



An Analysis of the Sino American Relationship During the 21st Century

BY
Jonathan Elias Derks

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Supervisor: Dr. Erik Jones
Reviewer: Professor Francesco Galtieri

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The Sino-American Relationship Before 2004

Few, if any, would contest the statement that the Sino-American relation is the most important bilateral geopolitical relationship of the 21st century. Boasting a combined population of over 1.7 billion people, the two nations are the two most significant countries on Earth. Their economies far outpace those of other nations, even the aggregated economy of the European Union, which is composed of twenty-seven countries. Since the turn of the century, China has endured virtually untethered economic growth. Furthermore, their importance in geopolitical affairs and world events has also been on the rise. It is also worth noting that both nations occupy a permanent seat on the United Nations Security Council and have veto powers when it comes to security council resolutions. This paper will broadly discuss various aspects of Sino-American relations since the beginning of the 21st century.

This paper will be divided into six distinctions, each focusing on four years beginning with the start of the 21st century. In the first section, I will introduce the important facts of the Sino-American relationship at large. Moreover, I will discuss the years preceding the second Bush administration, namely the accession of China to the World Trade Organization and the impact of September 11 on the relationship between the world's two largest economies. I will then transition to the period between 2005 and 2009 (2nd Bush administration). In that chapter, I will discuss events such as the "Responsible Stakeholder Speech" delivered by Deputy Secretary Zoellick, among other events that shaped President Bush's policy toward China. The second chapter will cover 2005 to 2009, meaning the second bush administration. The third will cover the 1st Obama administration. It will include the "pivot" toward Asia, as well as the Sino-American relationship before the ascension of Xi Jinping to the presidency in China. The fourth chapter will discuss the changes in the Sino-American relationship during Obama's second term

and well as the effects of China's Belt & Road Initiative. The fifth chapter will cover the changes to the relationship during the Trump administration. Lastly, the sixth chapter will discuss the outlook under the Biden administration as well as those that follow.

The events of September 11, while tragic, provided the opportunity for a rapprochement between the Peoples Republic of China and the United States of America. Since the fall of the Soviet Union, just over a decade prior, the two nations lacked a common agenda or a common enemy that would unite them when it came to geopolitical matters. In this sense, the attacks on New York by members of Al-Qaeda created a scenario in which relations could once again unite under a common banner, namely, to fight the growing threat of violent extremism. Specialists and scholars on Asian affairs specifically expressed this sentiment, according to Aaron Friedberg, who wrote,

Whatever the effects on world politics writ large, there is a chance that September 11 and its aftermath will produce a marked improvement in relations between the United States and the People's Republic of China. Perhaps, after a decade marked by periodic crises and mounting mistrust, the two Pacific powers will now find themselves confronted by an enemy against whom they can make common cause and an issue on which they can build a more stable and consistently cooperative relationship (Friedberg, 2002).

Indeed, this sentiment was echoed by the United Nations Ambassador of the United States Richard Holbrooke, who stated, "We should not ignore the unique opportunity offered by the fact that China and the United States once again share a common strategic concern – terrorism – on which a revitalized relationship can be based" (Friedberg, 2002). While other observers argued this was wishful thinking on the part of globalization optimists.

Overall the Sino-American relationship from 2000 to 2004 can be described as one of limited cooperation. As I mentioned before, lacking a common enemy to unify them, China and the United States engage when it benefits them. That changed to an extent in the aftermath of 9/11. While China refrained from immediately supporting US military interventions in Iraq and Afghanistan, it did so quickly (Lieberthal, 2001). Chinese statesmen and policymakers hoped that it could use this moment to unite the countries and muster American support for its continued efforts to control Tibet and retake Taiwanese independence (Lieberthal, 2001). On September 18, 2001, a spokesperson for the Chinese Foreign Ministry released a statement to that effect.

“The United States has asked China to provide assistance in the fight against terrorism. China, by the same token, has reasons to ask the United States to give its support and understanding in the fight against terrorism and separatists. We should not have double standards” (Sutter, 2003).

