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U.S.-CHINA COMPETITION FOR GLOBAL INFLUENCE

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Overview

The Return of U.S.-China Strategic Competition

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EXECUTIVE SUMMARY

This chapter analyzes the progression of China into a strategic competitor to the U.S. and the geopolitical implications of this evolving development.

MAIN ARGUMENT

Under the Trump administration, the U.S. has shifted from viewing China as a strategic partner to a strategic competitor. The administration has challenged China in five key areas: control over the Indo-Pacific rimland, trade and the economy, China's quest for alternative technical standards, the pursuit of technological dominance, and Chinese military advancement. However, this contestation is complex due to both the close economic relationship between the U.S. and China and the interconnectedness of global trade networks. Nonetheless, states are attempting to exploit the growing U.S.-China competition for their own benefit, avoid being penalized by it, or use each rival to protect their own national interests.

POLICY IMPLICATIONS

- The U.S. must act like a responsible hegemon by recommitting to uphold the liberal international order built by U.S. power, provide the global public goods that bestow legitimacy upon its primacy, and strengthen its power-projection capabilities to protect its allies and friends.
- The U.S. should use coordinated action with allies to confront China's trade malpractices while simultaneously expanding plurilateral free trade agreements to accelerate U.S. economic growth and deepen the U.S. relationship with its partners.
- The U.S. should pursue targeted decoupling of the U.S. and Chinese economies, mainly in order to protect its defense capabilities rather than seeking a comprehensive rupture that would fracture global trade networks, impose economic losses on the U.S. and its allies, and strengthen Beijing's determination to establish its own trading bloc.

The Return of U.S.-China Strategic Competition

Ashley J. Tellis

After a little over two decades of simmering geopolitical suspicion between Washington and Beijing, President Donald Trump's administration finally declared China to be a major strategic competitor of the United States. The December 2017 National Security Strategy plainly described China as a "revisionist" power that "seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model, and reorder the region in its favor."¹ The summary of the National Defense Strategy issued subsequently by the U.S. Department of Defense elaborated on this assessment by declaring that "China is a strategic competitor" and further noting:

China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future.²

This transformation of China from an ambiguous partner to a strategic rival was a long time coming. The Trump administration only articulated

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¹ White House, *National Security Strategy of the United States of America* (Washington, D.C., December 2017), <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

² U.S. Department of Defense, "Summary of the 2018 National Defense Strategy of the United States of America: Sharpening the American Military's Competitive Edge," January 2018, <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

boldly what both the George W. Bush and the Barack Obama administrations feared as a possibility but hoped to avoid through deepened engagement and prudential hedging. Yet this aspiration was unlikely to ever be realized because, irrespective of what the United States tried or did, the steady growth of Chinese power since the reforms began in 1978 would have bestowed on Beijing greater influence and control over the Indo-Pacific space at Washington's expense—this, in turn, enabling China to seek parity with, if not supplant altogether, the United States globally.³

This chapter analyzes the progression of China as a strategic competitor of the United States and the geopolitical implications of this evolving development. Toward that end, it is divided into four major sections. The first section assesses why the U.S. quest for a partnership with China was fated to fail once China's growth in economic capabilities was gradually matched by its rising military power. The second section explores why the United States took so long to recognize that China was in fact steadily becoming a strategic competitor, even though that was increasingly evident after the end of the Cold War. The third section describes the contours of the Trump administration's current confrontation with China and elaborates its significance for U.S. interests. The fourth section summarizes the chapters gathered together in this volume—whose theme is the impact of U.S.-China competition on the global system—to underscore the point that most states enjoy significant agency, which enables them to pursue choices that go beyond exclusive solidarity with either the United States or China in the ongoing Sino-U.S. rivalry. The conclusion argues that the Trump administration should consider significant correctives to its current strategy for confronting China if the United States is to secure enduring strategic advantages over the long term.

The Doomed Quest for a U.S.-China Strategic Partnership

Although U.S.-China relations had gradually improved despite numerous hiccups since President Richard Nixon's landmark 1972 visit to China, the quest for a "constructive strategic partnership" received a decisive boost during President Bill Clinton's administration, when "comprehensive engagement" became the watchword for growing ties between the two countries.⁴

³ Ashley J. Tellis, *Balancing Without Containment* (Washington, D.C.: Carnegie Endowment for International Peace, 2014), 1–15.

⁴ "Joint U.S.-China Statement," White House, October 29, 1997, https://1997-2001.state.gov/regions/eap/971029_usc_jtstmt.html.

This phrase signaled the United States' desire to sustain a relationship that could survive disagreements about China's human rights practices—an issue that became particularly important after the Tiananmen Square massacre—and led in time to a dramatic deepening of bilateral economic ties and China's systematic integration into the liberal international economic order built and preserved by U.S. hegemony. These developments, in turn, contributed to the acceleration of China's growth in power. Despite the misgivings generated by this development, successive administrations in Washington sought to sustain a productive partnership with Beijing on the presumption that assuaging its fears about any U.S. desire to suppress China's rising power would protect bilateral cooperation and preserve broader stability in the Indo-Pacific region.

Consistent with this expectation, President Bush told the Chinese people in 2002 that “my nation offers you our respect and our friendship,” believing that all the changes he perceived within China would “lead to a stronger, more confident China—a China that can astonish and enrich the world.”⁵ Speaking in a similar vein, President Obama went one step further when he declared that “the United States welcomes the rise of China as a prosperous, peaceful and stable state. I want to repeat that.... We welcome the rise of a prosperous, peaceful and stable China.” In emphasizing this idea, he noted that “over recent decades the United States has worked to help integrate China into the global economy—not only because it's in China's best interest, but because it's in America's best interest, and the world's best interest. We want China to do well.”⁶

These sentiments are fundamentally consistent with the liberal worldview that generally dominates U.S. policymaking. It presumes a harmony of interests in international politics and, accordingly, concludes that the aims of both established and rising powers can be reconciled without unyielding conflict. Weaker versions of this conception hold that conflicting interests can be mitigated if the parties involved make conscious efforts to compromise, thereby defusing what would otherwise degenerate into malignant rivalry.⁷

In the case of U.S.-China relations, liberal optimism played an important role in leading Washington to support Beijing's ascent to power long after it

⁵ “President Bush Speaks at Tsinghua University,” White House, Office of the Press Secretary, February 22, 2002, <https://georgewbush-whitehouse.archives.gov/news/releases/2002/02/20020222.html>.

⁶ “Remarks by President Obama at APEC CEO Summit,” White House, Office of the Press Secretary, November 10, 2014, <https://obamawhitehouse.archives.gov/the-press-office/2014/11/10/remarks-president-obama-apec-ceo-summit>.

⁷ For good examples of such an expectation, see Lyle J. Goldstein, *Meeting China Halfway: How to Defuse the Emerging U.S.-China Rivalry* (Washington, D.C.: Georgetown University Press, 2015); and James Steinberg and Michael E. O'Hanlon, *Strategic Reassurance and Resolve: U.S.-China Relations in the Twenty-First Century* (Princeton: Princeton University Press, 2014).

was necessitated by the exigencies of the Cold War.⁸ Thus, since the Clinton presidency, the United States has provided China with asymmetric access to the U.S. market, while U.S. firms have used their capital and technology to build a manufacturing base in China. Over time, this would enlarge their markets and profitability even as it simultaneously raised China's living standards, its technological capabilities, and ultimately its national power.

Such mutually productive intercourse, it was assumed, would deepen economic ties between the two countries and thereby diminish the political irritants that might otherwise inflame bilateral relations. Since the expansion of political liberty was also assumed to be a natural byproduct of economic openness, the expectation that China would slowly evolve toward democracy gained strength as well, and this possibility further reinforced the conviction that peaceful relations between the two countries were possible. Economic interdependence and the possibility of democratization in China would, taken together, consequently defuse the prospect of a lethal rivalry—the kind that marked the interactions previously witnessed between all hegemonic powers and their rising challengers.⁹

These expectations, however, progressively came to naught in the case of the United States and China for three reasons. First, despite the widespread expectation that bilateral differences could be managed, if not actually reconciled, the divergences in Chinese and U.S. interests sometimes proved to be acute, especially on key strategic issues. For example, China and the United States have fundamentally different aims regarding Taiwan. China believes that Taiwan is inherently part of China, and accordingly Beijing reserves the right to use force if required to prevent any formal assertion of independence by Taipei. In contrast, the United States is strictly speaking agnostic about the Chinese claim and seeks only to prevent the use of force to change the current status quo.¹⁰ While these mismatched aims could be managed for a while, they are increasingly hard to harmonize. Taiwanese democracy, the demographic dominance of the indigenous Taiwanese population, and the dramatic increases in prosperity have pushed the island toward either seeking to preserve the status quo indefinitely (the preference of the majority) or even contemplating independence (the desire of a significant minority)—at

⁸ An excellent early review of the dilemmas facing U.S. policymakers about managing China can be found in Richard K. Betts, "Wealth, Power, and Instability: East Asia and the United States after the Cold War," *International Security* 18, no. 3 (1993/1994): 34–77.

⁹ *Ibid.* See also, Kurt M. Campbell and Ely Ratner, "The China Reckoning: How Beijing Defied American Expectations," *Foreign Affairs*, March/April 2018.

¹⁰ The complex issues implicated herein are reviewed masterfully in Alan D. Romberg, *Rein In at the Brink of the Precipice: American Policy toward Taiwan and U.S.-PRC Relations* (Washington, D.C.: Henry L. Stimson Center, 2003).

exactly the time when rising Chinese power has resulted in Beijing seeking to complete its nationalist project of “reunification.”¹¹

Similarly, China, as the most powerful state in Asia, seeks to preserve its periphery as a sanctuary free from the presence of competitors and other security threats.¹² All great powers in history, including the United States, have sought to maintain such zones of privileged influence along their frontiers, and China is no different. But this ambition strikes directly at the interests of other major states located around China’s borders, such as Japan, South Korea, and India, all of which want to limit China’s military reach and capacity to threaten their security and autonomy.¹³ Because the United States is obligated by its alliance ties to defend Japan, South Korea, and the Philippines, and because it arguably is motivated by its interests to preserve India’s well-being, Washington cannot acquiesce to Beijing’s desire to maintain a periphery either that is free of U.S. presence or where China’s neighbors are neutered in order to satisfy Chinese preferences.

Second, although Washington’s hope that the liberal vision of international politics might finally prevail was understandable, it stood little chance of realization given China’s troubled history. Spanning nearly four thousand years, the country’s recorded past is marked by unrest, violence, intranational conflicts, and foreign invasions.¹⁴ The lessons imbibed by Chinese elites from this experience is that order is rare and must be produced by an accumulation of power that is sufficient both to uphold monadic rule within the state and to provide a measure of predominance vis-à-vis its neighbors. Such an understanding of political necessity would inevitably drive China, as circumstances permitted, toward building up its national power and using it first for authoritarian ends within China itself and thereafter to construct an Asian hierarchy with China at its apex in order to ward off those threats that might otherwise endanger Beijing.¹⁵

While these remedies suffice to undermine the liberal vision of what constitutes good order both inside and outside China, the more recent memory of the “century of national humiliation” threatens the hope for

¹¹ For a sobering overview, see Richard C. Bush, “Danger Ahead? Taiwan’s Politics, China’s Ambitions, and U.S. Policy,” Brookings Institution, April 15, 2019, <https://www.brookings.edu/on-the-record/danger-ahead-taiwans-politics-chinas-ambitions-and-us-policy>; and Brendan Taylor, *Dangerous Decade: Taiwan’s Security and Crisis Management*, Adelphi Series 470 (New York: Routledge, 2019).

¹² Michael D. Swaine and Ashley J. Tellis, *Interpreting China’s Grand Strategy: Past, Present and Future* (Santa Monica: RAND Corporation, 2000), 9–20, 97–150.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ See Christopher A. Ford, “Realpolitik with Chinese Characteristics: Chinese Strategic Culture and the Modern Communist Party-State,” in *Strategic Asia 2016–17: Understanding Strategic Cultures in the Asia Pacific*, ed. Ashley J. Tellis, Alison Szalwinski, and Michael Wills (Seattle: National Bureau of Asian Research [NBR], 2016), 29–62.

