

US–CHINA RELATIONS IN THE 21ST CENTURY

C. Vinodan and Anju Lis Kurian



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The beginning of the new millennium marked the meteoric rise of China in a decades-old world order dominated by the United States of America. This book explores the intricacies of China's political, economic, and diplomatic relationships with the US and its consequences on international politics.

It looks at the historical evolution of the US–China relationship, their struggle for strategic power in various regions of the world, as well as their bilateral involvement. This volume focuses on the need for improved Sino-American political and strategic partnerships in order to address global concerns such as non-proliferation of arms and nuclear weapons, climate change, energy security, and international terrorism. It also looks at China's growing influence, the Belt and Road Initiative, areas of conflicts, and mutual interests. The authors unravel the major conflicts and political developments between the two countries offering a deeper insight into the challenges and strategies for greater cooperation and resolution of differences in the coming decades.

This book will be of great interest for researchers and scholars of international relations, China studies, comparative politics, development studies, and public policy. It will also be useful for think tanks, policy makers, and general readers interested in the US–China relationship.

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Introduction

The threshold of the 21st century has been remarkable with the rise of China as a global power in a unipolar world dominated by the United States of America. The spectacular rise of China prompted the leaders of the country to ensure the world that their economic and political power in the international system will not pose a threat to any of the nation in the world. For example Jiang Zemin, the then leader of the 1990s, emphasised on the principles of mutual trust, mutual benefit, equality, and cooperation in its bilateral and multilateral relations. Later, Hu Jintao, along with others, put forward the idea of peaceful development of the country. Then, the present president Xi Jinping accentuated that they have no ambitions to seek hegemony. However, the rise of China paved the way for a complex power relationship between two global leaders based on intrinsic cooperation and hegemonic power competition. The power correlation between these two powers and its impact on the international system along with its implications for global politics became a subject of study for scholars, policy analysts, and for many others. Everybody looked at the possibility of the convergence of interests by both countries for their own benefits and for international peace as well as security. The United States has been the sole hegemonic power in the last century with absolute hard power than ever, which has been multiplied by its soft power. China exhibited an astonishing speed and scale in its rise over the last 40 years and has grown to become a global player in the 21st century. The infiltration of Chinese soft power, through several hundred Confucius Institutes which teach Mandarin across the globe, Chinese diaspora, Belt and Road Initiative, financial aids etc. in the face of derailing American soft power, has improved China's image over its authoritarianism.

China may not intend to replace the United States by displacing it and reign at the helm of global politics. But in its own backyard, it is not ready to accommodate US interventions and is very vigilant to resist such involvement along with ensuring its position as an unimpeded power. At the same time, it can be noticeable by those who analyse the history of Sino-US relations that since the independence of America in 1776, there is an underlying

thread of spiralling antagonism in their mutual interactions. Presently, China is in a position to confront the United States if such a scenario arises, because China is strategically more powerful than ever. Also, history has witnessed the fall of hegemonic power where a rising power is able to sustain its rise overtaking the predominant power either through peaceful means or through war. To dent the United States' hegemonic power, it should let down the policy of America first and deepen its role in maintaining a liberal international order. Currently, the United States is committed with the strategy of America first while maintaining its hegemonic ambitions in the international system. But that only creates opportunities for China and divergence of interests with China, thereby directing bilateral relations towards more complexities. American misadventures in overseas and political turbulence at home raised doubts about the super power status of the country. The peaceful development and economic growth of China earned it the status of being a rival country to the United States in the international system. In 1945, America at the peak of its relative power opted to reject isolation and decided to live in a world of its design, and it is not surprising if China decides to go the same way in the 21st century.

Today, many of the analysts and policy makers have accommodated China as a global leader along with United States. But the power structure and alliances involved in their interactions in the international system are different from the previous scenarios of power competition between global leaders. It is mainly due to the nature of interdependence between China and United States along with other countries dependence on either China or America and on both for various issues as well as purposes. For example no one can trust the actions of the United States in the issue of global climate change; on the other hand, China is a more dependable actor in the international climate change negotiations. Here, the dependence of allies is not based on ideology but the depth of the global problem and active participants in the world politics are not ready to ally with somebody based on any ideology; rather, they want to solve the global problems peacefully. In such a situation, grand alliances and power competition based on ideologies are less likely in this century. Therefore, the active engagement of United States and China in the international system is quite assured with their spheres of influence and activities where both of the powers' intersecting conflicts of interests may arise, otherwise the system will revolve as usual with positive interactions between China and the United States.