This statement clearly illustrates China’s agenda vis-a-vis Taiwan. Its use of the word separatists is widely regarded as a way of referring to Taiwan. The statement mentioned above also helps to underscore the limited cooperation mentioned earlier. Any cooperation or assistance is given with the hopes of receiving a form of quid pro quo rather than for altruistic reasons.

Despite Chinese efforts to link support for Middle Eastern military intervention to its ongoing internal issues regarding Xinjiang, Tibet, and Taiwan, the US State Department and the Bush administration remained steadfast in their commitment to not looking the other way. Secretary Colin Powell explicitly stated that there would not be any sort of quid pro quo and that any concessions the US was willing to make in the future were entirely separate from the military response to the September 11 attacks (Friedberg, 2002).

The Sino-American relationship has and will continue to have its stumbling blocks. Returning to the limited cooperation nature of the partnership mentioned above, we can see that in response to the 9/11 attacks, China offered little in the way of material support. Though they offered their support by condoning US military actions in Afghanistan, their minimal material support freed the US of any obligation to offer significant concessions such as the ones China might have desired. As mentioned above, China attempted to link its support of the US with American support of Chinese efforts to retake Taiwan, suppress Xinjiang, and stifle unrest in Tibet. The staunch stance of Secretary Powell and the rest of the Bush administration, along with the Chinese inaction allowed alleviated any need for the US to move toward active support of Chinese actions toward the three regions as mentioned above. It is also worth noting that the surprisingly swift military campaign in Afghanistan rendered the potential concessions inherently moot. Furthermore, the rapid and decisive success gave President Bush a massive boost in domestic popularity, securing him a mandate in his conduct of international affairs, even if only temporarily. Undoubtedly, the American victory in Afghanistan gave the Bush administration the benefit of taking a hardline stance on several issues that historically plagued Sino-American negotiations, many of which were not alleviated despite Chinese support of American intervention.

As mentioned above, “even as they pressed Beijing for assistance, US officials made clear that they would not stop criticizing what they regarded as continuing Chinese violations of basic civil liberties and political freedoms” (Relations, 2003). During an official visit to Shanghai, President Bush reiterated this position, stating outright that the war of terror must not be used as an excuse to persecute minorities, referencing Chinese persecution of the Uighur Muslims in Western China and what China considered Tibetan separatists. Both Secretary

Powell and President Bush would go on to underscore their belief in the inalienable right of religious freedom and their refusal to tone down their rhetoric vis-à-vis China's questionable domestic policies. 'They don't meet any standards that we have with respect to individual freedom or human rights,' declared Powell. For as long as this continued to be true, human rights would remain 'an important part of our agenda with China' (Relations, 2003). Statements such as these had a two-fold purpose. First, they embolden domestic audiences, showing that the administration was willing to draw a line in the sand. Secondly, it made it abundantly clear to China that while the US was willing to cooperate on certain issues, those mutually beneficial, the true impediment to a truly close and cooperative Sino-American relationship was China's continued disregard for human rights.

Perhaps one of the most well-documented points of tension between China and the United States is the issue of Taiwan. Beginning on January 1, 1979, the United States has officially recognized the Peoples' Republic of China rather than the Republic of China, also known as Taiwan. This decision was made in large part to counter the influence of the Soviet Union. Nonetheless, the United States has continued to supply arms to Taiwan and maintains that the island is vital to US strategic interests in the area. US arms sales to Taiwan have long angered the Chinese government (Sutter, 2003). The US often uses arms sales as a carrot-stick negotiation tactic, such as in the Hainan Island Incident. On April 1, 2001, an American EP3 electronic signals reconnaissance plane collided with a Chinese J-8II interceptor fight jet less than one hundred miles from the Chinese island province of Hainan. While the pilot of the Chinese aircraft was declared MIA and presumed dead, the crew of the American aircraft would be taken into custody by Chinese military personnel. During negotiations for the swift and safe return of the crew, the US congress authorized a large sale of military equipment to Taiwan,

effectively forcing the Chinese to return the American military personnel (Sutter, 2003). While China returned the servicemembers after ten days, the said arms package was delivered as planned. While the US blamed the delay on laborious bureaucratic processes as a means of avoiding escalating tensions with China even further, this action signaled an unwillingness to deviate from its longstanding policy of seeking to maintain a military balance between Taiwan and the mainland.