China's peaceful rise conclusively. The birth of the People's Republic of China (PRC) itself was a long-gestating reaction to the colonial penetration of China. Colonialism produced a multitude of ills for China, including humiliating defeats in wars with neighboring countries and various European powers as well as losses of territory that were formalized in what China refers to as "unequal treaties."¹⁶ Inasmuch as the contemporary Chinese state represents a desire to recover the greatness that China once enjoyed in Asia and globally, the revanchist impulse is indelibly etched into its governing regime's psychology: only the full retrieval of its claimed territories would satisfy China's desire for rejuvenation. Yet this ambition, almost by definition, undermines the expectation that China might be able to live in peace with its neighbors because both the character of the Chinese Communist Party (CCP) regime and its aspirations to right historical wrongs conspire against that hope.¹⁷

Third, the liberal expectation that China (the rising power) and the United States (the established hegemon) would find reasons to cooperate because of shared economic gains also proved fallacious for reasons that were understandable at either end. Given the traditional animosity between the United States and China since the founding of the PRC in 1949—a hostility that abated but never fully evaporated even after their rapprochement during the latter years of the Cold War—it is not surprising that the CCP, with its Leninist ideology, never bought into the idea that the reconciliation between Washington and Beijing was anything other than a tactical adjustment.¹⁸ The CCP viewed this détente as a product of necessity precipitated by the ideological and security threats posed by the Soviet Union. As Chen Jian succinctly summarized, the Chinese perception was that "U.S. imperialism remained China's enemy but no longer the primary one."¹⁹ When this perception was conjoined with China's own abiding desire to restore its national grandeur and the CCP's enduring ideological suspicion of the United States as a liberal hegemon, it was highly unlikely that the U.S.-China rapprochement engendered by their common interests vis-à-vis the Soviet Union could have survived in perpetuity the circumstances that begat it.²⁰

¹⁶ Ford, "Realpolitik with Chinese Characteristics."

¹⁷ Ibid. For a more expansive elaboration, see Christopher A. Ford, *The Mind of Empire: China's History and Modern Foreign Relations* (Lexington: University Press of Kentucky, 2010).

¹⁸ See Odd Arne Westad's discussion of Mao Zedong's initial strategy of allying with the United States as a tactical measure similar to the CCP working with the United States to confront Japan. Odd Arne Westad, *Restless Empire: China and the World since 1750* (New York: Basic Books, 2012), 367–75.

¹⁹ Chen Jian, *Mao's China and the Cold War* (Chapel Hill: University of North Carolina Press, 2001), 243.

²⁰ See the insightful discussion in Gary J. Schmitt, "The China Dream: America's, China's, and the Resulting Competition," American Enterprise Institute, January 18, 2019.

Political realists, and Leninists even more so, would have no difficulty accepting this conclusion given that, as Lenin phrased it, “war is not only a continuation of politics, it is the epitome of politics.”²¹ As China began to rise, therefore, it was not surprising that many Chinese leaders began to fear the possibility that the United States might seek to contain its ascendancy either directly or through euphemistic devices such as “peaceful evolution.”²² Consequently, China labeled every U.S. action, be it diplomatic, economic, or military, that did not advance Chinese interests as “containment,” not because Beijing was necessarily being disingenuous, but because it could not conceive of how Washington’s strategy could have been any different.

Thus, for example, at exactly the time when the Obama administration was trying to most deeply engage China, the CCP’s *Qiushi Journal* published a detailed analysis of the six strategies that the United States was supposedly pursuing to contain China.²³ To defeat that objective, it recommended seven counterstrategies that subsumed everything from economic warfare to attacking near enemies to prosecuting space wars. It should not be surprising that Chinese theorists would suggest such responses. Not only is it consistent with China’s “parabellum” political culture,²⁴ but China would have arguably behaved in exactly the same way that it imagines the United States to have done had the two countries’ positions been reversed in the global system—a natural consequence of the conviction that relentless competition is the essence of international politics.

While the United States supported China’s international integration and, by implication, its rise even after the end of the Cold War because of the U.S. desire to secure absolute gains from trade (and because China was still viewed as relatively weak and incapable of threatening the United States), that view was increasingly strained by growing Chinese power after the turn of the century. Washington gradually perceived this problem but attempted—again for understandable reasons—to defuse it by half measures. Despite George W. Bush’s anxieties about China, his administration, pressed by the challenges of terrorism, softened its early view of the country as a competitor, a position reflected in then secretary of state Colin Powell’s disinclination to label Beijing

²¹ V.I. Lenin, *Collected Works*, vol. 30, ed. George Hanna (Moscow: Progress Press, 1963), 224, <https://archive.org/details/collectedworks0030leni/page/224>.

²² Russell Ong, “‘Peaceful Evolution,’ ‘Regime Change’ and China’s Political Security,” *Journal of Contemporary China* 16, no. 53 (2007): 717–27.

²³ “How China Deals with the U.S. Strategy to Contain China,” *Qiushi Journal*, December 10, 2010, trans. by Chinascope, <http://chinascope.org/archives/6353/92>.

²⁴ Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History* (Princeton: Princeton University Press, 1995).

as either a partner or an enemy on the grounds that “U.S.-China relations are too complicated and comprehensive to simply summarize in one word.”²⁵

The Obama administration tried a different approach, seeking to reassure China by declaring the “abolition” of great-power competition. As Hillary Clinton put it during her term as Obama’s first secretary of state, “our approach to foreign policy must reflect the world as it is, not as it used to be. It does not make sense to adapt a 19th-century concert of powers, or a 20th-century balance of power strategy. We cannot go back to Cold War containment, or to unilateralism.”²⁶ But even as the United States was thus trying to reassure China, it went about—sometimes without conviction, while at other times with more resolution—strengthening its alliances in Asia, developing new partnerships with the nations located on China’s periphery, restructuring U.S. military capabilities for more effective power projection, completing new exclusionary trading agreements such as the Trans-Pacific Partnership (TPP), and generally seeking to revitalize U.S. global leadership in exactly the ways that would heighten anxiety in Beijing about Washington’s intention to check China’s growing power.

Both the Bush and the Obama administrations pursued such realist policies in more or less effective ways—and, obviously, they could not do otherwise. To do so would imply a dereliction of duty, a disavowal of U.S. interests, and a disregard of U.S. allies. But that only proves why the United States and China could never assure each other sufficiently to realize the common gains that otherwise supposedly lay within reach. For such reassurance to have been effective, both countries would have had to make costly sacrifices that increased each one’s vulnerability to the other, thereby conclusively proving their benignity.²⁷ The risks involved in conveying the honesty of good intentions in this way, however, are often prohibitive enough that no self-regarding state—let alone great powers that have major equities or weaker allies to protect—will ordinarily undertake them.²⁸ Consequently, the hope that major potential competitors like the United States and China will sufficiently lower their guard to eliminate the corrosive suspicions that prevent strategic cooperation also flies out the window, despite the ensuing costs to both.

²⁵ Cited by Yu Wanli, “Breaking the Cycle? Sino-U.S. Relations under George W. Bush Administration,” *China’s Shift: Global Strategy of the Rising Power*, ed. Masafumi Iida (Tokyo: National Institute for Defense Studies, 2009), 81–98.

²⁶ “A Conversation with U.S. Secretary of State Hillary Rodham Clinton,” Council on Foreign Relations, July 15, 2009, <https://www.cfr.org/event/conversation-us-secretary-state-hillary-rodham-clinton-1>.

²⁷ See the insightful discussion in Andrew H. Kydd, *Trust and Mistrust in International Relations* (Princeton: Princeton University Press, 2005).

²⁸ Evan Braden Montgomery, “Breaking Out of the Security Dilemma: Realism, Reassurance, and the Problem of Uncertainty,” *International Security* 31, no. 2 (2006): 151–85.

For all these reasons, the United States and China could never realize their quest for a strategic partnership. As long as Chinese power continued to grow, as long as it embodied latent threats to U.S. allies in Asia, and as long as it contained the potential to undermine U.S. interests and hegemony in the global system more generally, Beijing would inevitably be viewed not as a collaborator but as a challenger in Washington. And as long as the United States attempted to protect, and even buttress, its extant primacy—both to preserve its prevailing privileges in the international system and to effectively defend its allies in the face of growing Chinese power—any initiatives undertaken by Washington toward this end would be inescapably perceived as threatening by Beijing. The structural contradiction between these two objectives could never be overcome by any strategy of reassurance, no matter how well-intentioned.

Why Did U.S. Pushback Take So Long?

Given this judgment, why did it take so long for the United States to recognize the threat that China posed to the preservation of its primacy in Asia and globally? To be sure, there are still some who deny that China poses any fundamental threats to the United States.²⁹ But, leaving such views aside, the official mind in Washington clearly has moved toward the view that China is today, and will be for the foreseeable future, the principal challenger to overall U.S. hegemony in the international system.³⁰ No other countries come close because they lack comparable levels of comprehensive national power, even though several states, such as Russia, North Korea, and Iran, oppose the United States locally or on important specific issues. The question of why the United States failed to appreciate the gravity of the challenge posed by China earlier thus remains. A complete answer will have to await the verdict of history, but for the moment a few explanations rooted in historical circumstances, misjudgments about China's capacity to thrive, the failure to anticipate China's ambitions, the difficulties of pursuing strategic competition under conditions of economic interdependence, and the character of state-society relations in the United States can all be proposed.

The first explanation is rooted in how the U.S.-China relationship evolved during the later stages of the Cold War. The decision by Nixon to seek a rapprochement with China in 1972—a process that his successors brought to full conclusion in 1979—was motivated fundamentally by a desire to tighten

²⁹ See, for example, M. Taylor Fravel et al., “China Is Not an Enemy,” *Washington Post*, July 2, 2019, https://www.washingtonpost.com/opinions/making-china-a-us-enemy-is-counterproductive/2019/07/02/647d49d0-9bfa-11e9-b27f-ed2942f73d70_story.html.

³⁰ Aaron L. Friedberg, “Competing with China,” *Survival* 60, no. 3 (2018): 7–64.

the containment of the Soviet Union. Exploiting the earlier Sino-Soviet split, Nixon hoped to entice Beijing into partnering with the United States to oppose the Soviet Union at a time when U.S. power was perceived to be weakening because of overextension in Southeast Asia and economic crises at home.³¹ This engagement, which continued until the end of the Cold War despite bumps along the way, made sense at the time because U.S. and Chinese interests in limiting Soviet power happily converged. It also laid the foundations for viewing China as a de facto U.S. partner whose influence in Asia and globally could be exploited to advance the vital objective of defeating the Soviet Union.

This perception of China as a U.S. collaborator, however, survived well after the end of the Cold War because Beijing, as a result of Deng Xiaoping's reforms, renounced its previous Maoist objective of fomenting world revolution. China would remain a revisionist but not a revolutionary state, with its revisionism judged in the early post-Cold War period to be limited insofar as it was focused mainly on integrating Taiwan. To the degree that this goal was pursued peacefully and did not implicate larger military challenges to the United States, China's limited revisionism was viewed as manageable from the perspective of U.S. grand strategy. Some facsimile of this view persists in several quarters of the United States to this day, and this residual perception arguably prevented Washington from treating Beijing as a significant challenger long after it had evolved into one.³²

The U.S. failure to recognize that China contained the preconditions for rapid growth compounded the problem of anticipating its rise as a major challenger. The fact that China was a relatively poor country at the time when its rapprochement with the United States matured reinforced Washington's complacency. China's development challenges were undoubtedly immense, and U.S. leaders in the 1980s and 1990s simply did not imagine that the country's economic revitalization could be rapid enough to change the global balance of power in their lifetimes.³³ Nor did they appreciate, after several decades of Mao's political and economic disruptions, that China could grow

³¹ J. Stapleton Roy, "Engagement Works," *Foreign Affairs*, July/August 2018.

³² For useful overviews of the evolution of U.S. strategic attitudes to China, see Harry Harding, "The U.S. and China from Partners to Competitors," Carter Center, <https://www.cartercenter.org/resources/pdfs/peace/china/china-program-2019/harding.pdf>; Evan A. Feigenbaum, "China and the World: Dealing with a Reluctant Power," *Foreign Affairs*, January/February 2017; and Evan A. Feigenbaum, "Reluctant Stakeholder: Why China's Highly Strategic Brand of Revisionism Is More Challenging Than Washington Thinks," *MacroPolo*, April 27, 2018.

³³ As William Safire would record, "Before Nixon died, I asked him—on the record—if perhaps we had gone a bit overboard on selling the American public on the political benefits of increased trade. That old realist, who had played the China card to exploit the split in the Communist world, replied with some sadness that he was not as hopeful as he had once been: 'We may have created a Frankenstein.'" See William Safire, "The Biggest Vote," *New York Times*, May 18, 2000, <https://www.nytimes.com/2000/05/18/opinion/essay-the-biggest-vote.html>.

effervescently if favorable circumstances were to present themselves. And it is exactly these conditions that obtained once the reform period began in 1978.