The possibility of perceiving China as a threat and following the strategy of containment which was used against Soviet Union after the Second World War resides with the United States. China's alleged export of 'China model' in political, ideological, and economic spheres exposes a threat to American liberal values which was at the apex of international system in the 20th century. But till now, America has not officially expressed its willingness to follow the containment strategy, even though there are serious differences over

many issues and even the tussles of trade war over dissatisfactory economic relations. In the beginning of George W. Bush administration, the United States hesitated to continue cordial relations with Beijing, but the 'War on Terror' found a favourable ally in China, so President Bush was ready to go in hand with China in his following years in president ship. During the administration of Barak Obama, the skirmishes between China and US were more apparent, and he initiated the policy of 'Pivot to Asia' though China was in a position to strategically defend it and created a situation of zero-sum game. The policies of both Bush and Obama gave optimism to US allies that at a time of threat, America will take the lead role and somehow succeed in sustaining their allies along with itself. But the 'America First' strategy and misguided foreign policy measures of Trump eroded confidence of its allies and forced them to pursue reciprocal relations with China because it became a powerful country to lead the world in the presence or absence of the United States. Actually, the protectionist policies of president Trump gave opportunities for China instead of containing it to cross the boundaries of power sharing in the global politics and international system. If the US follows the containment strategy to defend its ideologies and interests against the spread of Chinese ideologies and interests, no one can predict who will become the winner and even the support of allies both can attract. It is mainly due to the leadership stability and trust offered by China as well as the spread of Chinese soft power and its impact on world population and nations. Currently, Beijing has evolved as the winner of the game in the existing global power dynamics so a containment strategy against China will have unpredicted repercussions on the world as well as on Washington. Therefore, the world is expecting cordial interactions between US and China thereby leading the world to a century of peace and tranquillity.

The United States in the Trump era miserably failed to judiciously handle the tool of diplomacy in its foreign policy which is the decisive factor in maintaining global power. The retreat from Paris Agreement of climate change, the nuclear deal with Iran, the Trans-Pacific Partnership and various other global commitments and institutions are the instances of a flawed diplomacy. All these diplomatic failures opened novel avenues for Beijing to assume a lead role in world affairs such as climate change, free trade, new global financial institutions, and so on. Actually, the interesting factor that lies in these opportunities is the absence of an opponent against China in pursuing global leadership in these arenas because America has already denied its active role in these issues. In a world striving for peace and diplomacy as well, soft power has a great role in deciding global leadership and bilateral relations. In these areas, an active engagement of China actually creates a hope for others and also an opportunity for tension-free bilateral relations between China and United States. The United States as a predominant power in the world politics followed the policy of regime change especially in those countries that were against its ideologies and political will.

America expected the same from People's Republic of China, but that did not happen – instead China continued its military, diplomatic, and commercial strides. In addition, China's approach to development differs by not demanding governance reforms as a condition for granting aids. Besides, China and its people nurtured the view that America along with Western powers are in an inexorable and rapid decline. Thus, it has become more competitive without being confrontational as compared to United States in its strategies. So physically and psychologically, Washington faces a global power competition from China, and it is apparent that they are not in a position to transform China in accordance with their agendas. From the perspective of the US, a more realistic set of ideas as well as policies are urgently needed to smoothen the US–China relations in the 21st century where both have their own spaces for power sway.

The US–China relations under the leadership of Trump and Xi were troublesome than ever before. China under Xi expressed the vision to make their nation a world leader with composite national strength as well as global influence. In addition, presently China is bold enough to offer an alternative development model based on their system and ready to take on an active role in the reform of global governance system by challenging the liberal democracy model. On the other hand, America under Trump lacked a stable foreign policy and retreated from its role as an international player. His policy towards China has been fluctuating all through the presidential years with the signs of friendship and animosity. Besides, he did not believe in a partnership with China and on the benefits that are brought to United States in any manner. But coexistence with China is only remaining option for US instead of challenging or confronting it, because the waning of America's hegemonic power is a reality while China is growing into global predominance. Therefore, a peaceful world demands a soft balancing of US–China relations that will be better for the United States than for China.

