



Status Politics and the Identity Formation of Emerging Powers: Interactions with International Institutions

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Abstract. The existing gap between the material power of emerging powers and the institutional recognition of the same has been the core issue in international relations. Realism, liberal institutionalism, and constructivism have all been found to have some shortcomings in explaining the motivations of emerging powers for seeking symbolic recognition instead of material benefits, and the role of the same in shaping the new identities of the emerging powers. To address the theoretical gap in the existing theories, the current research attempts to create a new analytical framework by combining the status politics theory and the Social Identity Theory, thereby creating a new framework of 'recognition gap-strategy selection-identity formation.' The new framework suggests that there are three strategies for the emerging powers: institutional integration, innovation, and contestation, depending on the recognition gap and the institutional openness. The implementation of the strategies creates a new feedback effect that either consolidates or undermines the new identities of the emerging powers. The current research attempts to prove its contribution by exploring the role of the differential responses of international institutions towards China and India in shaping the new identities of the same.

Keywords: Status Politics, Emerging Powers, Identity Formation, International Institutions, Social Identity Theory.

1 Introduction

While China has risen to become the second-largest economy in the world, its voting share in the International Monetary Fund (IMF) still remains significantly misaligned to its economic power; the 2023 Sixteenth General Review of Quotas, while increasing the total quotas of the IMF, failed to address the voting shares of the members [1]. Similar challenges are also being experienced in the case of India, which, being the fifth-largest economy in the world and the most populous country globally, still awaits concrete developments in the bid for permanent membership to the United Nations Security Council (UNSC) [2]. Brazil also faces similar challenges; while the country has become increasingly prominent in global climate governance, it still remains

marginalized in the decision-making processes of the major international financial organizations.

The major theoretical traditions in International Relations address the power transition and the institutional change from different angles. Nevertheless, each of the traditions has its own limitations. The realism tradition conceptualizes the role of international institutions in terms of power competition. It argues that emerging powers will either seize the existing international institutions or create their own. This tradition, however, fails to account for the fact that China has spent two decades seeking recognition from the International Monetary Fund (IMF) through compliance, while India has continued to pursue membership of the Nuclear Suppliers Group (NSG) despite repeated rejections without any material compensation [3]. The liberal institutional tradition focuses on the absolute gains from cooperation. It fails to account for the fact that emerging powers have invested considerable diplomatic capital in gaining symbolic positions without any material returns. The constructivist tradition focuses on the importance of identity formation through socialization. Nevertheless, this tradition has never conceptualized international institutions as the social sites of status hierarchies.

This study attempts to address the theoretical gap by using Social Identity Theory coupled with the concept of Status Politics to develop an analytical framework for understanding the role of identity formation. The basic assumption of the study is that the institutional strategies of emerging powers are driven by status considerations, while the implementation of the strategies affects the identity formation through recognition. The analysis will be conducted through the construction of the theoretical framework, the analysis of the identity formation mechanisms, the elaboration of the typologies of the strategies, and the dynamic processes.

2 Theoretical Framework: Status Politics, Social Identity, and Identity Formation

2.1 Status Politics and Recognition Dynamics

Status, in the context of international relations, is defined as “a state’s perception of its relative position within the hierarchical structure of the international system, including two dimensions, material capabilities and social recognition, which are closely linked.” [4] The material capabilities include quantified factors such as economic and military power, whereas the social recognition involves respect and prestige received from other members of the international community. It is noteworthy that the concept of status is relational, and it is not feasible for any state to acquire a certain position without receiving due recognition from members of the international community [5].

Mukherjee’s pioneering research on the concept of Status Politics within international institutions has clearly shown that rising powers seek positions within the hierarchy of international institutions based on strategic positioning, and when the growth of capabilities exceeds the growth of recognition, rising powers experience “status anxiety.” [6] This, in turn, leads to revisionist and reformist tendencies. In other words, the

gap between deserved and received recognition is the major factor for the strategy pursued within international institutions.

2.2 Social Identity Theory and Identity Formation Mechanisms

Social Identity Theory (SIT), based on the works of Tajfel and Turner on intergroup relations [7], offers the micro-foundational basis for understanding the impact of social recognition dynamics on the formation of identity. The fundamental proposition of the SIT is that individuals, as group members, act strategically to improve their group status in cases where they are not satisfied with their relative position.

The study by Larson and Shevchenko extended the SIT to the field of international relations and proposed three forms of status pursuit strategies, which include social mobility, social creativity, and social competition [8]. The present study extends the SIT by considering the formation of identity as a dynamic process influenced by the feedback from social recognition. The formation of identity, as discussed in the present study, has three forms, which include discursive stabilization, behavioral patterning, and recognition convergence. Table 1 presents the correspondences between the SIT and the formation of identity.

