

This is not another Cold War. The more other powers use China-U.S. contention to increase their influence and power, the more common ground China and the U.S. will find on issues peripheral to their interests.

–SHIVSHANKAR MENON

The Case for Allies: Coordinating a Response to China

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Two claims and a conclusion are today often presented as three simple and obvious truths: worse U.S.-China relations are here to stay; China's rise and behavior worries and provokes her neighbors and rising or established powers; and, therefore, the U.S. should work with her allies and these powers to manage, balance, or contain China. There is sufficient truth in these statements for them to have become, in a very short period, today's conventional wisdom.

But is it really just so? This paper attempts to provoke a discussion and add a dose of realism to the calculus by considering each of these statements and their implications.

1. U.S.-China Contention Is Here to Stay

It is probably true that worse U.S.-China relations are here to stay for the foreseeable future, or at least for as long as anything lasts in international relations. For the U.S. to accept a peer competitor in the world or to abandon the Asia-Pacific to Chinese dominance would require a fundamental shift of epic proportions in U.S. grand strategy and a disregard for the new bipartisan consensus in the U.S. At the same time, regime survival and the fate of individual leaders in China hinges on the attainment of the "China Dream" to make China great again. China cannot accept the changes to its economic, industrial, intellectual property, and manufacturing policies that the U.S. seeks, and that China sees as constraining or preventing its rise.

But this conclusion needs to be moderated by the following considerations:

- There appears to be a fundamental rethinking of U.S. strategy underway. President Trump has often expressed a willingness to accept Russian and Chinese interests in their regions if he can show victories in his transactional trade agenda. In his dealings with the North Korean nuclear issue, by calling for better relations with Russia, and by telling South Korea and Japan to go nuclear and take care of their own security rather than rely on the U.S., President Trump suggested a fundamental shift in U.S. thinking that could accommodate Chinese and Russian ambitions. There is of course no unanimity on this even within the Trump administration, but the ambiguity causes allies to rethink their options.
- The U.S. and China are economically codependent to an extent rarely seen between a superpower and a great power. For major U.S. tech and aeronautical companies, China represents a major share of their profits, and U.S. manufacturing is heavily dependent on cheap Chinese intermediate goods. If China cannot do without the products of U.S. high tech industry, neither can the U.S. do without Chinese manufacturing.
- The U.S. and China have common interests, such as preventing the rearmament of Japan, the nuclear weaponization of the Korean Peninsula, and the emergence of a third or fourth pole or peer competitor. Both expect to act as global leaders, where the gap between them and the rest will only widen in the foreseeable future. If they are right, the elements of a binary world order are in place, but a binary order very different from the Cold War for multiple reasons.

- At the same time, the power gap between the two most powerful states on earth and the rest is not what it was after WWII or during the Cold War. As a consequence, U.S.-China agreements are less effective than they were in the 1970s and 1980s at managing issues in the Asia-Pacific. For instance, both China and the U.S. profess an interest in denuclearization of the Korean Peninsula, but they are unable and unlikely to achieve this. Both Chinese and U.S. scholars downplay or ignore the fact that power is more evenly distributed in the global system than before and that other powers have risen thanks to globalization. Two decades of globalization have made them all more linked and dependent on the world economically, technologically, and politically. As those rising powers seek to protect their expanded interests, they seek partners in the system.

So, while temporary trade deals to limit the U.S. trade deficit are possible, they are unlikely to change the fundamental competitive dynamic of the strategic relationship. Equally, U.S.-China relations will continue to contain several cooperative elements. This is not another Cold War. The more other powers use China-U.S. contention to increase their influence and power, the more common ground China and the U.S. will find on issues peripheral to their interests.

2. China's Rise Worries Her Neighbors and Other Powers

Yes, but ...

