's Republic of China and the Republic of China (Taiwan), as well as the U-shaped dashed line drawn in the South China Sea, demarcating a buffer zone rather than denoting a territorial claim.<sup>5</sup>

## Making an ancient ideal compatible with contemporary realities

There have been various attempts by Chinese international relations (IR) scholars to make the *Tianxia* ideal fit the realities of the Westphalian system of nation states, but they have rarely been particularly convincing. More often than not, they are afflicted by an inherent contradiction: while *Tianxia* is presented as an alternative way to view the world holistically instead of focusing on nation states and their rivalries, the presupposed harmony of the whole is impaired by the impossibility of *Tianxia* existing without a centre and hierarchies.

A somewhat different approach has been put forward by one of the most prominent IR theorists in China, Professor Yan Xuetong from Tsinghua University. He does not discuss the nature of *Tianxia* per se but departs from the political realities of the Warring States period and the ideal of unification that influenced political thinking during that period. In particular, Yan has been inspired by the writings of Xunzi, who discussed in depth the requirements for the realization of a unified empire under one Son of Heaven.

Xunzi categorized the external power of rulers into three types: "true" kingship (*wang*), overlordship or relative dominance (*ba*), and power based on intrigue and force (*qiang*). True kingship referred to authority based on righteousness, justness, and propriety, which in turn would help entice a large population into submitting to a king's rule. Overlordship or relative dominance was based on trustworthiness and lawfulness, which enabled the ruler to gain a large number of allies. Power based on intrigue and force, by contrast, referred to rulers trying to enlarge their territories by any means possible.

All Confucian thinkers, including Xunzi, considered it the rulers' highest responsibility to take care of their subjects' wellbeing. As Xunzi wrote: "Heaven did not give birth to the people to benefit the princes, but Heaven installed the princes to benefit the people." However, the only foreseeable solution to the problem of government was monarchy, albeit not necessarily a hereditary one. Xunzi, like his peers, was unable to fathom a democratic society. This was due to the overbearing importance of maintaining the unity of the realm and eventually that of the entire *Tianxia*.

3 Li Wei (2022) Jiang hao Zhonghua youxiu chuantong wenhua gushi [Tell the story of China's outstanding traditional culture well]. *Guangming ribao*, 28 June. [https://news.gmw.cn/2022-06/28/content\\_35841551.htm](https://news.gmw.cn/2022-06/28/content_35841551.htm).

4 The author has recently published an annotated translation of the book with explanatory chapters. Kallio, Jyrki (2025) (transl. & ed.) *Xunzi. Valtio-oppia muinaisesta Kiinasta*. Gaudeamus.

5 Kallio, Jyrki (2012) "Kiinan meri vai kaikkien meri? Etelä-Kiinan meren sopassa on liikaa mausteita". *FIIA Briefing Paper* 115. The Finnish Institute of International Affairs. <https://fiia.fi/julkaisu/kiinan-meri-vai-kaikkien-meri>.

Xunzi did not perceive dominance in state-to-state relations in an entirely negative light. This was in contrast to his famous peer and early follower of Confucius, Mencius, who approved only of true kings and loathed power based on anything but high morality. In that regard, Xunzi was a realist and understood that the task of a true king in unifying the empire would be easier if his righteousness were backed up by military might. A system based on an alliance of states under the leadership and dominance of one ruler is better than complete anarchy, and with the right kind of guidance by Confucian advisors, a dominance-based rule may develop into true kingship, he argued. However, coercion and dominance alone would, in his view, never be enough for winning over the entire *Tianxia*.

**“Xunzi was a realist and understood that the task of a true king in unifying the empire would be easier if his righteousness were backed up by military might.”**

In his monograph from 2011, Yan Xuetong plays the role of a “Confucian advisor” and applies Xunzi’s view to analyzing the contemporary international system. He has translated kingship (*wang*) into “**humane authority**”, dominance (*ba*) into “**hegemony**”, and power based on force (*qiang*) into “**tyranny**”.<sup>6</sup> Sharing the views of the realist school in IR, he contends that the international system is anarchic in nature, with all states competing over relative power. Based on the *Xunzi*, Yan claims that the system can only reach stability under a humane authority or a hegemon. However, such stability under a hegemon would only apply to its allies. According to Yan, this was the case during the Cold War era under two competing alliances.

