US-China Relations: A New Type of Great Power Relationship?

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The United States and China are the two most important regional actors in Asia and the world. The United States is the power outside the region but has been deeply involved in Asian affairs for a long period of time, while China is the largest country in Asia and a major power within the region. The United States has been the established power in Asia for more than half a century, whereas China has been rising rapidly for the last two decades and becoming a major regional challenger. It is quite clear that the development of their relations could not only affect their mutual national interests but also determine regional stability and development. Therefore, it is necessary to pay due attention to such an important bilateral relationship.

The Essence of US-China Relations
It is not easy to define or clarify US-China relations, since the two countries are neither friends nor enemies. They are competitors in some areas and partners in others. When people asked President George W. Bush, “How are US-China relations?” he replied, “They are complex.” When people asked Obama the same question, he replied, “Indeed, they are complex.”

The term “complexity” could mean complicated and intricate, consisting of many parts, mixed up, and hard to find a clear direction or pattern. Maybe that is the picture of US-China relations. Economically, they are closely interconnected. In 2012, bilateral trade reached US$500 billion, the largest trade relationship in the world. Social interactions are increasing as well. In 2012, 200,000 Chinese students studied in the United States, and more than 1 million tourists traveled to the United States. The number of tourists is expected to reach more than 2 million in 2015.

However, politically and ideologically, the United States and China are in conflict. It is hard for a socialist system to be compatible with a democratic one; in fact, they are always in quarrels over basic human rights. Regionally and internationally, they are competitors, and the competition is especially high in Asia today. On many international and global issues, they need to cooperate with each other, including on antiterrorism, antipiracy, nuclear nonproliferation, maritime security, and climate change.

Hence, the relationship is fluctuating irregularly. It never reaches the level of close and cordial relations or drops to the point of direct confrontation. Moreover, it is moving from a bilateral relationship to a regional strategic relationship, which is an important change. With the expansion of Chinese activities and influence in the 21st
century, the bilateral relationship has extended to regional rivalry and rising competition in Asia.

**American Predominance in Asia**
Before 9/11, the United States was by and large the dominant power in the Asia-Pacific. It was the only pole in the unipolar regional power structure that had been in place since the Cold War’s end. The United States was leading in almost every aspect—security, trade, and regional participation—and no regional country was able to pose a challenge.

Nevertheless, after 9/11, the Asian strategic landscape began to change, moving from unipolarity to multipolarity. The region witnessed the rise of China, India, Russia, and others. Antiterrorism became the first American foreign policy priority, including in East Asia. The George W. Bush administration was fully occupied by the antiterrorism wars, and it was not able to get involved in East Asian regional affairs. That is, the United States remained on the same ground in Asia during the Bush years, while East Asian countries proceeded to new ground. In short, the United States was no longer dominant in Asia, American influence was in decline, and the United States was hollowing out the region even though it was still the most powerful country.

**Declining American Influence**
First, in security, there is no question that the United States remains in the dominant position. No other country in the Asia-Pacific will be able to challenge American military power, at least within the next 10 to 20 years. In this aspect, America recognizes its strength, and the Chinese are aware of and unwilling to challenge the United States.

Second, in the trade and economic dimensions, America’s position in the region has dropped to second or third after China or Japan. Ten or fifteen years ago, the United States was the top trading partner to almost all countries in the Asia-Pacific but has been replaced by China.

And third, in regional diplomacy, no regional institution today is controlled or dominated by the United States even though it is a major player in many regional organizations such as Asia-Pacific Economic Cooperation forum, the Association of Southeast Asian Nations Regional Forum, and the East Asian Summit. The United States has become no more than one of the major actors in regional diplomacy.
Therefore, in the three dimensions, the United States dominates in security. In the other two, the United States is only a major actor. This indicates that the overall American influence in Asia is in decline.