Table 1. Social Identity Theory Pathways and Identity Formation Mechanisms.

SIT Pathway	IR Strategy	Identity Effect	Formation Mechanism
Social Mobility	Institutional Integration	"Responsible stakeholder"	Socialization through compliance
Social Creativity	Institutional Innovation	"Institutional supplier"	Demonstration through institution-building
Social Competition	Institutional Contestation	"Order reformer"	Differentiation through challenge

2.3 Analytical Framework Integration

The analytical framework treats international institutions as social spaces that have the dual attribute of functional governance and status distribution. This means that institutional arrangements, such as membership qualifications, voting weights, and agenda-setting powers, have status-distributing effects, making them the central spaces of status competition and identity formation. The fundamental logic of the analytical framework is that recognition gaps inform strategic choices, strategy implementation influences identity formation, and identity formation in turn affects strategic choices. The two variables are: the size of the recognition gap and the openness of the institution.

3 Recognition Mechanism and Identity Dynamics in International Institutions

3.1 Multiple Dimensions of Institutional Recognition

Status recognition in international institutions occurs at three distinct layers, each of which has a differential effect on identity formation. The first layer is procedural recognition, which is represented by the voting weights and leadership positions within these institutions. The second layer is the recognition of the ideas of the state and the level of acceptance of its involvement in the processes of rule-making. The third layer is social recognition, which is the respect accorded by the state's peers and the level of consultation within the multilateral arena [9]. It is noteworthy that the differential effect of the three layers complicates the issue of choosing the best strategy for identity formation, as a state may have high recognition in some areas while low recognition in others. Table 2 provides a summary of the three dimensions of status recognition and the differential effect on identity formation.

Table 2. Recognition Dimensions and Identity Formation Pathways.

Dimension	Manifestation	Identity Impact	Examples
Procedural	Voting weights, leadership positions	Formal status marker	IMF quotas, UNSC seats
Normative	Idea adoption, rule participation	Ideational authority	"Shared future" in UN docs
Social	Peer respect, consultative centrality	Relational positioning	Mediation roles, G20 voice

3.2 Recognition Gap Operationalization

To operationalize these gaps, we compare capability shares with institutional representation. China's global GDP share of 17% compared with its voting share of 6.4% implies a ratio of 2.7:1, signifying severe gaps, whereas India's global GDP share of 3.6% compared with its voting share of 2.6% implies a ratio of 1.4:1, signifying mild gaps. Tentative thresholds: ratios of less than 1.5:1 signify mild gaps, ratios between 1.5:1 and 2.5:1 signify moderate gaps, and ratios of more than 2.5:1 signify severe gaps. These gap trajectories are as important as the gaps themselves; increasing gaps accentuate pressure for strategy escalation, whereas decreasing gaps support existing identity positions.

3.3 Institutional Openness Operationalization

Openness of the existing institutions is the willingness and capacity of the current institutions to incorporate new members and change the balance of power. The current

research proposes the following three measures of openness: the reform rate (quota reviews undertaken per decade), the number of vetoes by the current powers, and the rate of new memberships. The high openness rating (7-10) means that there are channels for reform; the moderate openness rating (4-6) means partial openness; the low openness rating (1-3) means obstruction. The rating for the IMF is moderate (successful 2010 quota reform, failed 2023 voting adjustment); the rating for the UNSC is low (no changes in permanent membership since 1945) [10].

4 Strategy Selection and Identity Formation

The interaction between the magnitude of the recognition gap and the institutional openness generates the strategy selection matrix. The three strategies are not mutually exclusive, and it is possible for the state to simultaneously apply different strategies for different issue areas, leading to multidimensional portfolios of identity. Fig. 1. demonstrates the strategy selection matrix generated by the interaction between the magnitude of the recognition gap and the institutional openness.