Deng Xiaoping's reforms, which involved the gradual replacement of Mao Zedong's socialism with state-directed and -controlled liberalization, finally succeeded for several reasons. For starters, the Communist party-state had penetrated Chinese society completely and was thus able to implement national policy at the farthest reaches of the country without any meaningful local opposition, while simultaneously creating channels of information and feedback for understanding what was happening even in far-flung provinces.³⁴ This penetration, which was novel in China's history, had a remarkable impact once the reforms began. It allowed Beijing to initiate and control the character and pace of economic liberalization in ways that would have been impossible to sustain without pervasive political control. It also permitted the reformers to countenance local experimentation at different levels, which could be rapidly emulated elsewhere if successful and contained if a failure. In so doing, China enjoyed what can be best described as "embedded liberalization"—that is, the measured introduction and maintenance of limited markets designed to enhance the resources accruing to, and thus the power of, the party-state.³⁵

Furthermore, despite other failures in both agriculture and industry, the Maoist regime had made significant investments in the health and education of its people, thus creating a labor force that could become remarkably productive when the overarching circumstances changed.³⁶ When the reform era finally resulted in foreign capital entering China to manufacture goods destined for external markets, even low-cost Chinese labor was able to create products of extremely high quality that were capable of capturing markets in both developed and developing countries around the world. This skillfulness and efficiency led in time to huge capital and technology inflows as major multinational corporations all sought a foothold in China for a manufacturing base. The resulting expansion of industry in the country fueled the growth of incomes and savings domestically. As Chinese exports grew internationally, Beijing received increased revenues and accumulated huge foreign-exchange reserves that could be used both as a prophylactic in the

³⁴ For details, see Zheng Yongnian, *The Chinese Communist Party as Organizational Emperor* (New York: Routledge, 2010); and Mary E. Gallagher, "China: The Limits of Civil Society in a Late Leninist State," in *Civil Society and Political Change in Asia*, ed. Muthiah Alagappa (Stanford: Stanford University Press, 2004), 419–54.

³⁵ The concept of embedded liberalism was coined by John Gerard Ruggie in "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order," *International Organization* 36, no. 2 (1982): 379–415. The term used here is borrowed from Wen Xie, "Embedded Liberalization and Paths toward Capitalism in China" (unpublished manuscript).

³⁶ See, for example, Thomas G. Rawski, "Human Resources and China's Long Economic Boom," *Asia Policy*, no. 12 (2011): 33–78.

event of future crises and for further internal investments and technological innovation—and eventually for outward investments that would produce enormous international influence.³⁷

Finally, for all the repressiveness of Mao's tenure, the Communist state was unable to extinguish the remarkable entrepreneurialism of the Chinese populace, which, although then oriented primarily to surviving the cataclysms of Communism, proved remarkably adept at productively exploiting the opportunities offered by Deng's reforms when they finally came.³⁸ This effusion of Chinese entrepreneurship was initially eclipsed by the spectacle of foreign direct investment in China, but it proved to be just as consequential. Through the dramatic productivity growth in agriculture and the upsurge in rural industry, the new profit-seeking behaviors of state-owned enterprises, and the unprecedented expansion of private economic activities, China began to grow at double-digit rates for a prolonged period of time as new forms of capitalism took root in areas where the state permitted market activity. In time, the quality of China's labor force and vibrant entrepreneurship set the stage for a transition in which Chinese products soon shifted from "made in China" to "innovated in China."³⁹ This process was aided by the requirement that all international investors could operate in China only through joint ventures with a local partner, the periodic theft of foreign intellectual property, and generous state subsidies. The steady increase in China's technological proficiency that followed, which has now been further stimulated by large state-driven projects such as the Made in China 2025 plan, rapidly transformed China into a sophisticated competitor to even the advanced economies of Japan, Western Europe, and North America.

The three elements—state penetration, human capital investment, and latent entrepreneurship—thus operated synergistically to pave the way for China's rapid growth in power once the reforms began in 1978. Consequently, China would have grown even if external integration with the West had not occurred as a result of the United States' decisions to permit access to its markets first on an annual basis and then permanently in 2000. But this growth arguably would have been slower had the expansion of China's

³⁷ See, for example, Barry Naughton, *The Chinese Economy: Transitions and Growth* (Cambridge: MIT Press, 2006), 375–424; and David Dollar, "China as a Global Investor," in *China's New Sources of Economic Growth: Reform, Resources and Climate Change*, vol. 1, ed. Ligang Song et al. (Acton: ANU Press, 2016), 197–214.

³⁸ Dwight H. Perkins, "The Transition from Central Planning: East Asia's Experience," in *Social Capability and Long-Term Economic Growth*, ed. Bon Ho Koo and Dwight H. Perkins (New York: St. Martin's Press, 1995), 221–41; and Rawski, "Human Resources and China's Long Economic Boom."

³⁹ Shang-Jin Wei, Zhuan Xie, and Xiaobo Zhang, "From 'Made in China' to 'Innovated in China': Necessity, Prospect, and Challenges," *Journal of Economic Perspectives* 31, no. 1 (2017): 49–70.

domestic market not been complemented by the outward-looking strategy centered on expanding international trade.⁴⁰

It is in this context that the failure to anticipate China's enduring strategic ambitions would prove costly to the United States. The integration of China with the West clearly accelerated the country's domestic growth dramatically, but as long as this expansion was directed principally toward commercial ends, it would have elicited little strategic anxiety in Washington. After all, Japan, the smaller East Asian states, and Western Europe too trod similar paths to recovery in the aftermath of World War II and became economic powerhouses in the process. Although these developments caused episodic concern in the United States because of their impact on its domestic economy—with the heartburn caused by the Japanese displacement of the U.S. automobile industry in the 1980s being a good example—such fears ultimately abated because the rising economic power of these countries was not used to underwrite the production of military capabilities directed against U.S. power.⁴¹

In the case of China, however, this is exactly the direction that Beijing pursued. Unlike the other postwar European and Asian states that flourished because of their integration with the global economic system, China had no intention of subsisting as a postmodern “trading state.”⁴² Although in the beginning of the reform period Deng Xiaoping had relegated military modernization to the last of the “four modernizations,” this priority altered dramatically when forced by political necessity. Thus, from the 1991 Gulf War, and even more so from the 1995–96 Taiwan missile crisis onward, China began to develop ever more potent military instruments designed to limit the U.S. military's effectiveness in and around Asia.⁴³ As China's economic power continued to expand, its military capabilities, which were initially designed to constrain the United States along the Asian rimland, were extended to challenge U.S. dominance of the global commons more resolutely.⁴⁴

These developments took place in an evolutionary way but nonetheless were motivated by China's singular objective of recovering its traditional

⁴⁰ Zuli Hu and Mohsin S. Khan, “Why Is China Growing So Fast?” *Economic Issues*, no. 8 (1997), <https://www.imf.org/external/pubs/ft/issues8/index.htm>.

⁴¹ Ashley J. Tellis, “Power Shift: How the West Can Adapt and Thrive in an Asian Century,” German Marshall Fund, Asia Paper Series, January 2010, https://carnegieendowment.org/files/GMF7417_Power_Shift_Asia_Paper_for_web_Final.pdf.

⁴² Richard Rosecrance, *The Rise of the Trading State: Commerce and Conquest in the Modern World* (New York: Basic Books, 1986).

⁴³ See the discussion in David Shambaugh, *Modernizing China's Military: Progress, Problems, and Prospects* (Berkeley: University of California Press, 2002).

⁴⁴ For a comprehensive estimate of the Chinese military developments in comparison with the United States, see Eric Heginbotham et al., *The U.S.-China Military Scorecard: Forces, Geography, and the Evolving Balance of Power 1996–2017* (Santa Monica: RAND Corporation, 2015).

primacy in Asia and, when possible, globally. This goal ultimately underlay all of China's grand strategic choices since the founding of the PRC, if not earlier, although the strategies employed toward "the attainment and maintenance of geopolitical influence as a major, and perhaps primary, state" varied depending on its relative capabilities.⁴⁵ But both the goal and the instrumentalities it spawned were overlooked by U.S. policymakers, especially after the Cold War, because liberal triumphalism led them to believe that China's interests would be best served by the evolution of the country into a democratic trading state rather than a traditional great power that focused its energies on military competition. The United States, at any rate, ought not to have done anything that pushed China in this direction. As Clinton argued toward the end of his presidency,

Now we hear that China is a country to be feared. A growing number of people say that it is the next great threat to our security and our well being.... Clearly, if it chooses to do so, China could pursue such a course, pouring much more of its wealth into military might and into traditional great power geopolitics. Of course this would rob it of much of its future prosperity, and it is far from inevitable that China will choose this path. Therefore I would argue that we should not make it more likely that China will choose this path by acting as if that decision has already been made.⁴⁶

With due respect to Clinton, that decision had already been made in 1949. Mao's ambition to recreate "great China" carried within itself the seeds of the eventual reach for global preeminence. Sulmaan Wasif Khan's judgment captures this idea succinctly: "[Mao's] state was just a fragment of what it would later become, but that would change in time. Ambition alters with circumstance; as success followed success, Mao's China would sweep out to encompass ever more."⁴⁷ Fearing that China was already en route to realizing the goal of becoming a traditional great power—with the military instruments commensurate to that end—Zalmay Khalilzad and his colleagues at RAND argued as early as 1999 that the prevailing U.S. policy of engagement with China needed to be reconsidered and replaced by an alternative policy of "conengagement."⁴⁸ Such a policy would, among other things, avoid doing anything that directly helps the growth of Chinese military power, strengthen the Western export-control regime to choke Chinese access to militarily relevant high technology, strengthen U.S. alliances and build new partnerships

⁴⁵ Swaine and Tellis, *Interpreting China's Grand Strategy*, x.

⁴⁶ "Transcript: Clinton Outlines China Policy," CNN, April 7, 1999, <http://edition.cnn.com/ALLPOLITICS/stories/1999/04/07/clinton.china/transcript.html>.

⁴⁷ Sulmaan Wasif Khan, *Haunted by Chaos: China's Grand Strategy from Mao Zedong to Xi Jinping* (Cambridge: Harvard University Press, 2018), 10.

⁴⁸ Zalmay M. Khalilzad et al., *The United States and a Rising China: Strategic and Military Implications* (Santa Monica: RAND Corporation, 1999), 72.

in Asia, and preserve U.S. global supremacy—economically, geopolitically, and militarily—indefinitely.⁴⁹ Other assessments produced at RAND during this period elaborated on these themes,⁵⁰ and one of the earliest studies of China’s grand strategy then argued that while Beijing’s focus centered for the moment on maximizing its power peacefully,

growing Chinese power will most likely result, over the very long term, in a more assertive China. As part of this process, China could reasonably be expected to pursue most, if not all, of the core elements of those assertive grand strategies pursued by major powers in the past. These elements include efforts to augment its military capabilities in a manner commensurate with its increased power; develop a sphere of influence by acquiring new allies and underwriting the protection of others; acquire new or reclaim old territory for China’s resources or for symbolic reasons by penalizing, if necessary, any opponents or bystanders who resist such claims; prepare to redress past wrongs it believes it may have suffered; attempt to rewrite the prevailing international “rules of the game” to better reflect its own interests; and, in the most extreme policy choice imaginable, even perhaps ready itself to thwart preventive war or to launch predatory attacks on its foes.⁵¹

While this message fell on the receptive ears of many individuals who would later serve as senior officials in the administration of George W. Bush, the vigorous balancing of China that might have occurred during his term in office was derailed by the September 11 attacks. The Bush administration undertook several critical initiatives, including transforming U.S. relations with India, as part of the effort to prevent an “untethered” China from dominating Asia.⁵² However, more comprehensive balancing of China was postponed because of the need to secure Beijing’s cooperation in the global war on terrorism.⁵³ The Obama administration, in turn, was equally unable to confront China’s growing power and assertiveness—which began to be unabashedly manifest after the 2008 global financial crisis despite earlier appearances—because its first term was spent recovering from the

⁴⁹ Khalilzad et al., *The United States and a Rising China*, 72–75; and Zalmay Khalilzad, “Congage China,” RAND Corporation, 1999.

⁵⁰ Zalmay Khalilzad and Ian O. Lesser, eds., *Sources of Conflict in the 21st Century: Regional Futures and U.S. Strategy* (Santa Monica: RAND Corporation, 1998); Mark Burles, *Chinese Policy Toward Russia and the Central Asian Republics* (Santa Monica: RAND Corporation, 1999); Mark Burles and Abram N. Shulsky, *Patterns in China’s Use of Force: Evidence from History and Doctrinal Writings* (Santa Monica: RAND Corporation, 2000); and Zalmay Khalilzad et al., *The United States and Asia: Toward a New U.S. Strategy and Force Posture* (Santa Monica: RAND Corporation, 2001).

