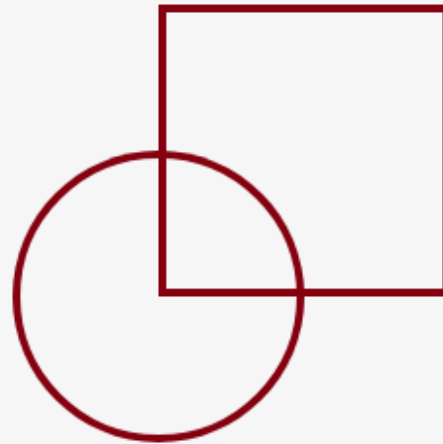


THE PAPERS OF LA LIGNE FINE N°2



LA LIGNE FINE

Institut

The balance of power in the twenty- first century

Series: Strategic Foundations

Authors: Alek UMONT
Published Date: April 9, 2026

Executive Summary

The balance of power in the twenty-first century can no longer be understood according to the classic model of a system composed of a few relatively comparable great powers, containing each other through alliances, diplomatic counterweights and deterrence. The very matter of power has changed. It is now heterogeneously distributed among several distinct domains – military, monetary, industrial, technological, logistical, normative – so that no single actor dominates everywhere, but several can block, constrain or destabilize essential segments of the international system¹²³.

The real issue is therefore not the "return" of a balance of power in the historical sense, but the growing difficulty of stabilizing a system in which sectoral asymmetries can be converted into systemic vulnerabilities. The United States retains an unparalleled financial, monetary and alliance centrality; China has a first-rate economic and industrial mass; Russia remains capable of unbalancing entire theatres despite a narrower economic base; and some intermediary actors acquire disproportionate weight because they control a strait, a resource, a critical chain, or a technology platform⁴⁵.

Under these conditions, contemporary equilibrium is no longer based on a general parity between poles, but on a continuous work of limiting the effects of domination and correcting critical dependencies. It is less necessary to prevent the rise of a comparable power than to prevent the conversion of local superiority – over foreign exchange reserves, semiconductors, technological standards, shipping routes or industrial infrastructure – into a sustainable systemic advantage. The world today is therefore neither unipolar in the full sense, nor bipolar in the strict sense, nor multipolar in the stabilized sense. It is structured by partial, reversible and often competing equilibria⁶⁷⁸.

Introduction

To speak of a "balance of power" in the twenty-first century presupposes first of all to get rid of an illusion of continuity. The term is old, but the object it designates has changed. For a long time, the balance referred to a relatively legible representation of the international system: a few major states, comparable in their strategic status, military resources and diplomatic capacity, contained each other in a framework of orderly rivalry. This image is no longer enough. Power can no longer be aggregated into a single unit. It is split between dimensions that do not overlap, do not evolve at the same pace and do not automatically convert into each other.

Three trends are enough to measure this shift. The first is the persistence of high military concentration: global military spending reached \$2,718 billion in 2024, up 9.4% year-on-year, which according to SIPRI is the strongest annual increase since at least 1988⁹. The second is the growing ambivalence of the economic hierarchy: IMF data show that in GDP at purchasing power parity, China is surpassing the United States, signaling a relative redistribution of the economic masses, without abolishing American pre-eminence in other areas. The third is the persistence of high global interdependence: according to the WTO, the volume of world merchandise trade grew by 4.6% in 2025, confirming that geopolitical fragmentation does not equate to general decoupling¹⁰.

¹ Stockholm International Peace Research Institute [SIPRI], 2025, <https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024>

² International Monetary Fund [IMF], 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

³ World Trade Organization [WTO], 2026, https://www.wto.org/english/res_e/publications_e/gtos0326_e.htm

⁴ IMF, 2025, <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>

⁵ Organisation for Economic Co-operation and Development [OECD], 2025, https://www.oecd.org/en/publications/competition-in-artificial-intelligence-infrastructure_623d1874-en/full-report/component-5.html

⁶ IMF, 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

⁷ WTO, 2026, https://www.wto.org/english/res_e/booksp_e/gtos0326_e.pdf

⁸ OECD, 2025, https://www.oecd.org/en/publications/competition-in-artificial-intelligence-infrastructure_623d1874-en/full-report/component-5.html

⁹ SIPRI, 2025, <https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024>

¹⁰ WTO, 2026, https://www.wto.org/english/res_e/booksp_e/gtos0326_e.pdf

The problem of the century is therefore not the absence of equilibrium, but the change in its nature. The twenty-first century does not see the return of a homogeneous balance of power. He sees the installation of a system in which stability depends on the permanent management of sectoral imbalances, intersecting dependencies and concentrated points of vulnerability. It is this mutation that must be understood.