The Second Bush Administration: 2005-2009

This chapter of the paper will focus on developing the Sino-American relationship during the second Bush administration, meaning that it will cover relations between 2005 and January 2009. Of course, that is not to say that the topics covered are exclusively relevant in these four years. However, they are certainly central to the Bush administration's actions and decisions during that time.

President George W. Bush led America through one of its most difficult periods at the beginning of the 21st century. His first year in office saw a devastating and dastardly attack on New York. The image of the smoke-filled Twin Towers just minutes before the collapse is burned into the mind of America and countless others around the world. What followed was two separate invasions of Afghanistan and Iraq, respectively, that committed the United States and its military in the Middle East for over two decades. At the time of writing, the US maintains a reasonable military presence in both countries though it appears as though a definitive drawdown is near. However, the consequences of this engagement meant that the US had little maneuverability for matters pertaining to areas aside from the Middle East from a resource allocation standpoint.

During the first decade of the twenty-first century, US-China relations evolved towards a positive equilibrium that appears likely to continue into the near future. As a result, both the US and Chinese administrations have become preoccupied with other issues and appear reluctant to exacerbate tensions with one another (Sutter 2009).

That is not to say that the 2nd Bush administration ignored other areas of the world, but its focus was unmistakably securing long-lasting stability in the region.

Only having welcomed China into the World Trade Organization a short four years prior, the United States was still trying to navigate its relationship with this emerging power in the Asia-Pacific region. A bustling economy, which enjoyed meteoric, seemingly limitless growth year after year, China posed both a threat to the regional status quo and a prime opportunity for the US to demonstrate its leadership and cement its status as the de facto sole global superpower. With this in mind, the US opted to graciously welcome the Peoples Republic of China to the global stage while emphasizing the need for China to act responsibly in its domestic and foreign affairs. To that end, then-Deputy Secretary of State Robert Zoellick delivered an address on September 21, 2005, at the National Committee on the United States and China Relations.

[An Assessment of American Leadership](#)

In assessing the quality of US leadership in Asia, we cannot merely focus on the positive and optimistic hopes of what the Obama administration hoped to achieve. We must also explore the position from which the United States began to truly understand how much the Obama administration in its first term would come to achieve. Admittedly the Bush administration was given a bad hand when it comes to leadership in Asia. The attacks of September 11 left the Bush administration with few options. Supported by a wounded nation that wanted revenge, the United

States invaded two countries in the Middle East. This action has time and time again, been viewed as imperialistic and unwarranted.

Nonetheless, the War on Terror brought the US into direct conflict with the easternmost part of the Asian continent. On the other end, the Bush administration employed a very hard-line stance in dealing with North Korea's attempts of nuclear proliferation. This marked a time which the United States applied assertive and seemingly the unilateral US approaches on wide-ranging issues, including terrorism, climate change, the United Nations, and Asian regional organizations. Many observers noted that this resulted in decreased flexibility for the United States to maneuver in other realms of the geopolitical community.

Several commentators and think tanks that had been prominent in warning of US decline and China's rise revised their calculus to focus more on Chinese weaknesses and US strengths. What has emerged is a broad-based and mature effort on the part of a wide range of specialists and commentators to more carefully assess China's strengths and weaknesses along with those of the United States and other powers in the region (Sutter, 2009).

Despite its size, the United States cannot maintain its finger in every jar across the globe. The Asian countries, on the other hand, were enjoying a relatively unencumbered rise to prosperity, fueled by massive export-led economies that showed no signs of slowing down.

By contrast, Asia's rising powers, and particularly China, seemed to be advancing rapidly. China used effective diplomacy and rapidly increasing trade and investment relationships backed by China's double-digit economic growth in order to broaden its

influence throughout the region. China also carried out steady and significant increases in military preparations (Sutter, 2009).