⁵¹ Swaine and Tellis, *Interpreting China’s Grand Strategy*, xii. China’s current trajectory confirms this assessment abundantly, although Beijing shifted toward assertiveness somewhat earlier than was anticipated by this analysis, which was completed before the turn of the century.

⁵² Condoleezza Rice (remarks at Sophia University, Tokyo, March 19, 2005), <https://2001-2009.state.gov/secretary/rm/2005/43655.htm>.

⁵³ Michael J. Green, *By More Than Providence: Grand Strategy and American Power in the Asia Pacific Since 1783* (New York: Columbia University Press, 2017), 482–517.

destructiveness of the economic meltdown. Although Obama initially attempted to defuse the China challenge by proposing a deepened relationship with China that appeared akin to a “group of two,” he eventually came around to the idea that Chinese power needed to be countered, thus giving rise to the concept of the “rebalance” to Asia in his second term.⁵⁴

Unfortunately for the United States, Obama could not muster the resources necessary to make the rebalance a meaningful response to growing Chinese power. He neither found a solution to arresting the increased relative gains accruing to China as a result of its integration with the U.S. economy, nor could he mitigate U.S. deindustrialization to the degree that it was caused by China. The problems associated with Chinese theft of intellectual property, the structural obstacles to U.S. investments in China (such as coerced technology transfer and lack of market access), and the challenges posed by state subsidies to Chinese private and governmental enterprises also eluded meaningful solutions beyond a commitment to seeking remedies through a continued strategic and economic dialogue.⁵⁵ Finally, the dangers posed by Chinese counter-intervention military technologies, which threatened to limit the effectiveness of U.S. power projection in Asia, were undoubtedly recognized but could not be conclusively negated by the administration’s sensible “third offset strategy,” which came too late in Obama’s term in office.⁵⁶

When considered in a historical perspective, therefore, the residual sentiment surviving from China’s Cold War partnership against the Soviet Union, the U.S. failure to anticipate that China would grow rapidly once its internal reforms and lopsided access to Western markets yielded their fruit, and the distractions imposed by the war on terrorism, the U.S. invasion of Iraq, and later the global economic crisis all combined to prevent the United States from treating China seriously as a strategic competitor, even as Beijing was evolving in that direction. When the normal lags afflicting all translation of perception into policy are also considered, it is not surprising that Washington moved more slowly than was prudent in deliberately balancing China.

Underlying these historical accidents, however, the languid U.S. response to China’s rise was deeply shaped by two other factors that served to effectively paralyze the development of a more resolute response. For starters, the United States found it extremely difficult to devise a strategy for competing with China under conditions of economic interdependence. During the Cold War, pursuing a strategy of containment against the Soviet Union was conceptually

⁵⁴ Green, *By More Than Providence*, 518–40.

⁵⁵ Cheng Li, “Assessing U.S.-China Relations under the Obama Administration,” *China-US Focus*, August 30, 2016.

⁵⁶ Green, *By More Than Providence*, 518–40.

simple, however challenging it was to implement in practice, because the two competing blocs were not tied by any meaningful economic links. In other words, the prosperity enjoyed by each side—and by extension, each side’s capacity to sustain military competition—was not dependent on its ties with the other. The realities of globalization had transformed this situation entirely. With the United States and China now tied by deep bonds of interdependence, any effort by Washington to fundamentally limit China’s growth in power would require the United States to suffer losses in its own prosperity and welfare, even if reducing commercial ties weakened a rising China.⁵⁷

Equally important was the fact that thinning U.S. economic ties with China by itself would be insufficient. Washington would also need to interdict China’s economic links with other states in order to prevent China from compensating for its reduced trade with the United States by deepening its intercourse with others. In other words, competing with China in ways that would structurally limit its capacity to grow faster than the United States would require Washington to undo the very webs of globalization that the United States has fostered since the beginning of the postwar era. Because limiting China’s relative gains would require the United States to suffer losses in its own absolute gains, while demanding similar sacrifices on the part of China’s other trading partners, Washington wilted at the prospect of pursuing such a difficult policy because of the fear that it would fail. It was simply unclear whether the United States could compel other states to significantly limit their trade ties with China, even if Washington were to pursue such a course of action unilaterally. If this outcome could not be enforced, the United States would find itself in a position of sacrificing its own absolute gains (and, by implication, its ability to militarily compete with China more effectively) even as China continued to enjoy such benefits thanks to its ongoing—perhaps even rising—trade with other countries.⁵⁸

The difficulties of engaging in strategic competition under conditions of economic interdependence remain unresolved to this day. Because any of the actions described above would be both ruinous to the United States and destructive of the international order it had created, successive administrations before the Trump administration were deterred from attempting to stymie China’s rise by engaging in the principal form of nonmilitary competition that could have produced that outcome: comprehensive economic warfare.

This diffidence was only enhanced by the character of state-society relations in the United States—another important element that prevented various presidents from resolutely confronting China. The fact that the United

⁵⁷ Tellis, *Balancing Without Containment*, 18–32.

⁵⁸ The theoretical foundations for this argument were first laid out in Duncan Snidal, “Relative Gains and the Pattern of International Cooperation,” *American Political Science Review* 85, no. 3 (1991): 701–26.

States is a pluralist democracy gave societal institutions an outsized voice in shaping national policy, and there was no greater champion of persistent engagement with China than the U.S. business sector.⁵⁹ This should not have been surprising because U.S. multinational corporations view their interests primarily through the prism of the fiduciary obligations owed to shareholders rather than patriotic sentiments involving the country in which they are headquartered. Consequently, corporations, which had invested heavily in China since 1979, argued vigorously against any U.S. governmental pressures on Beijing because of their fears that it might retaliate against their commercial operations inside China. Although the U.S. corporate sector had many grievances about China's business environment, their fears about losses arising from either Washington's or Beijing's actions made them extremely reluctant to support U.S. attempts at confronting Chinese strategic challenges. Where these issues were concerned, geopolitical considerations took a back seat to corporate interests.⁶⁰

Because of the intimate relationship between large U.S. businesses and the major political parties in the United States, both Republican and Democratic administrations before Trump also acted as if what is good for U.S. companies is always good for the United States. But even when supporting corporate interests was not at issue, the fears about the impact of pressing China on important domestic matters, such as employment and competitiveness, made policymakers reticent to push Beijing too hard.⁶¹ This hesitation was only reinforced by elements in civil society. Both U.S. academics who studied China and U.S.-China friendship organizations often argued against tougher policies, sometimes for self-serving reasons and at other times because the risks of pugnacious policies were judged to be high in the face of their potential ineffectiveness.⁶²

The inability to easily redress the problem of relative gains, combined with the pressures emanating from business and civil society, thus left successive U.S. presidents settling for liberal solutions. They hoped that the deepening interdependence between China and the world would weaken

⁵⁹ Naná De Graaff and Bastiaan Van Apeldoorn, "U.S.-China Relations and the Liberal World Order: Contending Elites, Colliding Visions?" *International Affairs* 94, no. 1 (2018): 113–31.

⁶⁰ Bill Powell, "How America's Biggest Companies Made China Great Again," *Newsweek*, June 24, 2019, <https://www.newsweek.com/how-americas-biggest-companies-made-china-great-again-1445325>; and James Mann, *The China Fantasy: Why Capitalism Will Not Bring Democracy to China* (New York: Penguin, 2007).

⁶¹ Stewart Paterson, *China, Trade and Power: Why the West's Economic Engagement Has Failed* (London: London Publishing Partnership, 2018).

⁶² For a useful examination of the complex relationship between American Sinology and China, see David L. Shambaugh, ed., *American Studies of Contemporary China* (Armonk: M.E. Sharpe, 1993). A more critical assessment of the role of U.S. academics in Washington's China policy can be found in Mann, *The China Fantasy*; and Friedberg, "Competing with China."

Beijing's assertiveness and that continued bilateral dialogue and engagement might help persuade China to correct its most egregious economic behaviors, including by strengthening the hands of those factions that sought to reform the Chinese economy from within.⁶³ Because none of these approaches offered any guarantees of success, however, policymakers often took solace in the fact that the larger size and the greater dynamism of the U.S. economy would yet take the United States across the finish line, no matter how impressive China's trade-driven growth appeared in the interim.⁶⁴

Just to be sure that China did not employ its steadily improving power to U.S. disadvantage, however, the United States continued to invest in its military capabilities, sustain its partnerships and alliance relations, and deepen its trade ties through various preferential agreements—despite the possibility that these developments would continue to fuel Chinese suspicions of its motives. Standing U.S. policy toward China before Trump, therefore, reflected a constrained liberalism, with Washington desiring that common interests would preserve bilateral stability but preparing for dangerous eventualities in any case. This hybrid posture was viewed as the best alternative to the tyranny of a manic realism that might demand active and thorough decoupling of the U.S. and Chinese economies to weaken China's power, new crusades directed against the authoritarian CCP regime and the ill treatment of its people, and energetic confrontations with China on the major geopolitical disputes between the two countries.

By the last two years of the Obama administration, however, the dangers posed by China's growing power were gradually perceived as outweighing the habitual U.S. interest in avoiding a strategic confrontation with China.⁶⁵ The combination of U.S. myopia (and sometimes hubris), the power of U.S. commercial interests, the distractions imposed by the greater Middle East, the intensifying Chinese integration with the U.S. economy, and the differing political priorities of previous Chinese leaders such as Jiang Zemin (in contrast to Hu Jintao and even more emphatically in contrast to Xi Jinping) and their U.S. counterparts all played a critical role in minimizing the dangers posed by China in Washington's national security consciousness. By the time Obama left office, however, the dangers posed by a rising China were simply too pronounced to ignore. But it would take the arrival of Trump as

⁶³ De Graaff and Van Apeldoorn, "U.S.-China Relations and the Liberal World Order."

⁶⁴ Former vice president Joe Biden inadvertently gave voice to such sentiments when, while campaigning for the 2020 Democratic presidential nomination, he dismissed claims that China poses a serious economic threat to the United States: "China is going to eat our lunch? Come on, man....They're not competition for us." James M. Lindsay, "Election 2020: Joe Biden, Democratic Presidential Candidate," Council on Foreign Relations, September 17, 2019.

⁶⁵ Robert D. Blackwill and Ashley J. Tellis, *Revising U.S. Grand Strategy Toward China* (New York: Council on Foreign Relations, 2015).

president to inaugurate the return of bare-knuckled competition with China in a manner not witnessed since the early years of the Cold War.

Jousting with China Again

Trump arrived in office supported by a coalition of voters who were deeply insecure about their political and economic future. The rise of this group, which consists significantly of evangelicals, non-college-educated whites with low incomes, and those threatened by both the changing social composition of and the changing cultural trends within the United States, propelled Trump to an unexpected victory.⁶⁶ Many in this constituency were unduly affected by the deindustrialization of the United States, which had accelerated after China's admission to the World Trade Organization (WTO), as well as by the losses suffered as a result of the financial crisis (not to mention that many attributed their economic misfortunes to the presence of immigrants within the country). Thus, it was not surprising that Trump focused his ire on three specific targets from the beginning of his presidency: hegemonic order, globalization, and China.

Long before Trump became president, he had acquired the view that the liberal international order established by the United States after World War II did not serve U.S. interests because it created opportunities for other nations to become more secure and richer at the United States' expense. He framed this position in his inaugural address as follows:

For many decades, we've enriched foreign industry at the expense of American industry; subsidized the armies of other countries, while allowing for the very sad depletion of our military. We've defended other nations' borders while refusing to defend our own. And spent trillions and trillions of dollars overseas while America's infrastructure has fallen into disrepair and decay. We've made other countries rich, while the wealth, strength and confidence of our country has dissipated over the horizon.⁶⁷

This worldview expressly rejects one of the key ideas inherent in the notion of hegemonic order—that hegemonic powers both construct international systems that serve their interests disproportionately and make supernormal contributions toward preserving them precisely because these countries have the most to lose in the absence of those systems.⁶⁸

⁶⁶ Sean McElwee, "Who Is Trump's Base?" Data for Progress, August 23, 2018, <https://www.dataforprogress.org/blog/2018/8/21/data-for-politics-14-who-is-trumps-base>.

⁶⁷ Donald J. Trump, "Inaugural Address" (Washington, D.C., January 20, 2017).

⁶⁸ For an insightful summary of this thesis, see David A. Lake, "Leadership, Hegemony, and the International Economy: Naked Emperor or Tattered Monarch with Potential?" *International Studies Quarterly* 37, no. 4 (1993): 459–89.