Yan argues that the international system based on the Westphalian nation states is in reality and asserts that hierarchy is necessary. Otherwise, how could the great powers ensure obedience from their allies? In ancient China, hierarchy, and thus the

system itself, were maintained by rites and rituals. Today’s rites and rituals are the international norms. Major powers should be expected to adhere more strictly to these rules than others. According to Yan, China should propose applying such a hierarchy to nuclear weapons restrictions. He does not mention the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), which limits nuclear weapons to current holders, but pragmatically suggests that as long as there is no proliferation, nuclear powers should commit to reducing their arsenals and provide security guarantees to states that do not possess them.

In an anarchic system, international norms need maintaining, and breaches must be sanctioned in order for the rules not to lose all significance. In Yan’s analysis, both a strong economy and military capabilities surpassing those of other states are needed for the ability to sanction and reward others. What makes such sanctioning justified and legitimate in the eyes of other actors is the moral superiority of the state in a leadership position.

This raises the question of who in the contemporary world should have the power to maintain the norms and sanction other states – who, in other words, is at the centre of *Tianxia*? Following Yan’s view, it would ideally be a superpower exercising humane authority. Yan pays special attention to China’s great power strategy and discusses its potential to rise to the role of standard-bearer in the international arena. If China were to pursue hegemony, two things could happen: the world could be divided into two superpower camps, or China could supplant the United States as hegemon. The former would mean a new Cold War and the latter would mean that the world order would remain fundamentally unchanged. A new situation leading to a lasting peace, following Yan’s ideas, could only result from the rise of China as a superpower relying on humane authority.

<sup>6</sup> Yan Xuetong (2011) *Ancient Chinese Thought, Modern Chinese Power*. Ed. by Daniel E. Bell & Sun Zhe. Transl. by E. Ryden. Princeton University Press.

## The comprehensive national power of three ideal types of leadership in the international system

| Basis of external power | Hard power (1-3) |   | Soft power (1-3) |   | Comprehensive national power |
|-------------------------|------------------|---|------------------|---|------------------------------|
| Humane authority        | 1-3              | X | 3                | = | 3-9                          |
| Hegemony                | 2-3              |   | 2                |   | 4-6                          |
| Tyranny                 | 3                |   | 1                |   | 3                            |

Table 1. The comprehensive national power of three ideal types of leadership in the international system (adapted from Yan Xuetong, 2011, p. 102). A higher number indicates stronger power.

The feasibility of such a development can be analyzed using Yan’s method of calculating the comprehensive power of a nation, as depicted in Table 1. Yan uses his categorization of three different types of international power and suggests that **comprehensive national power** can be calculated as a product of **hard power** (military power and economic power) and **soft power** (cultural power and political power). A tyranny necessarily has strong hard power but probably has very little soft power, whereas a humane authority emanates great soft power but does not necessarily possess much hard power. A hegemony falls somewhere in between. As indicated in the table, the comprehensive national power of a state following humane authority may only surpass the other types if its soft power is accompanied by substantial hard power. In other words, morality is an absolute but not a sufficient prerequisite for a state’s leadership to be recognized.

Yan notes that China’s rise has so far been based on hard power, especially economic growth. In terms of soft power, political influence is particularly important in international politics. According to Yan, enhancing this influence requires strategic credibility – a goal that China appears to be actively pursuing, particularly in its relations with the Global South.

These efforts have already yielded results. Over a hundred countries, mostly in the Global South, have agreed to endorse the “one China principle”, instead of the previously customary “one China policy”.<sup>7</sup> The latter refers to the practical impossibility of a state recognizing both the People’s Republic of China and the Republic of China (Taiwan), while the former acknowledges Taiwan as an inseparable part of the People’s Republic in principle. This represents a major diplomatic victory for China. Whether this is thanks to China’s soft (political) power or hard (economic) power remains open to debate.

### Legitimizing the *Tianxia*-based worldview with “moral realism”

More recently, in a book published in 2019, Yan Xuetong has developed a theory of international relations that combines morality and *realpolitik*.<sup>8</sup> It seeks to answer the question of how a rising state can achieve a leading position among great powers in a morally sustainable way. Yan’s theory is based on Xunzi’s view of true kingship (*wang*) and hegemony (*ba*). Xunzi considered them to be two distinct ways or steps for a state to gain a leadership position, but in Yan’s theory, they complement each

7 “China’s stunning new campaign to turn the world against Taiwan” (2025) *The Economist*, 9 February. <https://www.economist.com/international/2025/02/09/chinas-stunning-new-campaign-to-turn-the-world-against-taiwan>.