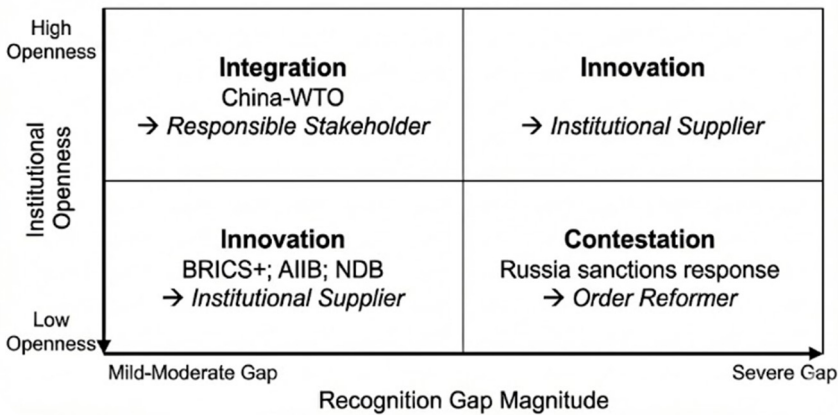


Fig. 1. Strategy Selection Matrix: Recognition Gap × Institutional Openness.

4.1 Institutional Integration and “Responsible Stakeholder” Identity

Institutional integration matches the social mobility model, and its logic centers on attaining the status recognition via active participation in the existing institutions. This model is applicable when the existing gaps in the recognition are at a mild to moderate level and the openness in the institutions is high. States using this model engage fully in the rule-making processes and international responsibility-taking, and pursue gradual reform through existing intra-institutional avenues. The mechanism of identity formation happens via socialization, where compliance over a period creates behavioral

patterns that turn into the role identity of the state. China's deep involvement in the World Trade Organization's dispute resolution mechanisms and India's attempt at engaging with the Nuclear Suppliers Group are examples of this model.

4.2 Institutional Innovation and “Institutional Supplier” Identity

When the recognition gaps reach the moderate and severe levels and the reform channels become blocked, the institutional innovation option takes on a significant dimension in the form of the social creativity pathway. At its core, this option involves the redefinition of the dimensions of comparison through the establishment of new institutional arrangements. The New Development Bank (NDB), which comprises Brazil, Russia, India, China, and South Africa (BRICS), and the Asian Infrastructure Investment Bank (AIIB) are examples of this approach, where these new institutions have defined themselves as supplements rather than alternatives to existing institutions [11]. The addition of Egypt, Ethiopia, Iran, and the United Arab Emirates (UAE) as full members in January 2024 and the establishment of the partner country category at the October 2024 Kazan Summit, where nine countries formally joined as partners in January 2025, signal the trend towards institutional innovation as the existing levels of the recognition gaps remain unresolved [12]. The mechanism of the identity formation is demonstrated in the form of the establishment of well-governed parallel institutions, which signal the ability to govern and the accumulation of the identity of the “institutional supplier”.

4.3 Institutional Contestation and “Order Reformer” Identity

Institutional contestation aligns with social competition and entails the following: it emerges under the conditions of severe and ever-expanding recognition gaps, low levels of institutional openness, and the perceived illegitimacy of the existing hierarchy. States using this approach directly contest the existing patterns in the distribution of statuses through the contestation of legitimacy narratives, normative contestation, and selective compliance [13]. The mechanism of identity formation is achieved through differentiation, as the alternative visions articulated by the new powers create new role positions as 'order reformers.' This is best exemplified by Russia's consistent critiques of the expansion of the North Atlantic Treaty Organization and its advocacy of 'multipolarity.'

4.4 Case Analysis: China's Identity Trajectory

The Chinese experience in the last three decades of dealing with international financial institutions is a useful example in understanding the dynamics of the framework and the processes of identity formation. In the context of the 1990s-2000s, the Chinese strategy in international financial institutions was characterized by institutional integration in a relatively open institutional environment. From the point of view of discursive practices, the Chinese official statements expressed the identity of a “responsible

developing country” in the context of the global financial architecture, implying the country’s recognition of the established hierarchical positions.

The global financial crisis of 2008 is an important turning point in the Chinese experience in international financial institutions. The Chinese rise in terms of capabilities and the stagnation of the IMF reform process, including the blocked quota agreement in 2010, were followed by the creation of the AIIB in 2014 and the NDB in 2015. The Sixteenth Review in 2023 increased the resources of the IMF but did not address the issue of voting shares. Moreover, the Seventeenth Review, scheduled for 2028, is also blocked. At the same time, the enlargement of the BRICS in 2024 is an important example of institutional innovation. From the point of view of discursive practices, the Chinese official statements expressed the identity of a “contributor to global governance” in the context of the global financial architecture, as implied in Foreign Ministry statements in the context of 2025.

The process of identity formation has three observable characteristics. Institutionally, for instance, the number of AIIB member countries has risen to over 110 by 2025, while the NDB has approved cumulative funding of over \$40 billion for over 120 projects in its member countries. Behaviorally, China’s institutional entrepreneurship in providing host country support for the AIIB headquarters, as well as providing chair for NDB meetings, has created patterned practices that reinforce the positioning identity of an “institutional supplier.” Recognition, on the other hand, is manifested by the incorporation of “community with a shared future for mankind” in UN documents, as well as China’s election into leadership positions in specialized agencies. Table 3 provides an overview of recognition gap profiles for key emerging economies.