Thus, this book aims to analyse the emergence of China as a predominant regional power as well as an emerging global power in terms of economic, military and diplomatic issues, besides throwing light on the evolving trends in US–China relations from the historical roots to the present century. Within a 30-year span, China has become one of the few countries that have significant national interests in every part of the world and that command the attention of every other country and every international organisation, that is from being a poor and ostracised country to an influential and increasingly developed great power. China's rise is mostly seen as a new historical development by international actors but is considered at home to mark the end of a 'Century of Humiliation' as it always bolsters a desire to restore the history of their great civilisation. More than just the re-emergence of a great power, China's rise appears to define the country as a potential contender for the status of superpower, offering an alternative to the pre-eminence of the United States. It is on the pretext that in the beginning

of the 21st century itself, Chinese potentialities have grown to the echelon where Beijing is expected to challenge many of the security, economic, and political norms maintained by the United States in the last century. Both Beijing and the Washington would compete for a strategic influence across Asia and around the world by accelerating their military preparedness to guard against the possibility of a long-term conflict. Tensions and potential conflicts arising from diverging interests of two countries represent threats to the international system. Here, they have the difficult task of turning a relationship of distrust into one of reassurance. The respective economic weight, global influence, and military capacities of the emerging and existing hegemonic powers evolve themselves to be the key performers in the effective resolution of various concerns at stake regionally as well as globally like resolving global peace and security, non-proliferation, smooth functioning of international institutions, global economic issues, and new security challenges such as climate change, energy security, and international terrorism. By focusing on common objectives such as global growth and prosperity, China and the United States can create and encourage a relationship that would mutually be beneficial for both countries also the rest of the world and greatly enhance the prospect of Sino-US joint ventures in the ongoing century.

This book has been divided into six chapters and a conclusion. The first chapter is titled as 'US-China Relations: Historical Makeovers and Present Scenario', and it narrates the historical evolution of US-China relations since 1784 when *The Empress of China* sailed to Guangzhou, a province in southern China. According to the US Department of State's Office of the Historian, in the 18th century, all trades with Western nations were conducted through Guangzhou. The twists and turns in relations since that time have caused policymakers, strategists, and scholars in both the United States and China to try to establish firmer bases for cooperative relations or at least establish a better understanding of the different elements in the relationship. The resulting frameworks and forecasts often proved useful in comprehending relations and motivating policy; however, at other times, they were misleading or flawed by achieving mediocre results. The second chapter titled 'China and the United States: Regional Power Dynamics' analyses the power dynamics between US and China at the regional levels. The competition for supremacy between the established power and their rising counterparts can be dealt with in a number of ways due to the expanding interests of the rising power that usually results in disputes, and its peaceful resolution rarely occurs. At present, China is well aware of their growing power and look for models to direct their behaviour under increasingly favourable conditions, so the leadership in Beijing could hearken back to their former era of glory. The relationship between US and China is multi-dimensional which cuts across progressively large swathes of each other's economic, diplomatic, and security quests. Hence, their relationship can be characterised as a mix of

competition and cooperation with a balance of elements fluctuating in issue and region also varying according to broader trends in the bilateral involvement. China envisions the opening years of the 21st century as an epoch of strategic opportunity to eventually fulfil the ‘Great Revitalization of the Chinese Nation’ and the ‘Chinese Dream’.

The third chapter named as ‘China’s Belt and Road Initiative: Implications for the US’ discusses the various aspects of the exhibiting foreign policy as well as geo-economic venture of the Chinese President Xi Jinping called Belt and Road Initiative and specifically its implications for the United States. China’s BRI vision to reconnect the Eurasian landmass along with maritime trade routes and the dedicated institutions to finance it stand as major signposts of its yearning to play a prominent role in the international system. Beijing has comprehensively retooled its political, diplomatic, financial as well as military echelons in reinforcement of the project as it serves as the unifying principle of Beijing’s foreign policy and regarded as the backbone of the country’s grand strategy in the 21st century. Researchers have the opinion that the BRI is something about an expanding strategic and political influence of China at America’s expense, and thus the BRI becomes one of the precarious topics of Sino-American bilateral cooperation. Then, with the beginning of the Trump administration in 2017, BRI has developed into one of the ‘third factor’ matters for their partnership. One of the main reasons for this is that the tremendous increase in the projects established by China under BRI thereby has rapidly increased China’s visibility and regional influence with specific implications for the American existence in the Indo-Pacific expanse.