Because Trump has been more attuned to the tangible costs accruing to the United States in upholding the liberal order than he has been to both the tangible benefits deriving from threats mitigated and the intangible benefits of legitimacy accruing to U.S. primacy, he has not focused on protecting international institutions or projecting American values abroad, as presidents before him did insistently. Instead, he has concerned himself mainly with limiting their costs to the United States. Even when those structures bear directly on U.S. security, such as alliances, Trump has raised doubts about their value. For example, he has questioned the importance of fulfilling deterrence obligations, concentrating more on getting allies to increase their national contributions in order to minimize what seems like an unnecessary subsidy borne by U.S. taxpayers.⁶⁹ Consistent with this emphasis, Trump has harangued the United States' European allies to raise their defense expenditures, even as he declared NATO to be "obsolete," and has demanded a fivefold increase in South Korea's contribution to the U.S.–South Korea alliance, thereby imperiling the partnership at a time when the dangers from both North Korea and China are increasing in intensity.

There has been no greater skepticism demonstrated about hegemonic order than Trump's animus toward globalization. It is easy to recognize that globalization, understood as the ever-deepening webs of international economic interdependence, could never have occurred without the hegemonic stability provided by the United States.⁷⁰ If Washington had refused to bear the costs of upholding the global trading system—costs that range from providing military security both in the commons and for key trading partners to developing the rules and institutions that foster trade—international economic intercourse would have been stymied as nations would have ceased to trade beyond a point for fear that the greater relative gains enjoyed by some partners could at some point be weaponized and used against them. Because superior U.S. military power—the highest manifestation of U.S. hegemony—effectively guarantees that trading states will not be permitted to abuse their gains in this way (since such abuse would undermine the United States' own ability to benefit from deepened global trade), the entire international system benefits as a result from the steadily enlarging exchange across national borders.⁷¹

⁶⁹ See, for example, John Vandiver, "Trump on NATO Burden Sharing: 'We Are the Schmucks,'" *Stars and Stripes*, July 6, 2018, <https://www.stripes.com/news/trump-on-nato-burden-sharing-we-are-the-schmucks-1.536329>.

⁷⁰ For an excellent analysis of the deep structure underlying globalization, see Christopher Chase-Dunn, Yukio Kawano, and Benjamin D. Brewer, "Trade Globalization since 1795: Waves of Integration in the World-System," *American Sociological Review* 65, no. 1 (2000): 77–95. For a critical treatment of the relationship between U.S. power and globalization, see John A. Agnew, *Hegemony: The New Shape of Global Power* (Philadelphia: Temple University Press, 2005).

⁷¹ The foundational arguments can be found in Robert Gilpin, *Global Political Economy: Understanding the International Economic Order* (Princeton: Princeton University Press, 2001).

Ever since Japan's economic ascendancy became visible from the 1970s onward, Trump appeared to be increasingly skeptical about the value of international trade.⁷² He came to view the multilateral trading system as a threat to the United States because underwriting it cost Washington significant resources, and it produced new competitors in Europe and Asia. This focus on relative gains to the neglect of absolute gains—the benefits that the United States as a whole enjoys because of trade—seems to have strengthened Trump's conviction that the multilateral trading system is flawed and must be replaced by purely bilateral arrangements wherein the United States can ensure that it is not taken advantage of by its international partners. Not surprisingly, Trump described the WTO as a “disaster,” refused to support the appointment of new members to its appellate body, and chided the body as being “very unfair” to the United States.⁷³ Consistent with this view, he also pulled the United States out of the TPP and renegotiated the North American Free Trade Agreement, offering as supplements or substitutes new bilateral trade deals with various U.S. partners.

While many of Trump's complaints about the multilateral trading system are justified, these concerns were concatenated in a dramatic way by the rise of China. The Trump administration was particularly peeved by the WTO's treatment of China, which, despite becoming the world's second-largest economy, was still permitted to enjoy the status of a developing country and thus put off opening its markets.⁷⁴ That China meanwhile had become the world's largest exporter, had contributed to the displacement of U.S. manufacturing on a large scale, was pursuing a gigantic state-supported strategy aimed at dominating the leading sectors of the global economy of the future, and was now determinedly threatening U.S. military primacy all coalesced toward making the country the primary example of everything that was wrong with globalization. The U.S. effort at upholding a hegemonic order was now producing resolute threats to the United States itself.⁷⁵

The Trump administration, accordingly, lost no time in designating China as a strategic competitor, something its predecessors were reticent to do even when they recognized the more pernicious aspects of China's rise. Given his hostility to multilateral trade and his skepticism about the benefits of the liberal international order to the United States specifically, Trump's

⁷² Jennifer M. Miller, “Let's Not Be Laughed at Anymore: Donald Trump and Japan from the 1980s to the Present,” *Journal of American–East Asian Relations* 25, no. 2 (2018): 138–68.

⁷³ Ana Swanson and Jack Ewing, “Trump's National Security Claim for Tariffs Sets Off Crisis at WTO,” *New York Times*, August 12, 2018.

⁷⁴ Jacob M. Schlesinger and Alex Leary, “Trump Denounces Both China and WTO,” *Wall Street Journal*, July 26, 2019.

⁷⁵ Donald J. Trump, “Remarks by President Trump to the 74th Session of the United Nations General Assembly” (New York, September 25, 2019).

decision to confront China was not particularly difficult. It was made easier, in any case, by the diverse resentments toward Beijing that had accumulated across the U.S. political system by the time he had arrived in office.

The U.S. corporate sector, once China's strongest ally in the United States, was chagrined by years of Chinese theft of U.S. intellectual property, coerced technology transfers, and the absence of a level playing field within China, even after close to three decades of investment there.⁷⁶ Various domestic constituencies that were hurt by Chinese trade practices, such as organized labor, as well as the Office of the U.S. Trade Representative, which is now led by Robert Lighthizer, a confirmed skeptic irate about China's unfair exploitation of the global trading system, sought to strike back at the roots of China's problematic economic expansion.⁷⁷ Rising Chinese authoritarianism at home, especially as manifested by the Xi Jinping regime's treatment of Uighurs and Tibetans, left those Americans who were concerned about human rights and political freedoms more dismayed than usual.⁷⁸

The foreign policy establishment, which for years assessed China's behaviors in Asia and elsewhere largely benignly, was now increasingly perturbed by Chinese assertiveness in the South China Sea and toward neighbors such as Japan, South Korea, Taiwan, and India. It also was concerned about the impact of the Belt and Road Initiative (BRI) on the expansion of China's influence globally and appeared startled by the dramatic enlargement of China's foreign presence in areas far from Beijing's traditional interests, such as the Arctic, Latin America, and increasingly outer space and cyberspace.⁷⁹ Finally, U.S. military planners, as well as the United States' Asian allies, were alarmed at the pace of China's military transformation and the burdens it was imposing on Washington's ability to credibly underwrite U.S. security commitments in Asia and beyond. They thus pushed for far-reaching solutions that could restore the effectiveness of U.S. power projection and thereby balance China effectively.⁸⁰

⁷⁶ Michael Martina, "U.S. Firms No Longer 'Positive Anchor' for Beijing Ties: AmCham in China," Reuters, April 17, 2019.

⁷⁷ See Matt Peterson "The Making of a Trade Warrior," *Atlantic*, December 29, 2018.

⁷⁸ Olivia Enos, "The Administration Should Be Bold in Condemning Human Rights Abuses in China," *Forbes*, August 6, 2019.

⁷⁹ See, for example, Aaron L. Friedberg, "Hegemony with Chinese Characteristics," *National Interest*, June 21, 2011; and Aaron L. Friedberg, "The Sources of Chinese Conduct: Explaining Beijing's Assertiveness," *Washington Quarterly* 37, no. 4 (2014): 133–50.

⁸⁰ See, for example, Elbridge Colby, "The Implications of China Developing a World-Class Military: First and Foremost a Regional Challenge," testimony before the U.S.-China Economic and Security Review Commission, Washington, D.C., June 20, 2019, <https://www.cnas.org/publications/congressional-testimony/the-implications-of-china-developing-a-world-class-military-first-and-foremost-a-regional-challenge>.

With these elements converging for the first time in U.S. politics to support a fundamental restructuring of U.S.-China relations, the stage was set for the Trump administration's transformation of Washington's approach toward Beijing. This new, and still evolving, U.S. policy toward China consists of preparing for multidimensional competition on the premise that China is, and will remain for some time to come, the most important great-power competitor of the United States. Toward that end, the administration has challenged China in five domains.

The first avenue of resistance toward China has focused on resisting its attempts to dominate the Indo-Pacific rimland by controlling the commons and subordinating its neighbors into accepting a new hierarchy in Asia rooted in a legitimization of Chinese centrality. The Trump administration, early in its term in office, accepted Prime Minister Shinzo Abe's concept of a "free and open Indo-Pacific" to mobilize various regional partners to resist potential Chinese coercion.⁸¹ This effort subsumes both the power-political and ideational dimensions. The power-political dimension includes challenging excessive Chinese claims in the South China Sea through conducting freedom of navigation patrols; deepening strategic ties with key Asian states, such as Japan, Australia, Taiwan, Vietnam, and India, that have a vested interest in resisting the rise of Chinese power; reinvigorating ties with Oceania to neutralize Chinese penetration; and re-energizing newer forms of institutional engagement, such as the Quad, to enhance geopolitical cooperation vis-à-vis China.⁸²

The ideational element, however abstract, is just as important. It consists of affirming the principle that although states are differentiated by material power, stronger nations (read China) cannot compel deference on the part of their weaker neighbors whose desire for autonomy is supported by the United States.⁸³ To aid this effort, Trump administration officials have consciously amplified their criticism of China's authoritarian party-state, highlighting its egregious policies toward its own citizenry, especially minorities, though the effectiveness of this critique is often undermined by Trump's peculiar personal affection for Xi. The administration, however, has attempted to give several Asian states pressed by China respite on other grounds. Consistent with Trump's personal predilections, the administration has downplayed the traditional U.S. emphasis on democracy and human rights—which has been

⁸¹ Tsuneo Watanabe, "Japan's Strategy in the Trump Era," *Japan Times*, January 16, 2018.

⁸² See U.S. Department of Defense, *Indo-Pacific Strategy Report: Preparedness, Partnerships, and Promoting a Networked Region* (Washington, D.C., June 2019).

⁸³ "Remarks by President Trump at APEC CEO Summit," White House, November 10, 2017, <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-apec-ceo-summit-da-nang-vietnam>.

welcomed by many regional states, particularly in Southeast Asia—in favor of exhorting good governance and the rule of law.⁸⁴

The second avenue of resistance to China has taken the form of strident opposition to China’s economic behavior. On this issue, the administration has targeted China’s huge trade surpluses vis-à-vis the United States by using heavy-handed tariffs on a variety of Chinese goods to compel Beijing to both reduce its trade surpluses and restructure its domestic economy so as to eliminate intellectual property theft and coerced technology transfers, increase market access for U.S. products, and eventually limit the role of state-owned enterprises in international trade.⁸⁵ The administration has levied increasing tariffs in successive rounds on China (and others), even as it has conducted negotiations with Beijing intended to force concessions. The failure of the tentative agreement reached by both sides in May 2019 highlighted the fact that not even Trump’s much ballyhooed personal relationship with Xi was sufficient to motivate China to ultimately agree to tough U.S. demands. These included not merely relief on the substantive issues but also commitments to memorialize Beijing’s promises into Chinese law, permit the United States to be the sole judge of whether these obligations were adhered to, and recognize the U.S. right to reimpose *ex parte* penalties on China if it were judged to contravene its promises.⁸⁶ The administration has recently announced an interim “phase one” trade agreement with China that will lower some U.S. tariffs in exchange for increased U.S. market access and agreement on a dispute settlement mechanism, with more hazy—and likely vacuous—claims of progress on coerced technology transfers, intellectual property theft, and currency manipulation, thus strengthening the suspicion that Trump may have gained less than he had aimed for in his spat with China.⁸⁷

At any rate, even as the administration has pursued this high-profile trade war with China, it has also opposed BRI, Xi’s signature initiative, because of the fear that the expanding Chinese infrastructure network will be used to both strangulate weaker partners in Asia and Africa and secure new logistics nodes that would be used ultimately to support the expansion of Chinese military operations worldwide.⁸⁸ As part of this effort, the United

⁸⁴ “Advancing a Free and Open Indo-Pacific Region,” U.S. Department of State, Fact Sheet, November 18, 2018.

⁸⁵ For a useful analytical overview of the Trump administration’s trade complaints against China, see Steve Charnovitz, “Grading Trump’s China Trade Strategy,” George Washington University Law School, Research Paper, May 2019, <https://ssrn.com/abstract=3393083>.

⁸⁶ Chris Buckley and Keith Bradsher, “How Xi’s Last-Minute Switch on U.S.-China Trade Deal Upended It,” *New York Times*, May 16, 2019.