Nonetheless, just because China grew and sought friendships with its neighbors and other actors in the region, it was not necessarily reciprocated by all those involved. Take India, for example. Due to its aligning interests with the United States coupled with its own robust economic growth, India chose to stick with the United States rather than actively engage with China. Moreover, many other Asian countries were not on board with a China-centric regional order. Many were reluctant to cut existing ties with the United States and align themselves exclusively with China.

Moreover, another aspect often sometimes overlooked is the service provided by the US, thanks to their presence in the region. Given the relative youth of many East and Southeast Asian governments, prolonged stability in the region remains a thing of the future. Therefore, as is the case in Europe with NATO, the US spends large sums of its defense budget monitoring the region, permitting the region's nations to invest their money elsewhere. Until China sufficiently builds up its military and offers the same "protection," it seems unlikely that the status quo will change. Recognition of this effort by the United States is a contributor in explaining why many nations still favor American leadership in the region over Chinese leadership.

China as a Responsible Stakeholder

Calling attention to China's promise of a peaceful rise to Great Power Status, Zoellick advocated the need for greater and more profound dialogue between the two nations. He reiterated the claim of his direct superior, Secretary of State Rice.

“As Secretary Rice has stated, the United States welcomes a confident, peaceful, and prosperous China, one that appreciates that its growth and development depends on constructive connections with the rest of the world” (Zoellick, 2005).

The overall tone of the speech further advocated for China’s comprehensive integration into the global framework. Divergent from its explicit hostility toward the Soviet Union, the Bush administration hoped for China to act as a responsible stakeholder in that system. In achieving this lofty goal, China could ascend to the top of the geopolitical hierarchy while avoiding the typical routes, namely military dominance. To that end, the Bush administration went beyond merely opening the doors to various multilateral agencies such as the WTO and advocated for greater engagement and cooperation but just between the two nations but with the global community at large.

From the Chinese perspective, it would follow that a peaceful and cooperative rise to great power, something they called for, would serve their own best interests far more than a more antagonistic and aggressive approach. Nonetheless, “policymakers in both countries continue to harbor suspicions about each other's intentions” (Sutter 2009). The former would lend itself to a more creative, constructive, and beneficial relationship, that in turn, would bolster growth and economic development. Said approach would also permit China to have a voice in shaping international agencies, organizations, and the overarching system, thereby feeling as though they are partners in the process rather than a developing country being dictated to by the “almighty USA.”

The policies of both nations, however primarily the United States position, is as follows:

Specialists in China and the United States have identified a pattern of dualism in US-China relations that has emerged as part of the ostensibly positive equilibrium in the post-Cold War period. The

pattern involves constructive and cooperative engagement on the one hand and contingency planning or hedging on the other (Sutter 2009).

The outlook that one might derive from Deputy Secretary Zoellick's speech is one of hopeful optimism yet one that is measured and does not ignore the significant cultural differences between the two nations. Simultaneously it accepts the potentially impending clashes on matters pertaining to trade, human rights, and Taiwan, for example. Therefore we must consider the question. How and when did the prognosis change? Did the hopes of the second Bush administration, the ones Zoellick expressed at the beginning of the term, hold true?

A Constantly Changing Relationship

The first issue to be discussed is the constantly changing nature of Sino-American relations. To understand this change, we must first consider the state of relations in the 1970s, when Nixon became the first sitting US president to travel to the Peoples' Republic of China. During his presidency, the main points of contention between the two nations were ideological issues; Specifically, differing economic and political structures, diverging views of questions relating to human rights, Taiwan's legitimacy and diplomatic status, and the ever-present questions regarding economic and trade issues. Fast-forwarding to the second Bush administration, the prevailing point of concern is what China's rapid economic growth means for the geopolitical status quo. Does China have ambitions to challenge the United States for the title of global superpower? Does China intend to spread its ideology and influence around the globe? For US scholars, politicians, and policymakers, the natural conclusion becomes: How do we deal with this rapidly emerging power?