**American Rebalancing Strategy**

When Obama was elected as president in 2009, within a month he sent Secretary of State Hillary Clinton to visit Asia. The first message Clinton emphasized when she arrived in Asia was that “the Unites States is back in Asia.” The Obama administration tried to renew and improve relations with the Asia-Pacific countries, show American commitment to and engagement in Asia, and demonstrate American leadership in the region. Since then, there have been more frequent, high-level, and official American visits to East Asian countries and more American participation in Asian regional institutional activities. Moreover, the Obama administration began to adopt a more active and comprehensive policy toward Asia, which is known as the American rebalancing strategy toward Asia.

The new strategy was introduced by Obama in November 2011 when he made a speech to the Parliament of Australia, and it was then was officially laid out by the release of the US Department of Defense’s strategic guidance titled *Sustaining US Global Leadership: Priorities for 21st Century Defense* on January, 5, 2012. The main purpose of the strategy is to reassure America’s dominant position in the region in the 21st century. To achieve that, the United States planned to strengthen military ties with existing alliances and expand security cooperation with emerging partners such as India and Indonesia. Despite reductions in defense spending, the United States would increase military presence in the Asia-Pacific region. It began to deploy marines to Darwin, Australia, in 2013, a deployment that will grow to a total of 2,500 forces in the next few years. Meanwhile, Washington showed its interest in promoting the Trans-Pacific Partnership (TPP), a platform for broader regional economic cooperation and eventually a free-trade area of the Asia-Pacific.

Most Asian countries welcomed the United States back to Asia and embraced America’s rebalancing strategy but are concerned about the rising competition of the major powers, especially between the United States and China. Also, many countries were not so confident in American implementation of the strategy because of the slow growth of the American economy, government budget cuts, and rising conflicts in the Middle East.
The Rise of China
It is commonly known that China is rising, and rapidly. This has been the most important change over the last two decades, not only in Asia but also worldwide. It changes the political and economic landscapes of Asia and the power structure of international relations.

Since 1978, the size of China’s economy has increased more than four times and will double again over the next decade with the current economic growth rate. China overtook Japan in 2010 as the second largest economy, and China might overtake the United States as the largest economy between 2020 and 2025.

Because of its abundance of economic resources, China is able to transfer resources for military uses. Chinese military spending growth and modernization is alarming and commands attention. China is the second-largest military spender in the world only after the United States. It has maintained 18 percent growth in military spending for the last decade; in fact, its military spending increased three times during the last 10 years. Moreover, it continues to modernize its navy, army, air force, and missile force and to acquire and develop new high-tech weapons.

Clearly, China is aware that it is getting powerful, but not powerful enough. It is still a developing country in terms of national per capital income and is not capable of coping with challenges from the major powers. Hence, its current national priority is to continue to upgrade its national power and to be a full-fledged power. If China maintains its high economic growth rate for one more decade, it could be a major power in the 2020s.

But, before achieving that goal, China needs to continue to follow the 16-character instructions given by their great leader Deng Xiao-Ping, 韜光養晦、善於守拙、絕不當頭、有所作為: that is, “to hide its capabilities and bide its time, maintain a low profile, never try to take the lead, and be able to accomplish something.” Under this strategy, the national priority is to maintain regional stability and peaceful development. Without a stable regional environment, nothing can be achieved. With a stable environment, China’s peaceful rise could be realized.

Chinese Response to the Rebalancing Strategy
China was surprised at the launch of America’s rebalancing strategy. Most Chinese considered this a hostile American attempt to contain China. But many believed the strategy could not work because China can no longer be contained, while others
thought it was an American conspiracy to stop China’s rise by forcing China to be cautious and find the proper way to deal with the challenge—in essence, a message that China should not confront the United States for the time being; otherwise, China’s path to peaceful rise would be blocked.

Unsurprisingly, when then-Chinese vice president Xi Jinping visited Washington, DC, in February 2012, a month after the American announcement of the rebalancing strategy, he proposed the need to establish a new type of great power relations for the 21st century. In May 2012, Chinese President Hu Jintao officially proposed the new type of great power relations in the fourth US-China Strategic and Economic Dialogue:

People believe that cooperation between China and the United States will bring enormous opportunities to the two countries and the whole world, while confrontation between the two will bring grave harm to all...China and the United States should be firmly committed to advancing the cooperative partnership and build a new type of relations between major countries that is reassuring to both our two peoples and people across the world.  