8 Yan Xuetong (2019) *Leadership and the Rise of Great Powers*. Princeton University Press.

## Correspondence between the basis of a state's external power and the nature of its domestic power

| Basis of external power | Hard power (1-3) | Soft power (1-3) |   | Nature of domestic power                         |
|-------------------------|------------------|------------------|---|--|
| Humane authority        | 1-3              | 3                | ↔ | Enlightened absolutism / benevolent dictatorship |
| Hegemony                | 2-3              | 2                |   | Authoritarianism                                 |
| Tyranny                 | 3                | 1                |   | Totalitarianism                                  |

Table 2. Correspondence between the basis of a state's external power and the nature of its domestic power (as deduced from the *Xunzi*).

other. Humane authority alone is not enough to achieve true kingship without concrete hegemony, which is attained by increasing political power and being a strategically reliable partner. In other words, morality needs the support of realpolitik.

An issue that Yan Xuetong does not address is the source of morality. *Xunzi* suggests that a state's external power is related to the nature of its domestic authority, as illustrated in Table 2. *Xunzi* categorizes the nature of the ruler's authority into three types that could be translated into modern terms as: **enlightened absolutism** or **benevolent dictatorship**, **authoritarianism**, and **totalitarianism**. In the first case, the ruler's authority is based on the same attributes as true kingship, namely his overall virtue. The people will love such a ruler as they would their own parents, and order and prosperity will prevail. In the second case, the population faces hardships, but order is maintained through harsh discipline. In a totalitarian state, the ruler cares only for his own wellbeing, not that of his subjects. He rules according to his whims, and nothing but doom awaits such a state.

Presumably, Yan Xuetong would like to see China adopt moral realism, exercising humane authority while simultaneously possessing both strong soft and hard power. But where would its moral attractiveness come from? This, in turn, raises the question of whether soft power is possible for a totalitarian or authoritarian society, or even one exercising enlightened absolutism in today's world. The answers are not straightforward.

As noted earlier, *Xunzi* did not advocate any form of democracy. While China today claims to be a democracy, it insists that it has the right to define democracy in its own way, which it markets as "whole-process people's democracy".<sup>9</sup> This is described as a continuum of the age-old Confucian ideal of caring for the people.<sup>10</sup> The government is supposed to listen to the needs of the people but then decide on the best policies on their behalf. In reality, the Communist Party of China has at best practised benevolent dictatorship and, at worst, totalitarianism. While China's political system and its form of people's democracy may not hold much appeal abroad, the country's economic growth is widely admired. Furthermore, China's efforts to increase its influence in the Global South have been successful, as the aforementioned case regarding the Taiwan issue illustrates.

9 Kallio, Jyrki (2023) "Multilateralism with Chinese characteristics". In *Multilateral cooperation in an era of strategic competition: Options for influence for Finland and the European Union*, edited by Juha Jokela, Katja Creutz and Alana Saul. Helsinki: Prime Minister's Office, 64–74. <https://urn.fi/URN:ISBN:978-952-383-400-2>.

10 Han Xiao (2025) "The roots of democracy: insight from ancient Greek and Chinese philosophy". The Embassy of the People's Republic of China in Cyprus website. [https://cy.china-embassy.gov.cn/eng/kjw/202508/t20250805\\_11683109.htm](https://cy.china-embassy.gov.cn/eng/kjw/202508/t20250805_11683109.htm).

## China and global governance

The *wang-ba* ideology underpinning Yan Xuetong's moral realism has prevailed in Chinese politics for centuries. During the imperial period, it was said that the way of the king and the way of the hegemon were not that different, but rather two sides of the same governance coin. By revisiting this tradition, Yan has brought the discussion regarding the *wang-ba* ideology up to date, prompting the question of how much of it remains in China today.