Limited Cooperation

Once again, returning to the last three decades of the 20th century, the US viewed both China and the Soviet Union in roughly the same light, although the US at the time was far more concerned with the strategic threat of the USSR. For many, China represented a potential rival, albeit far down the line. Furthermore, few scholars believed that the already impressive and consistent growth rate China experienced year over year was sustainable. Therefore, in their estimation, China's outlook was not as optimistic as one might expect with the benefit of hindsight (Peng 2007). Indeed the prevailing American opinion of China was the uncertainty created by China's growing middle class and its effects on China's economic and political structure. After China's admission to the WTO, and the subsequent double-digit years of economic growth, many Americans, scholars, and citizens alike began to bemoan "China's false statistics" and predicted an impending Chinese collapse.

Changing Perceptions on Both Sides

During the late 1990s and the early 2000s, the talking point, "China threat," was amongst the most prevalent when discussing international relations and world affairs. However, the mid-2000s saw the American perception shift toward one of worry. Peng characterized it as "the important point is that America's attention has shifted from the 'China issue' to 'the issue of China's rise.' China's rise has become a hot topic among the media, scholars and government officials" (Peng 2007). Moreover, many Americans began to realize that this nascent power could no longer be viewed as weak but that it had truly developed the capacity to be a strong nation, one that had the ability to exert its influence both regionally and globally. One scholar "interpreted the phenomena as a paradigm change in America's attention from 'a weak China' to 'a strong China'" (Peng 2007). As is to be expected, the news media was all over this development and it both explained and influenced the opinion of the American people vis-à-vis

China. “One American newspaper vividly described America’s vision of China as changing from ‘China of the world’ to ‘the world of China’” (Peng 2007).

Moving on to the second issue, vital to understanding the Sino-American relationship, we will analyze the growing strategic significance of this bilateral relationship. Consider the state of relations at the height of the Cold War and during the aftermath of World War II. The United States heavily invested in reconstructing its Western European allies, namely France, Germany, Italy, and its allies in the Asia-Pacific region, namely Japan and South Korea. While the United States’ official position was and still is that the Sino-American relationship is of utmost importance, the attention given to it was truly secondary to combat the growing threat of communism at the time. Before China’s integration into the global framework via the WTO and other multilateral institutions, the relationship remained a fundamentally bilateral one. Particularly since the turn of the 21st century, this relationship has deepened on numerous levels, particularly relating to trade, common security issues, and overlapping regional strategic interests.

Economic Interdependence

In terms of economic cooperation, by 2007, the continued alignment of economic and trade interests has ballooned the trade volume, reaching \$211.63 billion, while according to US statistics, the figure is \$285.3 billion). Meanwhile, China and the US shared several interests regarding security issues. For example, in the wake of the September 11 attacks, China and the United States have cooperated to combat terrorism and the growing threat of nuclear North Korea. Lastly, as China continues to exert more influence in the Asia-Pacific region, discussions over energy resources and maritime rights have become ever more important. The Bush administration actively sought good relations with China to address these issues, making an

official state visit to Beijing in 2005. President Hu reciprocated this action in 2006, making his visit to Washington. President Hu also noted that given the importance of the two nations to the global economy and global security, the relationship had transcended a purely bilateral one to one that had global and long-lasting implications.

Given that the United States is the largest consumer of goods in the world, despite not having the most significant or second-largest population allows for mutually beneficial relationships with many East Asia countries. Many emerging economies in the Asia-Pacific region are, like China, export-oriented. During the early 2000s, the US trade deficit totals roughly \$700 billion. About 50% or \$350 billion was solely due to trade between the US and Asian countries.