The fourth chapter with the title ‘US–China Economic and Trade Relations’ enumerates the economic intricacies between both the countries, complex trade relations, and the need of economic cooperation in the midst of divergence of motives and interests. The United States and China being the largest and second largest economies, respectively, in the world perform crucial roles in the vitality along with stability of the international economy. At present, both economies are vigorously interdependent according to the generally used indicators like the absolute volume of mutual trade, flow of foreign investments, and the ranking of market prominence for one another. Ever since the beginning of Sino-American diplomatic relations, the economic as well as trade relations between the two nations have marked a rapid growth. China’s economic reforms, rapid economic growth, and the effects of globalisation instigated a robust integration of Chinese and US economies. For the past 10 years, trade volume between China and US has more than tripled even in the midst of differences as well as disputes on the reason that their economic along with trade relations are profoundly entangled and cannot be stopped. But the trade skirmishes are something much more than the American trade deficit, and it is about the race for global power and economic supremacy. Moreover, the differences between

United States and China are reinforced by the initiation of Made in China 2025 programme which targets to build the country as a manufacturing superpower. Again, this shows that the competition between the two giants for dominance in the international system will not end in the near future.

The fifth chapter entitled 'US–China Relations: Convergence and Divergence of Interests' searches into the areas where both powers can cooperate each other in the midst of diverging interests. Growing economic ties between US and China have led to an increasingly interdependent relationship between the two countries with an effect that any major change in one is having a direct impact on the other. Both countries have therefore recognised the importance of economic as well as political cooperation. Indeed, since they are the two biggest economies in the world, no global issue can be properly addressed without the involvement of both China and the US. The efforts to broadening and deepening of US–China relations to better address regional and global challenges include efforts to deal with international terrorism, address climate change, participation in transnational organisations, and mitigate the impact of the global financial crisis. The sixth chapter named 'Strategies of China as a Rising Power: US Response' looks into the major domestic as well as international strategies followed by China to be a great power in global affairs. China has made extraordinary strides in the last decades, and the speed and scale of this transformation have resulted in remarkable economic growth and political influence. China's new economic approach instigated in the 1980s focused on exports and on a unique market economy turned out to be very beneficial for the country and for the rest of the world. Traditionally, China is regarded as a land power, but contemporary China is nevertheless highly dependent on the oceans. The security of Sea Lines of Communications (SLOCs) is therefore critical to the economic growth of China. In other words, the country has a vital interest in ensuring freedom of navigation around the world including in the Western Pacific, the Indian Ocean, and the Persian Gulf. Chinese military scholars emphasise the importance of 'maritime strategic accesses'. At the same time, the 'One Belt, One Road' (OBOR) initiative underlines the era of the new economic diplomacy of China, promoted by the new Chinese Administration. It is a major development in outward diplomacy and represents an opportunity to expand Chinese influence while also showcasing Beijing's softer side. US views these strategies and its implications for them in a doubtful manner complicating the rise of China in the international sphere.

The book concludes with the concerns and hopes that in the 21st century, Chinese potentialities will grow to the echelon that Beijing is expected to challenge many of the security, economic, and political norms maintained by the United States. In such a scenario, the United States will naturally be enforced to retort and devise approaches that deter and air egregious Chinese confrontations, even though a complete success in these American endeavours is awaited unlikely. Hence, to reduce the threat of the security

dilemma requires an improved mutual understanding and level-headed pragmatism along with dual-party engagement in continued cooperation through military exchanges and diplomatic channels. Moreover, there is nothing determinist about the future partnership between China and the United States, and ultimately it is a matter for leaders to decide on an approach and to execute it either in cooperation or separately. The respective economic weight, global influence, and military capacities of the emerging and existing hegemonic powers evolve them to be the key performers in the effective resolution of various concerns at stake regionally as well as globally. Besides China's greater involvement in these issues and its employment of multilateral institutions to do so are optimistic indications for the stability as well as security of the world order. By focusing on common objectives such as global growth along with prosperity, China and the US can create and encourage a relationship that would benefit both countries and the rest of the world and greatly enhance the prospect of Sino-US joint ventures in the ongoing century.