⁸⁷ Gina Heeb, “Here’s the Full List of Everything Covered by Trump’s Phase-One Trade Deal with China,” *Markets Insider*, December 16, 2019.

⁸⁸ White House, *National Security Strategy of the United States of America*, 51–52.

States has also looked dimly at, if not actually opposed, Chinese efforts to develop alternative financial institutions that might compete with the original Bretton Woods financial infrastructure. And having withdrawn from new regional multilateral trading agreements such as the TPP, the administration has proffered the alternative of bilateral trade arrangements with the United States as a superior substitute to both global multilateral trade institutions and shallow Chinese trade multilateralism in Asia of the sort represented by the Regional Comprehensive Economic Partnership (RCEP).⁸⁹

The third avenue of resistance to China has focused on stymieing Beijing's efforts to create alternative technical standards to those established in the West.⁹⁰ As China's domination of global manufacturing and the expansion of its markets continue—both within its huge domestic economy and in its large and growing external outlets—the country will be well-positioned to exploit its growing commercial reach to disadvantage its Western competitors through the development and promulgation of new standards.⁹¹ The ability to burden competitors by threatening their product lines with obsolescence or by imposing adaptation costs on them as they seek to meet the standards established by the largest Chinese suppliers in the market has far-reaching, even if still relatively underexplored, consequences for Western economies.⁹²

Some of these new standards could arise as a natural result of emerging innovations, in which case there is less room for concern if well-functioning markets exist. The fear that animates the Trump administration, however, is that Chinese firms, which are often subsidized by the state, might use their national backing to produce new technologies and to penetrate new markets, and by so doing, force their less advantaged competitors to either bear the higher costs of catching up or live with fragmented and smaller markets that operate on different standards.⁹³ This problem implicates all dimensions of economic activity—from agriculture to electronics to manufacturing.

⁸⁹ Geoffrey Gertz, "What Will Trump's Embrace of Bilateralism Mean for America's Trade Partners?" Brookings Institution, February 8, 2017; and Chad P. Bown and Douglas A. Irwin, "Trump's Assault on the Global Trading System: And Why Decoupling from China Will Change Everything," *Foreign Affairs*, September/October 2019, <https://www.foreignaffairs.com/articles/asia/2019-08-12/trumps-assault-global-trading-system>.

⁹⁰ Richard P. Suttmeier, Xiankui Yao, and Alex Zixiang Tan, "Standards of Power? Technology, Institutions, and Politics in the Development of China's National Standards Strategy," NBR, NBR Special Report, no. 10, June 2006.

⁹¹ Dan Breznitz and Michael Murphree, "The Rise of China in Technology Standards: New Norms in Old Institutions," U.S.-China Economic and Security Review Commission, January 16, 2013, <http://uscc.gov/sites/default/files/Research/RiseofChinainTechnologyStandards.pdf>.

⁹² Hilary McGeachy, "Tech Standards and China's Rise," United States Studies Centre, May 2, 2019, <https://www.uscc.edu.au/analysis/tech-standards-and-chinas-rise>.

⁹³ See the discussion in U.S. Chamber of Commerce, "Made in China 2025: Global Ambitions Built on Local Protections," 2017, https://www.uschamber.com/sites/default/files/final_made_in_china_2025_report_full.pdf.

Many of the issues pertaining to standards will be negotiated within industry organizations, but the weight of the firms operating in the market will have a decisive impact on who the winners and losers might be. The current confrontations over 5G technology and the “digital Silk Road” are only manifestations of the deeper danger that China might use its national champions to build new electronic infrastructure networks that either shut out the West or incorporate deliberate vulnerabilities that the Chinese government can exploit either in peacetime or in crises.⁹⁴

The fourth avenue of resistance, which is related to the third but quite distinct from it, is confronting China’s quest for technological dominance in the global system. It has long been recognized that great powers arise as a result of their domination of the leading sectors of the global economy.⁹⁵ This domination enables them to reap economic and strategic benefits simultaneously, and hence it is not surprising that China is making concerted efforts to master the critical technologies that are likely to shape the future. The Made in China 2025 plan identifies ten critical technologies in this regard, including agricultural machinery, aerospace and aviation equipment, biomedicine and associated devices, electrical equipment and new energy vehicles, advanced materials, numerical control machinery and robotics, and information and communications technology.⁹⁶

To the degree that China seeks to master these areas by investing in education and domestic research and development, the United States cannot complain. But the fact that the Chinese government is committing vast state resources to compete against predominately Western private companies (while pilfering their technology whenever possible) has earned the ire of the Trump administration. It has, accordingly, responded by attacking the Chinese state’s technology development programs through tightened export controls at home, limiting Chinese high-tech firms’ ability to procure a variety of U.S. goods and components, tightening the constraints on China’s ability to invest in the United States (including the ability to acquire U.S. firms), seeking to limit China’s access to intangible knowledge in the United States (including by reviewing the opportunities afforded to Chinese students to study advanced science and technology at the best U.S. institutions of higher learning), and by directly preventing some Chinese technology companies

⁹⁴ Ned Ryun, “We Cannot Allow China to Set the Standards and Control the Technology for 5G,” *Hill*, March 7, 2019; and Kadri Kaska, Henrik Beckvard, and Tomáš Minárik, “Huawei, 5G and China as a Security Threat,” NATO Cooperative Cyber Defence Centre of Excellence, 2019, <https://ccdcoe.org/uploads/2019/03/CCDCOE-Huawei-2019-03-28-FINAL.pdf>.

⁹⁵ George Modelski and William R. Thompson, *Leading Sectors and World Powers: The Coevolution of Global Economics and Politics* (Columbia: University of South Carolina Press, 1996).

⁹⁶ U.S. Chamber of Commerce, “Made in China 2025.”

from doing business in the United States.⁹⁷ The administration is aware of the challenges to this strategy. It has concluded, however, that the quest for technological supremacy is too important to be left to markets alone to decide—because it bears fundamentally on the United States’ ability to protect its global hegemony. Therefore, the administration has settled for a strategy that reflects, as one scholar phrased it, the “securitization of economic policy and economization of strategic policy.”⁹⁸

Finally, the fifth avenue of resistance that characterizes the Trump administration’s approach to China is manifested by its initiatives in the military realm. Recognizing that China has made enormous strides in developing technological capabilities to undermine the United States’ capacity to operate in support of its Asian allies, the administration’s defense investment programs have been focused squarely on neutralizing these Chinese advances.⁹⁹ To its credit, the administration has continued many of the critical initiatives inherited from its predecessor, but with an intensification of focus. The clear declaration that China is a strategic competitor and that the Department of Defense must accordingly concentrate on checkmating this evolving threat has created new opportunities for revising U.S. operational plans; increasing investments, especially in long-range and stealth weapons; upgrading the basing infrastructure around the Asian periphery; enlarging the inventory of sophisticated munitions; and developing technologies such as hypersonic systems, unmanned systems, and new advanced missiles to raise the costs of Chinese aggression.¹⁰⁰

The United States’ deepening of military cooperation with Japan, Australia, Taiwan, and India—oriented in some cases toward better meeting the needs of collective defense and in other cases toward better targeting China’s expanding military presence in the Indo-Pacific—has resulted in a new willingness to sell sophisticated systems that were previously unavailable. These transfers will allow U.S. allies and partners in Asia to better defend their interests in the face of growing Chinese military capabilities while at the same time holding at risk Chinese military assets that were previously secure.¹⁰¹ Perhaps most important of all is the administration’s decision not to

⁹⁷ Christopher A. Ford, “Huawei and Its Siblings, the Chinese Tech Giants: National Security and Foreign Policy Implications” (remarks at the U.S. State Department, Washington, D.C., September 11, 2019), <https://www.state.gov/huawei-and-its-siblings-the-chinese-tech-giants-national-security-and-foreign-policy-implications>.

⁹⁸ Michael Wesley, “Australia and the Rise of Geoeconomics,” Australian National University, Centre of Gravity Series, November 2016, 4.

⁹⁹ U.S. Department of Defense, “Summary of the 2018 National Defense Strategy of the United States of America.”

¹⁰⁰ U.S. Department of Defense, *Indo-Pacific Strategy Report*, 17–20.

¹⁰¹ *Ibid.*, 21–46.

cede any geographic spaces around China, despite the increase in its military capabilities. Instead, by using both existing and emerging technologies, as well as new concepts of operations, the U.S. military plans to deploy even in highly contested environments close to the Asian rimland, exploiting windows in space and time to bring different capabilities to bear in order to deny the military success that China will seek in a conflict.¹⁰²

The Global Impact of U.S.-China Strategic Competition

Whether the United States succeeds in achieving its aims in this multidimensional competition in whole or in part remains to be seen, but there is no debating the fact that both Washington and Beijing now view each other warily as rivals. Although there are many in each capital who hope that the current confrontation will disappear and the previous equilibrium will be restored once the Trump administration departs from office, it is unlikely that the U.S.-China competition will simply evaporate given the realities of great-power rivalry that have now come to the fore. This tussle for power and influence has already had an impact on almost every geographic region and functional area in international politics.

The studies gathered in this volume of *Strategic Asia* document, analyze, and evaluate this competition and its consequences both for the various nations and regions that are affected and, ultimately, for China and the United States. In order to analyze how a country or region is responding to the re-emergence of acute Sino-U.S. rivalry, each chapter elucidates the aims of the United States and China with respect to the country or region in question to examine the extent of U.S.-China divergence and to assess how U.S. and Chinese objectives interact with elite interests and other domestic factors, as well as with local security competitions and other economic, historical, and ideological factors. Each chapter also analyzes the strategies adopted by various countries in response and the implications both for the country's (or region's) interests and for the relative success of U.S. and Chinese goals.

When the chapters are read synoptically, what becomes amply clear is that although the United States and China are steadily evolving toward a relationship of “asymmetrical bipolarity,”¹⁰³ the political order across the world neither exhibits nor suggests an evolution toward tight bipolarity. The realities of globalization have in fact created a dense substructure of

¹⁰² U.S. Department of Defense, *Indo-Pacific Strategy Report*, 20.

¹⁰³ Evelyn Goh, “U.S. Strategic Relations with a Rising China: Trajectories and Impacts on Asia-Pacific Security,” *The Rise of China and International Security: America and Asia Respond*, ed. Kevin J. Cooney and Yoichiro Sato (New York: Routledge, 2009), 81.

intermeshing economic connectivity over which the patterns of U.S.-China power-political competition are being superimposed. While these competitive elements are forcing changes in the underlying substructure of economic relations, the evidence suggests that U.S.-China geopolitical competition is still unable to radically restructure the elemental economic ties that operate across national borders. In part, this is because the costs of restructuring the economic links are immense and the majority of states—including the Asian states most threatened by China—seek to avoid bearing these burdens if possible.¹⁰⁴ Consequently, they seem to have settled on an evolving strategy of “China diversification,” but this does not yet imply any fundamental severing of economic ties with China.¹⁰⁵

Moreover, at a time when China’s military power, although growing, is still weaker than that of the United States, unwieldy to deploy, and unable to secure easy successes as long as Washington continues to provide hegemonic security (even if the Trump administration does so only reluctantly), all the states examined in this volume enjoy significant agency, which enables them to pursue choices that go beyond exclusive solidarity with either the United States or China. In fact, the analyses indicate that many countries or regions are attempting to avoid being penalized by the evolving U.S.-China competition, seek to exploit it for their own ends, or hope to enmesh both rivals in order to protect their own interests. Consequently, if the Trump administration’s approach is perceived by states caught in the middle or by various bystanders as forcing them to choose between bandwagoning with Washington or Beijing, it is unlikely to enjoy enduring success. Few states desire a world characterized by Chinese primacy, but even in the context of emerging bipolar competition, U.S. strategies marked by support for economic interdependence (with the appropriate corrections both against Chinese trade malpractices and for the protection of U.S. technological superiority), coupled with deepened support for U.S. partners, provide greater assurance that Washington’s larger aims will be realized. That conclusion, if no other, stands out in the studies gathered in this volume.

Sheila Smith’s chapter on Japan highlights the fact that although growing Chinese power threatens Japanese security in unprecedented ways, Tokyo still seeks to avoid making decisive choices between the United States and China in the context of the ongoing strategic competition. Japan is undoubtedly the staunchest U.S. ally in Asia, partly because it has few other choices to

¹⁰⁴ For an early assessment of the impact of the U.S.-China competition on the patterns of trade in Asia, see “U.S. Trade Policy and Reshoring: The Real Impact of America’s New Trade Policies,” AT Kearney, Report, 2019.