The recognition on the parts of the leaders of China and the US respectively that this relationship would come to be one of the most important, if not the most, were pivotal for the subsequent reforms that were to come. In 2005, the United Nations implemented several reforms related to finance, regulation of global energy markets, easing cooperation of counter-terrorism operations, non-proliferation, and the global economy that further allowed the Sino-American partnership to blossom and become a force for positive, sustainable development. Indeed both nations and the UN were pivotal in forging the Iran Nuclear Deal, containing tensions on the Korean Peninsula, and creating regional alliances between longstanding contentious nations. This willingness to engage in truly multilateral negotiations signals a significant shift not just in terms of the Sino-American relationship but in international diplomacy as a whole. It was not too long ago when the world was "held together" by countless bilateral partnerships, which prevented large-scale integration and cooperation from taking place. So-called "heart to heart"

negotiations have fallen by the wayside as nations and their leaders recognize the changing geopolitical landscape. President Bush's cabinet members and their views of foreign policy have been as instrumental in these developments as President Bush's. Secretary Rice advanced the idea of 'transformational diplomacy' and decided to enhance diplomacy with China, which partly reflects the increased importance of Sino-American strategic relations (Rice 2006).

It is worth mentioning that calls for increased integration and cooperation are not made with naïveté. The Bush administration and its predecessors and successors have not ignored China's significant threat to the United States military interests overseas. The Department of Defense reported in 2006 that among major and emerging powers, China has the greatest potential to compete with the US militarily (US Department of Defense 2006). China's ability to potentially challenge the US militarily is important because while China purports to desire a "peaceful rise to great power," it has continued to invest heavily in its defense industry, with a commensurate rise in military size and spending.

In sum, it seems fair to conclude that the recent US relationship with China rests upon a mutual commitment to avoid conflict, cooperate in areas of common interest and prevent disputes from shaking the overall relationship (Sutter 2009).

The statement above synthesizes the state of Sino-American relations in the easiest to understand manner. Both nations recognize the benefits they derive from continuing to engage with one another. The Obama administration is therefore unlikely to do anything drastic to upset the status quo.

The First Obama Administration: 2009-2013

The election of President Barack Obama marked a turning point in the checkered past of the United States of America. Nearly one hundred and fifty years after President Lincoln signed

the Emancipation Proclamation, the US elected its first African American president.

Nonetheless, President Obama far from enjoyed a peaceful and problem-free transition of power.

Much like the rest of the world, the United States was in the midst of a devastating economic recession lasting nearly two years. Domestic crises aside, the US was thoroughly entangled in international crises as well. The wars in Iraq and Afghanistan started under the previous Bush administration forced the new Democratic administration to spend much of its economic and political capital on attempting to stabilize the Middle East. In the throes of the Great Recession, however, even this military preoccupation was overshadowed by the aftermath of the global financial crisis, which shook the very foundation of the American and global economy.

Given the entanglements of the previous administration and the deteriorating domestic economy, the Asia-Pacific region was by no means high on the agenda as the Obama administration began. Moreover, had the Obama administration desired to strengthen and further integrate economic and political ties via globalization with the Asia-Pacific region, it would have had to expend what little political capital remained.

Mutually Assured Distrust

A central theme of this paper that appears, not just in this, but every section, is the mutually assured distrust that is detrimental to the Sino-American relationship. Indeed one might argue "the single biggest failure of 30 years of diplomatic ties between Washington and Beijing is that neither side, even today, trusts the long-term intentions of the other toward itself." From the Chinese perspective, the US is far too zero-sum in its vision of international relations while also being too focused on maintaining its hegemony. Due to the points mentioned above, China believes the US simply does not want to allow China to thrive and reach its full potential. This is not necessarily far from the truth. As will be discussed at length in the rest of this chapter and the

following chapter, the "pivot" towards Asia, a hallmark of the Obama foreign policy, is in large part a pseudo containment policy to strengthen existing regional alliances while forging new ones. The purpose of both those types of alliances is meant to put the United States in a strategically beneficial position from which it can continue to exert its power and dictate world events.

Climate Change

The issue of climate change is a vital element of the Sino-American relationship. Considering that the United States and much of the Western world underwent industrialization in the late 19th and early 20th century, the US and Western Europe are often at odds with the emerging economies of the world who now rank amongst the leaders of carbon emissions. The counterpoint from emerging economies is that the West also polluted the world and therefore should not have the ability to criticize countries in how they undergo their development. While this issue did not affect the Bush administration, it is quite central to the Obama administration as President Obama advocated a shift to a low-carbon economy, not only for the United States but also for the world economy. Indeed, China also recognizes the dangers, and in the late 2000s, they took several steps to rectify the situation. Considering the prevalence of major coastal cities in China, they recognized the dangers posed by the ravages of climate change and the accompanying natural disasters.