Table 3. Recognition Gap Profiles and Strategy-Identity Configurations (2025).

Country	GDP Share	IMF Vote	Gap Ratio	Primary Strategy	Identity Position
China	17.0%	6.40%	2.7:1	Innovation + Integration	Institutional supplier
India	3.6%	2.63%	1.4:1	Integration	Bridge power

Sources: IMF World Economic Outlook (October 2025); IMF Voting Shares (2025)

4.5 Comparative Case: India’s Integration Pathway

India’s pattern of development provides an interesting contrast, which sheds light on the framework’s explanatory power. The recognition gap of India is less severe. The 3.6% of the global GDP compared to 2.63% of the IMF voting shares results in a 1.4:1 ratio, which is less than the moderate level. The more important factor is the perception of institutional openness. The IMF has repeatedly demonstrated a willingness to concede to India’s interests. Additionally, the democratic nature of India makes its integration into Western-dominated organizations more palatable. These factors contribute to a more conducive environment for integration than for innovation.

India has followed a consistent pattern of institutional integration into various international institutional spheres. The quest for permanent membership of the UNSC, the continued attempts to gain membership of the NSG despite repeated failures, and the

active engagement in the reform of the IMF's governance structure are examples of the social mobility approach. Unlike China, which shifted to institutional innovation after the recognition gap widened, India continued to rely on institutional integration as the main approach despite the challenges.

Concomitantly, the identity formation outcome varies. For instance, whereas the Chinese have succeeded in establishing an "institutional supplier" identity through the formation of the AIIB and the NDB, India has managed to establish a "bridge power" identity, positioning itself as a bridge between the developed and developing worlds, and between Western and non-Western institutions. This shows that although emerging powers experience similar identity status anxiety, the strategic responses may differ based on the magnitude of the recognition gap and openness, hence yielding differing identity formation outcomes.

5 Feedback Dynamics and Identity Consolidation

5.1 Positive Feedback and Identity Lock-in

In cases where strategy implementation is successful, there is a reduction in the recognition gaps, as well as enhanced identity positioning, and this self-reinforcing cycle leads to greater institutional embeddedness. This self-reinforcing cycle gradually leads to the formation of stable state identities, resulting in the 'identity lock-in' effect. An example of the 'identity lock-in' is the 'responsible major power' identity. This means that when integration strategy implementation is successful, there is greater procedural and social recognition, which in turn encourages states to take on greater international roles, reinforcing the 'responsible major power' identity. However, it is also important to consider the willingness of the established powers in providing the necessary recognition.

5.2 Negative Feedback and Strategic Escalation

Conversely, the experience of strategy frustration generates a reverse effect. The recognition gaps not only persist but also widen. Status identity anxiety intensifies. Confronting the experience of continued recognition deprivation, the emerging powers are likely to intensify their strategic actions, shifting from integration to innovation or contestation [14]. The shift from integration to innovation is subject to two conditions. The recognition gaps persist despite continued engagement for more than five years. Additionally, there is a visible decrease in institutional openness due to reform blockage. The experience of the 2010-2016 IMF quota reform blockage is an example. China's engagement in integration resulted in the achievement of a quota reform agreement. The blockage of the reform's implementation, however, prompted China's shift to the AIIB. The institutional responses to the emerging powers' engagement are strategic actions of the established powers. The contrast between the IMF's delayed but successful implementation of the 2010 quota reform and the UNSC's continued blockage of the reform is striking. The UNSC's continued blockage of the reform is a reflection of its continued closure to membership expansion. The responses of the institutional actors

to the emerging powers' engagement have a direct bearing on the emerging powers' subsequent strategic actions. The responses of the institutional actors to the emerging powers' engagement in integration are strategic actions of the established powers. Status recognition is not only sought by the emerging powers but is also selectively supplied or denied by the established powers through institutional mechanisms.

5.3 Strategy Combination and Multidimensional Identity

However, the formation of identity in empirical practice is far more complex than the simple loops suggest. The same emerging power simultaneously adopts multiple strategies in various issue areas, giving rise to a multidimensional identity landscape. The same state can emerge as a “system integrator” in economic domains, a “normative challenger” in security domains, and an “institutional innovator” in development domains. These identities are in tension with each other but are not mutually exclusive; the patterns of combining them are constantly changing as the recognition gaps vary differentially across fields. The formation of identity does not follow a predetermined linearity; rather, there are nonlinear patterns. Fig. 2 depicts the dynamic feedback loops between the three elements.