¹⁰⁵ Jennifer Smith, “‘Reshoring’ Report Finds Factory Work Not Returning to U.S.,” *Wall Street Journal*, July 12, 2019.

reliably protect its security in the face of its own rivalry with China—at least for now. But because Japan remains reliant on China for its economic prosperity, even as it depends on the United States for its safety, U.S.-China competition has posed difficult dilemmas for Tokyo. To be sure, Japanese policymakers welcome the fact that the United States now takes China's rise seriously as a strategic challenge. They have responded by beefing up their own military capabilities, more resolutely resisting Chinese claims over the disputed island territories, tightening security cooperation with the United States, strengthening partnerships with other regional powers such as India and Australia, offering various Indo-Pacific nations alternative possibilities to China's BRI investments, and even diversifying economic investments away from China to the degree possible. But Japan cannot pursue any comprehensive economic decoupling from China; instead, it has sought to limit tensions at a time of increased concerns about U.S. reliability and pressures from the Trump administration for greater burden sharing and more trade concessions. Fearful that Trump's idiosyncratic policies might lead to hasty compromises with both China and North Korea that undermine Japanese interests, Tokyo has pursued multiple mutually reinforcing hedging strategies. Although Japan clearly recognizes that the United States will remain its principal external protector and as such will decisively side with Washington in any crisis involving China, it still seeks to avoid such a denouement for as long as possible.

South Korea's response to current U.S.-China competition is arguably even more complex than Japan's. Seoul seeks to defuse the dangers posed by North Korea (a country that still counts on China for ultimate protection), manage South Korea's recently intensifying problems with Japan, and avoid treating China as a conspicuous threat despite its hostile response to the deployment of Terminal High Altitude Area Defense (THAAD) and rising U.S. perceptions of China as a revisionist power. South Korea pursues these objectives while trying to preserve its security alliance with the United States in the face of uncertainties caused by Trump's overtures to North Korea, his demands for greater burden sharing, and the evolution of command arrangements within the alliance. The difficulties of developing a satisfactory strategy in such complicated circumstances are only exacerbated by the deep divides in South Korean domestic politics. Hence, it is not surprising, as Ji-Young Lee's chapter details systematically, that Seoul has settled on "strategic nondecision" precipitated by its inability to reconcile the important but conflicting incentives that mark its dealings with Washington and Beijing. Thus, for example, South Korea under Moon Jae-in has voiced nominal support for the U.S. Indo-Pacific strategy—in part to boost Trump's ambitions to solder a rapprochement with Pyongyang—but out

of care for Chinese sensitivities has not done much to advance its aims. Similarly, South Korea has been careful not to join the United States in confronting Chinese technology companies, condemning Chinese initiatives such as the Asian Infrastructure Investment Bank or BRI, or even publicly conveying discomfort with rising Chinese power—even though some Korean companies are beginning to consider shifting a portion of their current investments in China to alternative locations such as Vietnam and India. Lee's broader conclusion that South Korea will continue to be indecisive and vacillate in the face of escalating U.S.-China competition thus has unsettling implications for South Korea's ties with both Japan and the United States. This once again suggests that expectations that U.S. allies and partners might uncritically support the United States in its rivalry with China will turn out to be misplaced in the face of the complex economic and political realities that surround their decision-making.

Frédéric Grare's chapter on India drives home this point. Like Japan, India is directly threatened by Chinese assertiveness, given its outstanding disputes with China over territory, BRI, Chinese support for Pakistan and India's smaller South Asian neighbors, and China's increasing penetration into the Indian Ocean. Accordingly, New Delhi welcomed the Trump administration's policy to confront China's rise because balancing China has long been part of India's own foreign policy. India is not as deeply dependent on trade with China as Japan is, and hence it is easier for New Delhi to support Washington's pushback against Beijing. India has already deepened its military partnership with the United States toward that end. Yet Indian policymakers are still queasy about the Trump administration's approach to confronting China because they have also become targets in Washington's war on globalization. That the Trump administration has not treated allies differently from adversaries is India's biggest concern. Moreover, given India's proximity to China, Indian policymakers emphasize the importance of subtly limiting Chinese gains through targeted policies that deny China technology, limit its political freedom of maneuver, and degrade its military advantages. They fear that Trump's strategy instead undermines the possibility of sustaining a global coalition that will balance China effectively even as it cooperates with Beijing when appropriate. Because of the risk that Washington treats as a zero-sum game what is a mixed-sum rivalry with China, Grare concludes that it will be harder for U.S.-India collaboration to yield actual cooperation, despite the two sides sharing congruent objectives.

In principle, Taiwan may be the greatest beneficiary of renewed U.S.-China competition. Given Taipei's long-standing problems with Beijing over its status and the fact that the current Democratic Progressive Party (DPP) leadership has long sought greater distance from China, the

Trump administration's active balancing of China clearly serves the DPP's, if not Taiwan's, interests. In fact, the administration has proved to be, for well-founded reasons, more strongly supportive of strengthening Taiwan's autonomy than any previous U.S. government in recent memory. Despite the persistence of trade disputes with Taiwan, the Trump administration has encouraged greater leadership interactions with Taipei, authorized major sales of advanced weapons, and deepened defense cooperation aimed at warding off potential Chinese military attacks undertaken in support of forcible reunification. For all these gains, however, Syaru Shirley Lin's chapter on Taiwan describes how Taipei finds itself on the horns of very difficult dilemmas. Apart from the sharp divisions in domestic politics between the DPP, which favors protecting an independent Taiwanese identity, and the Kuomintang, which still holds out the hope of peaceful reunification, the Taiwanese economy is deeply integrated with China's. Taiwanese companies remain critical sources of advanced electronic components for Chinese industry and cannot disengage at will, and many of these firms have been hurt by the U.S. tariffs. Consequently, even if it wants to, Taiwan cannot pursue policies that irreparably alienate China without further increasing the risks to its security. Lin details the domestic considerations that constrain Taiwan on this score and concludes that all the available options—deepening ties with the United States, accommodating China meaningfully, or hedging by deepening ties with other Asian states—bring enormous risks and hence are unlikely to win easy acceptance within Taiwan anytime soon.

The impact of U.S.-China competition on Russia and other countries in the post-Soviet space shares similarities with, but also important differences from, the impact on other regions of the world. Russia is a competitor to the United States, and the Trump administration views it as one of the two most significant revisionist states in the international system, along with China. Continuing the trends witnessed in recent years, Sino-Russian relations are deepening as Washington persists with its efforts to limit Moscow's influence in Eastern Europe and Central Asia. Although growing Chinese interest in both these regions holds the potential to undermine Russia's traditional primacy, Chris Miller's chapter analyzes how both China and Russia, viewing the United States as their most important external threat, have artfully managed their relations to focus on the common objective of degrading U.S. power. Managing this convergence is not easy, but the partnership between Moscow and Beijing has been sufficiently resilient in the face of U.S. power, and the escalating U.S.-China strategic competition in fact provides new opportunities for Russia to exploit its rivalry with the United States. If the Russian posture thus illustrates the proposition that "the enemy of my enemy is my friend," the attitudes of the Eastern European and Central Asian states

reflect the dilemmas witnessed elsewhere in Asia. The Eastern European states recognize the benefits of welcoming Chinese investment—and Beijing itself has focused on the region as part of BRI—but they must juggle this interest with their desire for a closer partnership with the United States to protect their security vis-à-vis Russia. The Central Asian republics are trapped in a different dilemma. They too seek increased Chinese investment at a time when there are few alternatives available to them. Increased Chinese resources promise to satisfy these states' desire for greater autonomy from Russia but could come with unwelcome political strings that replace one experience of subordination with another. In these circumstances, U.S. support would provide a welcome escape, but Washington's interest in democratization invariably runs against the aims of the authoritarian governments that populate the region.

Michael Wesley's discussion of Oceania in this volume shows that the intensification of U.S.-China competition has left its imprint on even remote parts of the globe. Australia, New Zealand, and the Pacific Island states are situated in an ordinarily tranquil locale. But lying as they do on the southern flank of the critical line of communication through which the United States brings military power to bear across the Pacific to the Asian rimland, they too have become critical elements in U.S.-China competition. The strategic importance of the area was highlighted during World War II, when the United States and Japan fought intense battles in this region. Given the interest that contemporary Chinese military planning has in obstructing a similar U.S. advance in the future, it is not surprising that Beijing has focused attention on cultivating Oceania's smaller island states through economic and military assistance—an objective that was aided by the migration of ethnic Chinese to the region. This attention in turn provoked U.S., Australian, and New Zealand counter-responses, which have taken the forms of economic assistance and political engagement aimed at limiting the spread of Chinese influence. While the island states obviously benefit from this competitive attention, Wesley notes that their leaders have refused to be “stampeded into making binary choices between China and their traditional partners, Australia and New Zealand.” Not only have they rejected the notion of a China threat, but the island states also appear committed to deepening links with China and all other states that enable them to realize their dreams of expanded access to the wider globalized world. If even small states such as those in the South Pacific resist the notion of decoupling, any U.S. effort to compete with China through exclusionary strategies suggests poor chances of success.

Joseph Chinyong Liow's chapter on Southeast Asia deals with a region that is no stranger to U.S.-China competition, having witnessed previous iterations of this rivalry during the Vietnam War. Yet the states that populate this region are now buffeted by U.S.-China rivalry in dangerous ways because

the renewal of this competition signals the demise of the equilibrium that they had come to rely on during the last several decades. This equilibrium had allowed them to increase their economic prosperity by deeper integration with the Chinese, Japanese, and U.S. economies, while relying on the United States' military power and presence to protect their security and autonomy vis-à-vis China. Liow points out that, caught between expanding Chinese presence and assertiveness in the region and Trump's unpredictable foreign policy and protectionist instincts, the Southeast Asian nations are struggling to preserve local stability. China has managed to penetrate domestic politics within the regional states, there are renewed questions about the effectiveness of the Association of Southeast Asian Nations (ASEAN) as a security organization, and Washington's new animus toward economic interdependence threatens collective prosperity without any compensating gains in security. All these factors have left the regional states uncertain about how to deal with what they see as the dangerous erosion of the traditional U.S. hegemonic compact whereby Washington used its superior power to protect weaker states and nurture their prosperity because it contributed to a global order that ultimately advanced U.S. interests. Consequently, they have responded by deepening regional cooperation, engaging other extraregional powers such as Japan and India, and looking for ways to avoid getting caught up in the intensifying U.S.-China disputes over trade, technology, and the South China Sea. Although some regional states seek benefits from the U.S. competition with China, Southeast Asia as a whole appears more interested in weathering the rivalry than taking sides.

Liselotte Odgaard's chapter on Europe analyzes the predicament facing strong U.S. allies who are caught in the crossfire despite their distance from the immediate physical locus of rivalry. The European case is also unique because it involves various independent states, with different kinds of national relationships to Washington, that are increasingly unified in an evolving supranational organization, the European Union. Western Europe's own internal desire for unity and the external pressures imposed on it by challenges emerging from Russia, China, and now U.S.-China competition have accelerated this movement toward unified action, especially in the economic realm and increasingly in the security space—despite all the subnational forces that frequently threaten this evolution. Because Europe remains an incredible concentration of economic, industrial, and technological capabilities, it remains a great prize in U.S.-China competition. Its choices have a major impact on outcomes in a variety of areas, ranging from industrial standards to global institutions. While Western Europe's traditional status as a U.S. ally inclines it toward the United States in the first instance, Trump's disdain for the liberal international order has

imposed unwelcome stresses on the transatlantic relationship. Odgaard emphasizes that, despite the region's historical affinities with the United States, the renewal of U.S.-China competition will witness Western European powers taking a more independent position. They will cooperate with either Washington or Beijing depending on the issue in question and increasingly with an eye to protecting European interests. This demonstration of agency on the part of even the closest U.S. allies suggests that the United States simply cannot presume European allegiance in its rivalry with China, in part because the threats posed by the latter to Europe are not military as they were in yesteryear with the Soviet Union. Given this fact, Odgaard argues that a more self-regarding European approach to U.S.-China competition may actually temper the competition's intensity by encouraging both sides to consider compromises. Whether or not this expectation is realized, the European attitude toward the continuing U.S. rivalry with China provides startling evidence of the complexities that Washington must confront when thinking about great-power competition under conditions of economic interdependence.