I. The real issue is not the return of balance, but the transformation of power

The most misleading reading consists in believing that the world is simply emerging from a unipolar parenthesis to rediscover, in an expanded form, a classic logic of balance between great powers. This analogy is reassuring because it is familiar. But it blurs more than it illuminates. It presupposes that the central players are comparable in their power structure. But they are not. The United States, China, Russia, the European Union and several regional powers do not occupy the same position depending on whether we look at military projection, financial centrality, industrial depth, technological mastery, capacity to cause harm or control of flows¹¹¹².

The United States retains a structuring advantage in three decisive areas. The first is military: their projection capacity and their system of alliances remain unparalleled on a global scale, in a general context of rising defence spending¹³. The second is monetary: according to the IMF's COFER data for the fourth quarter of 2025, the dollar still accounts for 56.77% of the world's allocated foreign exchange reserves, far ahead of other currencies¹⁴. The third is financial and institutional: American centrality continues to structure access to liquidity, markets and instruments of economic coercion, even if this centrality is more contested than it was twenty years ago¹⁵.

China, on the other hand, embodies a different configuration of power. IMF data indicate that it exceeds the United States in GDP at purchasing power parity, reflecting a considerable economic and productive mass. But this mass does not automatically convert into systemic domination. Beijing has neither a reserve currency comparable to the dollar – the renminbi represents only 1.95% of the foreign exchange reserves allocated in the fourth quarter of 2025 according to the IMF – nor a network of alliances of the same depth¹⁶. The rise of China does not therefore eliminate the asymmetry of the system; it recomposes it.

Russia, for its part, reminds us that a power can influence the balance of the system without organizing its center. Its economic weight is limited compared to the United States or China, but its military, nuclear and destabilization capabilities allow it to impose disproportionate strategic costs. As for the European Union, it remains a major player in terms of its market, standards and regulatory capacity, but is still struggling to convert this economic centrality into a unified strategic power. The decisive point is there: the system does not oppose comparable poles. It articulates different forms of power, unequally convertible, and often asymmetrical in their effects.

II. The contemporary balance is a balance of intersecting vulnerabilities, not of general parity

This is where the real analytical shift lies. In the classical framework, the balance of power was mainly based on the ability to contain a rival of comparable rank. In the contemporary context, it is rather a question of preventing sectoral superiority from being transformed into a

¹¹ IMF, 2025, <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>

¹² SIPRI, 2025, <https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024>

¹³ SIPRI, 2025, <https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024>

¹⁴ IMF, 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

¹⁵ IMF, 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

¹⁶ IMF, 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

lever of systemic domination. The equilibrium is no longer that of homogeneous masses; it becomes one of intersecting vulnerabilities.

Semiconductors offer a particularly enlightening example. The OECD points out that in 2024, TSMC controlled more than 60% of the global market for chip manufacturing contracts, and 90% when we limit ourselves to the most advanced chips¹⁷. Such concentration means that a localized point in the technology chain can become a point of global vulnerability. It is no longer only military superiority that structures the balance; they are also industrial, technological and logistical nodes whose disruption can disrupt entire ensembles.

The same logic applies in the monetary field. The fact that the dollar still accounts for more than half of the world's official reserves does not only mean that the United States remains strong; it means that the international financial architecture remains partially organized around a monetary center capable of exerting a diffuse but powerful constraint on the rest of the system¹⁸. In such a context, the balance does not depend solely on the distribution of armies or GDP. It also depends on the control of infrastructures of centrality, i.e. positions from which a player can impose costs, slow down flows, orient standards or sanction dependencies.

This is also what explains the growing role of the middle powers. Their influence does not come from global domination, but from a capacity for arbitration. They take advantage of their position in the flows: straits, energy hubs, logistics corridors, industrial platforms, critical resources, regional interfaces. In a system of intersecting dependencies, those who cannot dominate can nevertheless block, bid, delay or negotiate on more favourable terms. The balance of the twenty-first century is therefore less a balance of parity than a balance of reciprocal sensitivity.

III. Interdependence has not disappeared; it has become the very place of the balance of power

Another mistake is to oppose globalization and strategic rivalry too simply. The contemporary world has not decoupled. It remains deeply interdependent. According to the WTO, world merchandise trade grew by 4.6% in 2025, while total world trade in goods and services grew by about 4.7%.¹⁹ These data show that geopolitical competition does not automatically destroy trade. Rather, they indicate that the political status of the exchanges is changing.

