

### AMERICA'S CHALLENGE Engaging a Rising China in the Twenty-First Century

*Executive Summary*

#### The Book in a Nutshell

China's importance to America's national security has grown significantly in the last decade and yet many issues between the two countries continue to be dealt with in an ad hoc rather than strategic manner. Michael Swaine's new book, *America's Challenge: Engaging a Rising China in the Twenty-First Century*, is the first comprehensive examination of America's engagement with China in every major field, from human rights to sea primacy.

The relationship between the United States and China is the most important bilateral relationship in the world for three main reasons:

**China's rapid rise as an economic superpower:** China is now the world's most populous country, the world's largest exporter, and the world's second largest economy after the United States.

**China's growing political clout:** China exerts unique influence on issues of global and mutual concern such as the stability of the global financial system, the environment and climate change, movement of people, and associated threats such as disease.

**China's power projection:** China now seeks to play an increasing role militarily and economically in the Western Pacific, a traditional sphere of influence for the United States.

Traditionally, the United States has taken a twin track approach to China:

- To maximize China's cooperation with vital U.S. interests
- To dissuade China from actions that could undermine those interests

But under the rapidly changing dynamics between the two superpowers, it is questionable whether this simple duality is sustainable any longer in its current form. As the world's predominant political, economic, and military force, the United States faces a significant challenge in responding to China's rising power and influence, especially in Asia. This challenge will require a reassessment of America's fundamental strategic assumptions and relationships. The most successful approach in the twenty-first century will be a process that places a clear and enduring emphasis on cooperation and mutual accommodation—rather than rivalry or hedging—in virtually every policy sphere. Such an effort will demand considerable foresight, enormous commitment, sustained diplomatic acumen, and real political courage on both sides.

#### Recommendations for U.S. Policymakers

- Examine serious alternatives to the existing strategy of U.S. predominance in the Western Pacific. Alternatives might include "selective engagement," "offshore balancing," or "cooperative security."
- Establish a more far-reaching U.S.-China strategic dialogue on a quasi-official track-II level that focuses on long-term interests and intentions and on what steps each country can take to avert growing security competition.

- Resolve the Futenma basing issue with Japan to improve U.S.-Japan ties, while encouraging cooperative relations between Japan and China using Washington's leverage as a key ally of Tokyo. As part of this strategy, Washington should move forward with a U.S.-Japan-China trilateral dialogue.
- Consider negotiating directly with China, in consultation with Taiwan, a set of mutual assurances regarding Chinese military deployments and major U.S. defense sales to Taiwan—linked to the eventual opening of a cross-strait political dialogue on the status of Taiwan.
- Actively engage in multilateral Asian forums and dialogues and welcome China's involvement in regional security arrangements.
- Seek ways to strengthen U.S.-China military-to-military relations, while improving America's early warning capabilities in the Western Pacific.
- Continue to draw China deeper into the global financial system while at the same time pushing for free trade agreements between the United States and other Asian nations.
- Prioritize low-profile engagement and back channels to seek further Chinese cooperation on human rights issues, and do not make China's transformation into a democracy a strategic objective of U.S. policy.
- Invest in personal relationships with Chinese officials to reduce fear and misconceptions about each other's intentions and interests, always recognizing the importance China attaches to protocol, respect, and "saving face."
- Restore America's own economic and technological prowess. Without this, Beijing's perception of America as a declining power will make effective engagement harder.

**ABOUT THE AUTHOR:**

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