In November 2012, in the 18th National Congress of the Communist Party of China, the new type of relations was adopted in the political report resolution. And in June 2013, during the Obama–Xi Jinping meeting in Sunnylands, CA, Xi proposed the new concept directly to Obama.

A New Type of Major-Power Relations
The newly proposed policy concept is still unclear. Indeed, there are various interpretations by different people. But according to China’s official statements, there are at least four major points.

First, it is intended to avoid the old type of a conflict between a rising power and the established power and replace that with a new type of peaceful coexistence and cooperation. Simply speaking, that is to abandon the notion of “one mountain for one tiger” and replace it with the notion of “one mountain to accommodate two tigers.”
Second, it attempts to defuse tense relations and decrease strategic distrust between major powers. Third, it expresses the need for each country to respect the other’s political and social systems, path of development, and core interests. And fourth, the concept entails showing willingness to advance mutually beneficial cooperation and interest in enhancing cooperation and coordination on global issues.
Beijing calls for making use of existing intergovernmental dialogue and communication mechanisms for more intensive exchanges of views and consensus-building. It also shows Beijing’s willingness to open new channels of cooperation on market and trade liberalization while asking for American liberalization on export controls of dual-used products. As to international and global issues, it suggests more prior consultation and coordination between the two sides. Beijing also hopes to establish a new type of military relations between the two countries.

**American Response to the New Type of Relations**

Most Chinese are in favor of the new type of great-power relations. They think it is forward-looking; even though it is not clear on actual content and practices thus far, it indicates a direction for China’s path of future development. This also shows Chinese good will and intention for more cooperation and accommodation with the United States. To some extent, this could be seen as preventive diplomacy because it is equipped with more communication mechanisms that would help defuse a potential conflict. Furthermore, some think it is a smart strategy since it might postpone a potential conflict with major powers and allow China to bide its time. And China does not lose anything by making such a proposal, even if it does not mean additional gain.

Regarding the American response, on an official level, Washington displays diplomatic courtesy and welcomes Chinese interest in cooperating with the United States. But it is clear that it is not interested in the proposed new type of great-power relations, nor does it talk much about it. The reasons are simple. First, the proposal is ambiguous and unclear; second, the United States is not interested in philosophical doctrine or abstract principle—rather, it is more concerned about concrete issues of the relations; and third, the United States has its own ideas and policies toward China, unwilling to be guided by Beijing.

As to American public view, it is mostly suspicious and negative. Americans tend to regard the proposal as China’s political slogan, government propaganda, and diplomatic doctrine, without substantial contents. Some dub this the “Chinese Monroe Doctrine,” a Chinese attempt to set up a sphere of influence in Asia. Just look at China’s core interests, whose scope continue to expand from Tibet, Taiwan, and Xinjiang to the South China Sea and Senkaku/Diaoyutai Islands. Therefore, it is unrealistic and contradictory to propose cooperation and accommodation while China is expanding its regional and international interests and activities.
**Current US-China Relations**

In 2012, US-China relations were tense, uneasy, and filled with disputes. There are many possible reasons, such as the American rebalancing strategy, American presidential election, the Senkaku/Diaoyutai Islands dispute, and the South China Sea. However, turning into 2013, US-China relations improved to some extent. The two presidents met at Sunnylands and held talks for more than eight hours.

Basically, US-China relations are both positive and negative. Current relations are relatively stable, at least more stable than in 2012. Hillary Clinton was more outspoken and critical toward Beijing, and John Kerry is moderate and supportive of engagement with China. Kerry is seemingly not so enthusiastic about the rebalancing strategy, though it is still an American policy and in implementation. But some adjustments are clearly being made, putting more emphasis on diplomatic and economic activities rather than military deployments. In addition, China endorsed the United Nations sanctions against the North Korean nuclear test, which was favored and complimented by the United States.

Second, the new type of great power relations proposed by China has brought short-term relief to the tense relationship. It sends a message and shows Chinese interests and intention to work with the United States. As indicated by the fifth Strategic and Economic Dialogue in July 2013, China agreed to resume negotiation with the United States on an investment treaty, a move viewed as an encouraging sign that China is willing to open up its market to more foreign competition. And Obama and Xi seem to be maintaining good chemistry. It looks like Obama is interested in talking with Xi since the latter is frank and willing to speak his mind, whereas former president Hu was conservative and always followed the official line.