- Their reaction is to hedge, balance, and bandwagon, all at the same time, rather than to contain or ally against China's rise. None of them want to choose between the U.S. and China. India, Japan, Australia, Vietnam, and others in China's periphery have all strengthened their defense, security, and intelligence cooperation with the U.S. and between themselves. But they have all tried to do so without affecting their ties with China. (That China has not been clever enough to use this is a different matter and a weakness in China's diplomacy.) The hesitant and nebulous nature of the Quad in both its incarnations, 2007-8 and after 2015, is proof of their sensitivity to their ties with China. U.S. allies and partners see a world where power is shifting and where technology and globalization are accelerating the change. The dual uncertainty about Chinese and U.S. behavior is what leads them to their current reactions.
- In the last two decades, China has replaced the U.S. as the most important trading and economic partner of the Asian region, with the exceptions of Bhutan and Afghanistan. China's Belt and Road Initiative (BRI), and the response of most countries including U.S. allies, is proof of the limits to what China's neighbors, other rising powers, and even established U.S. allies are willing to do in response to China's recent behavior.
- Asian states are only reacting to the new situation that they see around them. Asia is now economically multipolar. The military balance is overwhelmingly in favor of the U.S. but has been tilted against other Asian powers by China's military modernization and buildup over the last two decades. Asia is also heavily nuclearized and is likely to be even more so in the foreseeable future. Nuclear-armed states will act more independently. Extended deterrence in Asia is no longer as credible as before. Hence recent hedging and balancing between the U.S. and China by stronger Asian powers, and bandwagoning with China by weaker Asian powers.
- China's neighbors are increasingly working together on defense, security, and intelligence. This is not just a response to China, but a hedging occasioned by uncertainty about the future course of U.S. policy and recent shifts away from the post-Cold War U.S. role as the provider of global public goods.

In other words, life is complex; get used to it.

3. The U.S. Should Work with Allies and Partners to Craft a Response to China

Indeed, it should. But what sort of response?

First, we need clarity on the goal. Is it to isolate China, to contain China, or to change Chinese behavior?

Can China be isolated or contained? To my mind it is beyond any power's capability to contain or balance China today. Not even the sole superpower, the U.S., could do so alone. Nor is it certain that the present U.S. administration wishes to do so or has a clear strategic goal for where it wishes its relationship with China to be in five or ten years.

It is also moot whether the U.S. with its allies and partners could isolate or contain China in the Asia-Pacific and Eurasia. The Trump administration has hit upon the inconvenient and unacknowledged truth that we all wish to retain our beneficial economic and trade ties with China, improving them where we can while limiting the political and security impact of China's rise. We wish to have our cake and eat it too. China does not share this unrealistic expectation and is certainly not evolving in a direction that would make it possible.

There is, however, an important caveat. Such outcomes might come into play if China makes significant mistakes or chooses to change its behavior. Both are possible but unlikely, and we cannot plan on that expectation. By some accounts, China has already over-reached with the BRI, and the internal social and economic condition cannot sustain its ambitious and assertive regional and global goals. That remains to be seen. Nevertheless, it is hard to foresee China's external behavior changing unless the leadership sees change as serving the Chinese Communist Party's fundamental interest in continued single-party rule and regime stability.

Today, neither isolation nor containment is a reasonable goal for a response to China. Moderating Chinese behavior, on the other hand, is a practical goal. Our aim should remain to change and influence China's behavior where necessary while accommodating its legitimate interests where we can.

This is not an outcome that is likely to result from transactional negotiations, short-term deals, episodic pressure, or staged events. Nor will strategies so far announced or practiced by the U.S., its allies, or partners like India produce this result. None of them have been sufficiently resourced, implemented, or coordinated to be credible or effective—not the Quad, not the Free and Open Indo-Pacific (FOIP) strategy, nor any of the other catch phrases that are now making the rounds.

Besides, in a world where power is more evenly distributed, the U.S. needs allies, but more than allies it needs partners. Partners with congruent interests, or "aligned partners," are more valuable for they will do of their own accord what the U.S. wishes to see, will not depend on the U.S. for their security, and will enable the U.S. to work within the largest possible international coalition for its purposes. The U.S. should be working with allies who can pull their weight in a common purpose. Interestingly, the new authoritarians now in power in Asia, for all their faults, are at least predictable in their behavior as potential allies and partners.

An effective response to China's rise and recent behavior would include the following:

- It would go beyond the maritime strategy outlined for the Indo-Pacific to include the Asian continent and Eurasia. The FOIP strategy implicitly concedes the continent to China and leaves Russia and the states on the continent with no options but to work with China. Russia is a potential swing state and balancer that the West (except President Trump) seems to have discarded from its calculations.
- It would multilateralize parts of the present U.S. hub-and-spokes defense and security arrangements in the Asia-Pacific. Plurilateral arrangements would be politically easier for other countries to participate in.
- It would build issue-based coalitions of the willing on specific security issues: maritime security in the Indian Ocean region, freedom of navigation in the South China Sea, cybersecurity, crisis management, counter-terrorism, etc. Such diplomacy would also conform to the present balance of power in Asia.