Interdependence is no longer presumed to be peaceful. It becomes ambivalent. It can produce growth, but also coercion. It can increase economic efficiency, but also expose it to dependency shocks. This is why the rise in military spending coexists with the return of industrial policies, export controls, friendshoring and supply security strategies. The system is not falling into autarky or into a perfectly compartmentalized Cold War. It enters into a regime of strategic compartmentalization: links are maintained when their usefulness exceeds their risk, those that become too costly politically are reconfigured, and dependencies deemed exploitable by the adversary are tried²⁰²¹.

This evolution profoundly changes the notion of balance. In a world of politicized interdependence, stability is no longer just about avoiding direct confrontation. It also involves containing the systemic effects that a local shock can produce across value chains, technological standards, international finance or critical infrastructure. Equilibrium thus

¹⁷ OECD, 2025, https://www.oecd.org/en/publications/competition-in-artificial-intelligence-infrastructure_623d1874-en/full-report/component-5.html

¹⁸ IMF, 2026, <https://data.imf.org/en/news/imf%20data%20brief%20march%2027>

¹⁹ WTO, 2026, https://www.wto.org/english/res_e/booksp_e/gtos0326_e.pdf

²⁰ SIPRI, 2025, <https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024>

²¹ WTO, 2026, https://www.wto.org/english/res_e/booksp_e/gtos0326_e.pdf

becomes a continuous work of limiting propagations, not a stable state once and for all reached.

IV. The current system is neither unipolar, nor bipolar, nor multipolar in the stabilized sense

The combination of these traits prohibits three overly simple diagnoses. The first would be to talk about unipolarity. Of course, the United States retains major advantages in terms of military, monetary and alliances. But the rise of China, the resilience of certain nuisance actors, and the proliferation of blocking centers prevent us from considering that Washington can organize the international system on its own, as it did in the aftermath of the Cold War.

The second diagnosis, which is too simple, would be that of pure bipolarity. It is true that the Sino-American rivalry structures a growing part of the system. But it is not exhausting its momentum. It does not dissolve Russia's disruptive role, nor the room for manoeuvre of the middle powers, nor the ability of other actors to influence standards, markets or critical chains. The centrality of the Washington-Beijing face-off is therefore not enough to bring the world back to an orderly duel between two closed blocs.

The third diagnosis, finally, would be to conclude that there is a stabilized multipolarity. This is probably the most common mistake. True multipolarity would require a minimum of shared rules, recognized red lines, effective deconfliction mechanisms and compromises robust enough to organize competition. However, the available sources describe a system traversed by competing norms, modular alliances, transactional adjustments and partial equilibria, often revisable. The world today therefore resembles less a stabilized multipolar order than a plurality of fragile sub-equilibria.

V. What it forces to see

The strategic consequence of this diagnosis is clear. The problem of the twenty-first century is not only the redistribution of power; it is the growing impossibility of aggregating it in a simple architecture. The major players are neither equivalent nor substitutable. Their advantages are specialized. Their vulnerabilities are intersected. And their rivalries unfold on interlocking stages, where a local lead can produce a global effect. The balance of power does not disappear, but it ceases to be an equilibrium of general parity. It becomes a mechanism for permanent correction of the most dangerous imbalances.

It also means that international stability is based less on the recognition of a shared order than on the ability to prevent certain power conversions. Prevent monetary centrality from turning into total eviction. Prevent a technological concentration from becoming an absolute dependence. To prevent an industrial or logistical advantage from making it possible to disorganize the adversary in the long term. The heart of contemporary balance is there: not in symmetry, but in the limitation of domination.

Conclusion

The twenty-first century does not mark the return of a balance of power in the classic sense. It marks the end of its homogeneous form. The international system remains hierarchical, but its hierarchies are now sectoral, unevenly convertible and politically unstable. The United States retains structuring advantages; China has a first-rate economic and productive mass; Russia remains a power of imbalance; and the middle powers benefit from a growing capacity for arbitrage in flows and dependencies. The world has therefore not entered into an orderly multipolarity, but into a regime of lasting strategic heterogeneity.

The balance of power does not disappear. But it no longer designates a stable state between a few comparable poles. It refers to the incessant work of mastering systemic vulnerabilities in a world where power is dispersed, interdependence politicized and centers of

constraint multiplied. What must be understood is therefore not only that power is redistributed. It must be seen that this redistribution makes equilibrium both more necessary and more difficult to institute. This, no doubt, is the true strategic fact of our time.