Nothing confirms the importance of U.S.-China competition more than the fact that it has reached the Western Hemisphere, long the backyard of the United States. It is often forgotten, and hence needs repeated emphasizing, that the ability of the United States to sustain global competition with other great powers is immensely advantaged by its capacity to preserve a secure hemispheric base. This geopolitical insight has shaped the United States' relations with its American neighbors since the earliest years of the nation's founding. While the traditional U.S. approach to hemispheric security was preclusive—preventing others from securing any foothold in the region—that strategy, except in the military realm, has become obsolete in the era of globalization. Today, when trading links crisscross the globe and even weaker states have enough agency to make independent choices regarding their trading partners, success for the United States will derive less from its capacity to constrain the productive links offered by its competitors and more from its responsiveness to the economic and political interests of its immediate and extended neighbors. Carol Wise's chapter on China's dramatically growing trade and investment in the Western Hemisphere in recent years drives home this point with clarity. Examining Chinese economic ties with various countries in South and Central America, as well as with Canada and Mexico in North America, Wise notes that these relationships have been enhanced precisely because they provide joint gains to the parties involved. In most instances, China imports primary goods from these countries in exchange for low- to medium-value-added manufacturing goods. The United States, in contrast, exports services and higher-value-added manufacturing goods,

a pattern that reflects the complementarities of the parties' strengths and needs all around. Emphasizing that China's relationships in the Americas are fundamentally developmental in nature, Wise's analysis underscores the need for a more sophisticated U.S. approach to the hemisphere. Instead of picking petty trade fights with its neighbors, the United States would do more to protect its interests in the hemisphere by pursuing even deeper economic integration of the kind once envisaged by the idea of the Free Trade Area of the Americas rather than trying to limit China's commercial intercourse with regional states.

Conclusion: Competing for Success

The most important change in U.S.-China relations since the beginning of the Trump administration has been the United States' acknowledgment that China has evolved into a strategic competitor. Prior administrations, also recognizing this reality but fearful of professing it openly, proceeded to surreptitiously hedge against Beijing. The Trump administration has made this competition transparent. In so doing, it has plainly affirmed what has long been appreciated by China itself.¹⁰⁶ Such a public declaration is critical to bringing bureaucratic coherence to how Washington responds to Beijing, but it is equally important to keeping U.S. engagement with China honest despite the difficulties. Without this shift, both nations would remain trapped in a charade of each side professing partnership even as they furtively engage in activities that undermine it.

The Trump administration, however, has gone beyond merely owning up to the reality of Sino-U.S. competition, and has in fact intensified it. Several of the initiatives pursued have undoubtedly been overdue. For example, revitalizing the U.S. capacity to project power in Asia is desirable and necessary for reasons that go beyond competition with China. The efforts to build an Indo-Pacific coalition of partners are similarly valuable because each of the major rimland states has an interest in protecting its autonomy vis-à-vis China. Taking measures to protect against the loss of U.S. technological dominance is likewise imperative, including by tightening export controls and better regulating Chinese business acquisitions in the United States.

For all these actions, other policies of the Trump administration have raised questions about the viability of its larger strategy toward China. Several issues are relevant in this regard. While acknowledging that the competition with China is a reality, the administration's pronouncements

¹⁰⁶ Michael Pillsbury, *The Hundred Year Marathon* (New York: St. Martin's Press, 2015); Jonathan D.T. Ward, *China's Vision of Victory* (New York: Atlas, 2019); and Rush Doshi, *The Long Game: China's Grand Strategy and the Displacement of American Power* (forthcoming).

and strategies have not indicated what, if any, the limits of that rivalry may be. The fact that China will continue to grow in power, even if more slowly in the future, only suggests that the future international order will once again return to bipolarity.¹⁰⁷ If bipolarity, however asymmetrical, represents the face of the global system for the next few decades, the United States will need to discern not only what the most advantageous modes of competition might be but also what their inherent limits are. China will remain a peer (or a near-peer) competitor that cannot be defeated conclusively as the Soviet Union was, nor will its regime be changed from without.

In other words, U.S. interests will not be served by treating U.S.-China competition as a zero-sum game if it is in fact something other. Both U.S. allies and bystanders in the international system are anxiously seeking to understand what the long-term objectives of the United States vis-à-vis China might be, what Washington regards as the desirable rules of the game, and what roles others are expected to play as this competition evolves. The Trump administration thus far has focused on correcting the weaknesses of past policies—the inability to admit to strategic competition with China—but it has spent insufficient time framing what the nature of the contestation might be in a world where the United States and China will have to cooperate on many issues despite their persistent rivalry.¹⁰⁸ How the United States proposes to cooperate with its allies in managing the ongoing competition with China is also still unclear.

What complicates these problems further is that there is little evidence that the American public, despite heightened concerns about China, views the administration's offensive against Beijing as the most pressing strategic problem facing the country. Unlike the Soviet Union, which was viewed as an existential threat to the United States, contemporary China is not perceived similarly thanks in part to its economic integration with the global economy. As Richard Fontaine notes, that “could pose a problem for the United States’ new competitive strategy. A generation-long great-power competition demands national-level focus and new economic and military approaches, all of which will be difficult to achieve without popular support.”¹⁰⁹

The character of the U.S.-China economic competition itself also requires greater clarity. The Trump administration has used tariffs on various Chinese goods to both correct U.S. trade deficits and force Beijing to rectify the

¹⁰⁷ Øystein Tunsjø, *The Return of Bipolarity in World Politics: China, the United States, and Geostuctural Realism* (New York: Columbia University Press, 2018).

¹⁰⁸ For a sensible analysis of this challenge, see Kurt M. Campbell and Jake Sullivan, “Competition without Catastrophe: How America Can Both Challenge and Coexist with China,” *Foreign Affairs*, September/October 2019.

¹⁰⁹ Richard Fontaine, “Great-Power Competition Is Washington’s Top Priority—But Not the Public’s,” *Foreign Affairs*, September 9, 2019.

structural problems afflicting U.S.-China trade relations. Attempting to reduce the trade deficit through tariffs is a quixotic enterprise because this deficit is caused by many factors that transcend China. Moreover, as economist David Goldman observes, “China’s export dependence on the United States is shrinking, not growing.”¹¹⁰ Hence, the effectiveness of the Trump tariffs to force a permanent reduction of China’s trade surplus is questionable.

Using tariffs as a negotiating instrument to compel China to address its trade barriers is more defensible, but whether tariff wars are the best means of overcoming these obstacles remains to be seen. Moreover, it is still not obvious whether Trump—as opposed to his administration—cares as much about rectifying China’s structural impediments to trade as he does about reducing the U.S. trade deficit and whether his current strategy will suffice to redress the underlying problems that bedevil the U.S.-China economic relationship. Irrespective of whether Trump succeeds in inflicting lasting pain on China, his trade war has already contributed toward slowing global growth, with 90% of the world’s economies now experiencing a downturn.¹¹¹ The consequences of slowing growth not only for U.S. allies and numerous other friendly nations but also for the United States itself over time are significant in both economic and geopolitical terms. Hence, the administration’s decision to simultaneously target many other trading partners, including U.S. allies, is even more dubious because, among other things, China’s trade surpluses with the United States are an order of magnitude larger than those enjoyed by all other states. Moreover, many partners targeted by U.S. tariffs also have problems with China’s restrictive trade practices, and thus building a coalition to confront China first arguably might have produced better results than concurrently alienating both friends and competitors alike.¹¹²

In any event, what seems most unclear about the trade confrontation with China—and this remains a source of disquiet across Asia and Europe at large—is whether the Trump administration is seeking merely to level the playing field or whether it is actually pursuing the comprehensive decoupling of the U.S. and Chinese economies.¹¹³ Whether the systematic decoupling of the world’s two largest economies can be achieved through state policy alone remains a difficult question. The answer depends greatly on the degree

¹¹⁰ David P. Goldman, “Open Letter to Larry Kudlow: You Need a Different China Strategy,” Townhall, July 19, 2018.

¹¹¹ Desmond Lachman, “When China Stumbles, the World Economy Will Shudder,” *Hill*, December 1, 2019, <https://thehill.com/opinion/international/472289-when-china-stumbles-the-world-economy-will-shudder>.

¹¹² Wendy Cutler, “Strength in Numbers,” Asia Society Policy Institute, April 9, 2019.

¹¹³ Geoffrey Gertz, “Trump Can’t Decide What He Wants from China,” *Foreign Policy*, September 11, 2019, <https://foreignpolicy.com/2019/09/11/trump-cant-decide-what-he-wants-from-china>.

to which private economic activities can be constrained by governmental decisions and whether exogenous factors like technology will subvert state choices.¹¹⁴ But the prospect of globalization unraveling as a result of deliberate decisions made by the hegemonic power that fostered international economic integration for over 70 years leaves almost every U.S. partner uneasy. Even if such decoupling were ultimately incomplete, the fracturing of global supply chains will impose economic losses not only on the United States but also on its allies, as well as on China, and will only strengthen Beijing's conviction that it must move toward building its own trading bloc so as to limit its vulnerability to Washington's decisions.¹¹⁵

Any evolution toward rival trading systems will only impose higher economic costs on all trading states and increase the risks of conflicts between blocs. But more importantly, it will force U.S. partners in Asia and Europe that trade with both the United States and China into having to make unpalatable choices. Most states, however friendly they are to Washington, find this prospect distasteful and will resist U.S. pressures aimed at limiting commercial ties with China. Even the staunchest U.S. partners in Asia, such as Japan and Taiwan, are not exceptions in this regard.¹¹⁶ Many allied states will accept targeted decoupling by the United States if this is directed at ensuring the security of the U.S. defense supply chain or some other narrow strategic objectives (if such disengagement can actually be effective). Some U.S. partners, such as Japan and Taiwan, are already pursuing limited retrenchment from China to protect their national security. Many European states, too, have become conscious of the need to avoid giving China free access to key strategic industries or technologies. But all U.S. allies would prefer that the global trading system, with its broadly enmeshed supply chains, be protected to the degree possible because of the benefits that each enjoys as a result.¹¹⁷

¹¹⁴ For an argument that economic exigencies will trump state choices, see Geoffrey Garrett, "Why U.S.-China Supply Chains Are Stronger Than the Trade War," Wharton School, Knowledge@Wharton, September 5, 2019.

¹¹⁵ For more on this issue, see David A. Lake, "Economic Openness and Great Power Competition: Lessons for China and the United States," *Chinese Journal of International Politics* 11, no. 3 (2018): 237–70.

¹¹⁶ Edward Wong, "U.S. versus China: A New Era of Great Power Competition, but Without Boundaries," *New York Times*, June 26, 2019.

¹¹⁷ For a discussion of how focused decoupling should be managed, see Charles W. Boustany Jr. and Aaron L. Friedberg, "Partial Disengagement: A New U.S. Strategy for Economic Competition with China," NBR, NBR Special Report, no. 82, November 2019. It is worth remembering that China has pursued its own version of decoupling for a long time prior to Trump's trade war. Beijing's effort to restrict the access enjoyed by U.S. technology companies in China, while creating its own national substitutes, is a good example of how China has sought to create an entire information-management regime that shares minimal links with the outside world, especially the United States.

The Trump administration, like its predecessors, has not yet found the right balance between protecting absolute and relative gains. President Trump has exacerbated this problem by suggesting that he cares little about upholding the liberal international order. If U.S. partners come to be convinced that Washington is interested neither in protecting their prosperity, which sometimes derives importantly from trade with China, nor in protecting their security, because burden sharing takes precedence over the common defense, many might be tempted to conclude that collaborating with Washington in confronting Beijing is not worth it. Only the assurance of the United States' continued willingness to protect its partners and treat them differently will forestall these temptations—to the ultimate benefit of the United States itself.

Obviously, Washington cannot bear the burdens of protecting the postwar system if U.S. power seriously hemorrhages in the interim. Consequently, it must consider correctives that enable the United States to compete with China successfully without this rivalry degenerating into violent conflict or fissuring the global economy. Achieving these goals will require diverse and subtle policies that are detailed elsewhere, but the broad strategy that Washington should pursue must focus less on pushing China down than on keeping the United States well ahead.¹¹⁸

Toward that end, the United States needs first and foremost to reinvest in itself in order to ensure that it remains the global fountainhead of innovation—from where all power ultimately derives. Washington also must work on protecting and reforming the global trading system in its multilateral form using coordinated actions with allies to confront China's malpractices. At the same time, it should selectively enlarge international trade through high-standard plurilateral free trade agreements that more tightly knit the United States with its partners while also more effectively limiting China's access to advanced technologies. Finally, rebuilding power-projection capabilities to better protect U.S. friends, while providing the global public goods that ultimately advance U.S. interests and increase the legitimacy accruing to U.S. leadership, is indispensable. In short, if the United States is to protect its primacy in the face of continuing competition with China, it must behave like a responsible hegemonic power.

¹¹⁸ Tellis, *Balancing Without Containment*; and Ashley J. Tellis, "The Geopolitics of TTIP and TPP" in *Power Shifts and New Blocs in the Global Trading System*, ed. Sanjaya Baru and Suvi Dogra, Adelphi Series 450 (New York: Routledge, 2015), 93–120.