In recent years, China has launched four global initiatives aimed at supporting the building of a global community of shared future. The initiatives constitute a major goodwill campaign, and at least at the rhetorical level they are aimed at cooperation rather than rivalry. China deserves credit for attempting to introduce constructive and positive thinking into international relations. However, the initiatives are closely related to China's core interests, such as maintaining state sovereignty and safeguarding Communist Party rule.<sup>11</sup>

The most recent initiative discusses global governance. The Concept Paper on the Global Governance Initiative<sup>12</sup> begins by underlining the importance of the United Nations while lamenting the many challenges facing the UN and multilateralism. China's new initiative is meant "to promote the building of a more just and equitable global governance system and [to] work together for a community with a shared future for humanity". The initiative calls for commitment to the sovereign equality of state actors, international rule of law, and multilateralism, as well as the established values of a "people-centred approach" and a commitment to "real results". The latter refers in particular to the need to give priority to areas "where governance is in urgent need and scant supply, such as the reform of the international financial architecture, AI, cyberspace, climate change, trade, and outer space".

11 The first three initiatives are discussed in Kallio, Jyrki (2024) "China's global initiatives. Common security in the service of national interest". *FIIA Briefing Paper* 40. [https://fiia.fi/wp-content/uploads/2024/12/BP401\\_Chinas-global-initiatives.pdf](https://fiia.fi/wp-content/uploads/2024/12/BP401_Chinas-global-initiatives.pdf).

12 Ministry of Foreign Affairs News (2025) Concept Paper on the Global Governance Initiative. [https://www.fmprc.gov.cn/eng/xw/wjbxw/202509/t20250901\\_11699912.html](https://www.fmprc.gov.cn/eng/xw/wjbxw/202509/t20250901_11699912.html).

There is little to criticize in China's views on global governance at a textual level, with the possible exception of its lack of concrete proposals. Nevertheless, it should be remembered that the "true" multilateralism that China promotes means diminishing the role of Western powers in global governance. China's trading practices are often unfair, its commitment to the Universal Declaration of Human Rights is questionable and, like the United States, it does not recognize the compulsory jurisdiction of the International Court of Justice. Furthermore, China is expanding its military and nuclear arsenal, although it still lags far behind that of the United States. In consequence, China continues to be perceived as an ideational rival by the European Union, and even as the main adversary by the United States.

## Conclusions

Xunzi warned against taking pragmatism too far and turning it into opportunism. Chapter "Yi bing" of the *Xunzi* relates how the Prime Minister of Qin once boasted to Xunzi that the state of Qin had risen to hegemony not only because of its military strength, but also because it had always done what was most befitting and justified in the given circumstances. Xunzi replied that such thinking was short-sighted and had left Qin in constant danger of other states joining hands in retaliation against it. A solid foundation for hegemony could only be built on morality, he added.

**“There is a risk that China might outwardly adhere to humane authority in the future, while inwardly relying on the hegemony toolkit.”**

Just a few decades after this encounter, in 221 BCE, Qin managed to unify the empire by subjugating all the other states militarily. This was not the outcome that Xunzi had hoped for, as Qin did not follow the way of true kingship in the least, and ignored Confucian advisors. Later, imperial China's rulers continued to base their politics on the severe laws and punishments inherited from the Qin dynasty, while paying lip service to the benevolent Confucian virtues. Imperial China was thus Confucian only in appearance. Today, there is a risk that China might

outwardly adhere to humane authority in the future, while inwardly relying on the hegemony toolkit. Yan Xuetong seems aware of such a risk given the growing nationalism in his country, as he has openly criticized Chinese young people for their baseless sense of superiority and uniqueness in relation to other countries.<sup>13</sup>

Only time will tell what kind of path contemporary China will choose to traverse: will it further its goals through military force, political and economic might, or trustworthiness and justness? The United

States' withdrawal from a number of international organizations and increasing fickleness are creating an opening for other actors to take the lead. China's behaviour currently appears much more predictable by comparison. Trustworthiness needs to be earned, however, and soft power is hard to fabricate. The Communist Party leadership and its short- or long-sightedness will decide whether China will be able to seize the opportunity and demonstrate the kind of moral leadership that the world is currently so sorely missing. 🟡

13 Yan Xuetong (2022) *Linglinghou jugaolinxia kan shijie. Youyuegan qiang, Zhong-Wai liangfen, Xifang xie'e* [The post-2000 generation looks down on the world, feeling strongly superior, seeing China and foreign countries as opposites, and the West as evil]. *Jinri toutiao*, <https://toutiao.com/video/7055209080746410510>.

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