- It would include China in the response to larger global challenges such as the global trading system, climate change, and non-proliferation of weapons of mass destruction, as none of them can be addressed without it.
- It would have in its strategy an economic and trade base. U.S. strategy in East and Southeast Asia in the 1980s and 1990s had that base and therefore succeeded beyond expectations. That situation is no longer true. There is still considerable economic potential to be tapped as part of a broader China strategy. Japan's investment and commitment to connectivity and other projects in Southeast Asia is more than the total Chinese commitments under the BRI. India, Australia, and Indonesia can do much more with other Asia-Pacific countries. It is the linkage and integration of defense, security, and other ties with economic links that gives Chinese policy in Myanmar, Korea, and elsewhere an edge today and provokes the reactions that we see.
- The framing of the response is important, particularly at a time of uncertainty caused by a shifting global power structure accelerated by globalization and technology. Referencing race with statements such as "Chinese are not Caucasian" or describing U.S.-China relations as a clash of civilizations is not helpful or conducive to the coalition politics required by the present situation.
- Most of all, the response requires diplomacy that is patient and persistent, is strategic and coherent, shapes the environment, understands others—including China—and harnesses them to further common interests.

4. Case in Point—India

India has been hailed every few years as "a central partner in U.S. efforts to balance rising Chinese power." This is not just a twenty-first century phenomenon. It began in the mid-twentieth century under the Eisenhower and Kennedy administrations. However, the surge in U.S.-India partnerships is typically followed by "India fatigue" in Washington and "Washington fatigue" in Delhi. We seem to be going through a similar dip today. Both sides have imposed tariffs on each others' goods. We have reduced India-U.S. relations to a unending set of demands, most of them tactical and some meaningless: list Masood Azhar as a terrorist in the UN, get India Nuclear Suppliers Group membership, restore the Generalized System of Preferences, restore H-1B visas, don't buy S-400s from Russia, don't buy Iranian oil, don't let Huawei in, buy U.S. fighter aircraft, impose zero tariffs on Harley Davidson motorcycles, don't enact new e-commerce rules, and so on. This is mostly petty stuff that fills a vacuum created by an absence of strategic thinking about the relationship.

The conventional explanation for this phenomenon is exaggerated expectations on both sides, which is partly true. India expects broad asymmetric investments in the relationship by the U.S., and the U.S. expects India to behave as a U.S. ally without adjusting their China, Pakistan, Iran, or Russia policies to suit India's interests. Nor is there recognition on either side of India's limited capabilities. There seems to be diminishing U.S. interest in seeing the relationship in anything other than transactional terms of deals done, money made, and things sold. India is not a big player in international trade, and the Trump administration's actions and threats will only ensure that it is even less so in the future. Protectionist sentiment, always high in the Bharatiya Janata Party and its supporters, will be vindicated and further drive this Indian government's policies. That is hardly the outcome that the U.S. (or India) should aim for if India is to work with the U.S. in response to China.

For me, the issues with significance for the future, on which India and the U.S. are yet to see eye to eye, are data, internet governance, and intellectual property rights. Today, Huawei is an issue between the two countries. Both government and private networks in India are already heavily dependent on Huawei technology and equipment—three-quarters of all private telecom service companies in India use cheaper and more efficient Huawei equipment. India could potentially remove Chinese equipment in government networks, as the UK says it will, but those

networks will still connect to other networks that do. A satisfactory solution to this problem requires both India and the U.S. to think beyond bans and sales.

A broader alignment between India and the U.S. is possible if the U.S. is willing to accept that “informal allies” like India need a different template. India too needs to limit its expectations of the U.S., as no single ally can put out fires in west Asia, Pakistan, the subcontinent, and Southeast Asia simultaneously. Today’s India-U.S. priority should be to build on commonalities and concentrate on what should be the single most important issue for both countries—a response to China.

This means that non-China-related issues (like Iran and Russian defense sales) should be detached from the India-U.S. relationship. Today, neither India nor the U.S. behave as though China is their overwhelming priority, as, say, the Soviet Union was for the U.S. during the Cold War. If China were its priority, India would not be cutting off all channels to Pakistan and engaging in low-level hostilities with it, and the U.S. would not be pushing Russia into a de facto alliance with China.

India could help the U.S. manage instability in Pakistan and Afghanistan and the Indian Ocean region. India should be a willing and significant contributor and participant in the issue-based coalitions mentioned above.

The India-U.S. goal should be an aligned partnership, not binary choices between allies and adversaries, while both work with China. The U.S. has multiple advantages over China, which could overcome the Indian elite’s traditional preference for pure “equidistance.” While this may not be the traditional U.S. way, it is probably a more realistic response to the present balance of power in Asia and a reflection of what our politics can carry. It would also require continuous diplomacy, a commodity that seems to be in short supply the world over.

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