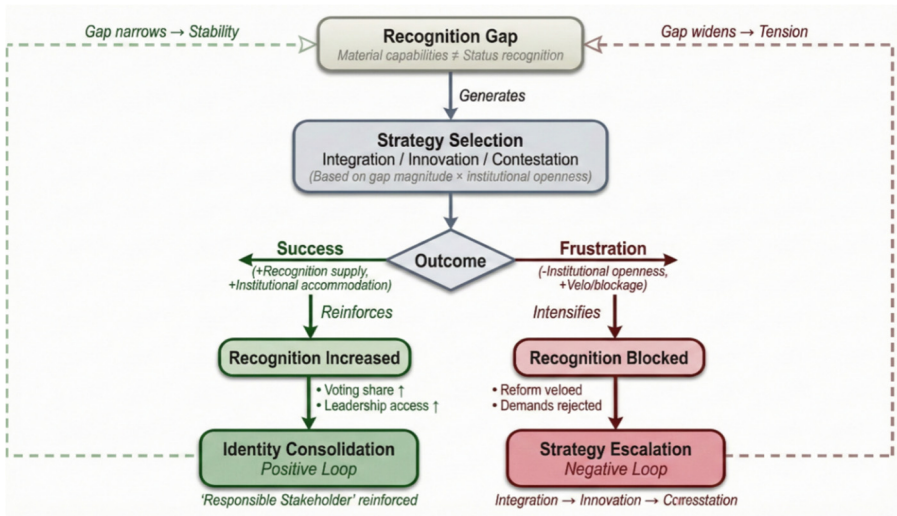


Fig. 2. Dynamic Feedback Model of Strategy-Recognition-Identity Formation.

Table 4 provides a comprehensive comparison of the three institutional strategies across key dimensions:

Table 4. Comparative Overview of Three Institutional Strategies.

Dimension	Integration	Innovation	Contestation
SIT Pathway	Social Mobility	Social Creativity	Social Competition

Conditions	Mild gap + High openness	Moderate gap + Low openness	Severe gap + Perceived illegitimacy
Identity Effect	"Responsible stakeholder"	"Institutional supplier"	"Order reformer"
Formation Mechanism	Socialization through compliance	Demonstration through building	Differentiation through challenge
Primary Risks	Dependence on reform willingness	Resource dispersion	Reputational damage
Cases (2020-2025)	India NSG; China WTO	AIIB; NDB; BRICS+	Russia sanctions response

6 Conclusion

This research provides a novel theoretical approach for understanding the institutional behavior of emerging powers through an analysis of identity formation as an outcome and antecedent of their strategic decisions. The status politics approach helps identify status recognition motivations for institutional participation that have remained invisible for other theories, reconceptualizing international institutions from merely functional platforms to social spaces for status allocation and identity creation. The integration of Social Identity Theory provides a robust micro-foundational basis for the strategy typology, allowing the tripartite classification to go beyond empirical induction and reach deductive logical justification.

The key novelty of this framework is the theorization of identity formation mechanisms: socialization through compliance (integration), demonstration through building institutions (innovation), and differentiation through challenging institutions (contestation). Recognition gaps function as intermediary variables between structural factors and actor decisions, thus resolving the conflict between materialism and constructivism. The operationalization of both recognition gaps and institutional openness makes it possible for comparative analysis.

These theoretical arguments have important policy implications. For the established powers, the most viable path to recognition is through voting adjustments, as in the 2016 reform of the IMF. UNSC blockage, on the contrary, illustrates the effects of denial in fostering new international institutions. For the emerging powers, the model emphasizes the need to avoid escalation in the absence of institutionalized recognition. The current direction in the strategies of the emerging powers sends a mixed signal. The accommodation in the area of financial governance is a step in the right direction, whereas the area of security governance remains closed. For a stable equilibrium to be achieved, change is necessary. The comparison between China and India illustrates that the effects of the recognition gap differ depending on the level of institutional openness. Both China and India have different identity trajectories, despite the similarity in the initial conditions. The importance of the institutional responses to the strategies of the emerging powers in understanding the two-way nature of the link between status politics should be noted.

This research has some limitations. Although the framework has provided a guide for the analysis of the problem, there is a need for more precise measurement of the recognition gaps. The research could have more sufficiently controlled for the effect of domestic political factors on the strategies of the emerging powers, as well as the interactive effect of status politics and other drivers of foreign policy.

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