And third, China becomes more accommodating to American policies and activities. China was strongly critical of the rebalancing strategy as containment against China; now it has less criticism and accepts that the strategy is mainly for maintaining the status quo in Asia. China was hostile toward the TPP and viewed it as an American tool to dominate the Asian economy, but, by contrast, it is not presently against the regional trade agreement though it has not decided whether to participate. In military-to-military relations, China is now willing to formulate a notification mechanism and rules of behavior on military activities with the United States.

However, there are still many enduring problems between the two major powers. First, relations remain strategically competitive. Although the Pacific Ocean is broad
enough to accommodate the United States and China, the strategic room in the Western Pacific Ocean for the two countries’ maneuverings is narrowing down. China is moving from a traditional land power to a sea power, and its naval strategy has changed from near-seas defense to far-seas operations. It is able to cruise from coastal areas to the first Pacific island chain and can reach the second island chain and beyond. It is clear that the United States is not able to accept Chinese core interests, which are continuously expanding; unable to accept Chinese historical claims over disputed waters; and hardly able to allow its allies to be coerced and threatened by China.

Second, the proposed new type of great power relations is not helpful in solving the problem of mutual strategic distrust. The Chinese emphasis on “new” probably is not meaningful because it is only the repackaging of old concepts and principles as if they were new. They do not represent a departure from the past practice and conduct of Chinese foreign policy. The more troublesome part of the Chinese proposal is that it is a one-sided framework that lacks consideration of US core interests and any recognition of reciprocity. It appears to demand that Washington or other countries accommodate China’s interests, while not conceding that China may also need to compromise.

And third, China is not satisfied with the status quo in Asia and attempts to recover its traditional regional influence. However, the United States remains the main obstacle on China’s path to Asian hegemony, and their relations are hard to keep stable. The United States is a leader and more globally and regionally powerful than China; hence, their power relations are asymmetrical. Furthermore, the United States is reinforced by a well-established alliance system in East Asia, with support from Japan, South Korea, Australia, the Philippines, and Thailand. By contrast, China is alone in Asia; very few countries are willing to show public support for Beijing. Under the circumstances, China feels insecure and threatened even though it is rising and becoming more powerful. China sees a need to continue building economic and military capabilities to cope with the US challenge.

Taiwan’s Perspectives
Taiwan welcomes America’s return to Asia and resumption of its leading roles in security and regional relations, and this will prove important for maintaining Asian security and stability, especially during a time of rapid change in regional relations and development. The Obama administration claims to be serious about its reassurances and commitments to the region. However, because of America’s faltering
economy and heavy national debt, Taiwan is uncertain of the endurance and sustainability of the American rebalancing strategy, which requires costly force restructuring and military investment. The continuing crises and conflicts in the Middle East, such as the civil war in Syria, the Iranian nuclear issue, and unsettled political situations in Egypt and Afghanistan, might once again distract American attention from Asia.

Taiwan is not officially cited in the American rebalancing strategy for its role in regional security, which is predictable seeing as the two countries lack diplomatic ties. However, Taiwan believes it would fit into the American strategic framework. Taiwan’s detente with mainland China, which will be beneficial to regional stability and development, is consistent with American security and economic interests and backed by Washington. Moreover, Taiwan can play a meaningful part in regional participation and economic development. It has shown its willingness to join the TPP and Regional Comprehensive Economic Partnership. And many believe the rebalancing strategy will add a greater economic dimension, which will not only meet interests of Asian countries but will also be good for American economic engagement in Asia.

To some extent, Taiwan feels that the new type of great power relations proposed by China is mainly government propaganda, just as the “peaceful rise” promoted by China a few years ago. The main purpose is to avoid an open conflict with the United States lest China be interrupted in moving toward major-power status. US-China relations are marked by strategic competition in Asia, and it is realistic to accept this fact and learn how to manage the difficult and complex relations.

Notes