Unfortunately, a degree of the mistrust already discussed seeps into the negotiations on climate-related deals. While the two nations ostensibly want the same out, namely a significant reduction in carbon emissions, they cannot reach a compromise on how to bring that result about.

Serious disagreements exist over issues of principle. These center (from the Chinese perspective) on cumulative historical emissions, per capita emissions, and the two countries' stages of development - or (from the US perspective) on current emissions and future trajectories, total national emissions, and legacy structures and styles of life. These differences reflect the perspectives of developing and industrialized countries.

The reality of the situation is that if models of 2008 hold, then Shanghai and Los Angeles, respectively among the most populated and important cities for both countries, will be submerged at roughly the same time. On the issue of climate change specifically, China and the United States were not able to work out a deal. This is unfortunate when considering that all the other issues, this one requires the least amount of trust compared to security interests and intellectual property rights. For example, it does not bode well for the future of the Sino-American relationship going into the 2020s.

Taiwan

One particular area of concern that existed in the early days of the Obama administration and which has persisted until today is the question of Taiwan. In May of 2008, Taiwan's newly elected President, Ma Ying-jeou, called for the normalization of diplomatic relations with the Peoples' Republic of China. Unsurprisingly, this had been a significant point of tension between various US administrations and mainland China. The Obama administration was forced to navigate tricky waters as it sought to maintain its strategic presence in South and East Asia while avoiding upsetting the Chinese Communist Party. The Obama administration indicated little change from Bush administration efforts to support the more forthcoming Taiwan approach and

avoid US actions that would be unwelcome in Taipei and Beijing as they sought to ease tensions and facilitate communication.

Pivot Toward Asia

The latter half of President Obama's first term as president marked a major shift in US foreign policy. In an essay to *Foreign Policy* magazine, then-Secretary of State Clinton wrote, "The future of politics will be decided in Asia, not Afghanistan or Iraq, and the United States will be right at the center of the action" (Lieberthal, 2011). This shift signaled an important realization on the part of Washington policymakers and bureaucrats. The American presence in Iraq and Afghanistan had at that point lasted a decade. Throughout that time, immeasurable amounts of money and time, not to mention American lives, had been allocated to a deeply unstable part of the world (Lieberthal, 2011). Concurrently, that meteoric rise of China, both from an economic and geopolitical point of view, threatened the United States' standing as the sole hegemonic superpower since the fall of the Soviet Union.

In her essay, Secretary Clinton called for a "smart and systematic" investment of time and energy (Lieberthal, 2011). Said investment was and still is pivotal in creating the ideal position from which the United States may continue in its leadership role while securing its own interests and advancing longstanding Western values. It is worth noting that while the "pivot" towards Asia applies broadly to the various existing regional allies and the emerging powers in the Asia-Pacific region, this shift is undoubtedly a response to the rapidly developing the Peoples Republic of China. Much like the heavy American investment in Western Europe following the end of World War II, this foreign policy shift can be viewed as a peaceful containment policy coupled with a desire for mutual cooperation and mutual growth. Indeed, the United States and China both seemingly agree that military conflict or a return to Cold War-era tensions is deeply

undesirable for both parties. Moreover, both sides are steadfast on certain issues pertaining to Taiwan, the Korean Peninsula, and more recently, the practice of island-building in the South and East China seas.

Engagement in Multilateral Institutions

In contrast to the previous Bush administration as well as the early days of the Obama administration, this policy shift calls for a more engaged America. Moreover, the hope was that as the US untangles itself from the Middle East, it will be better positioned to take a more prominent leadership role where Asia-Pacific is concerned. Among the primary goals, the most prominent policy shift has been the intensified effort to expand and upgrade US participation in multilateral Asian and Asia-Pacific institutions such as the ASEAN Regional Forum (ARF), a regular security dialogue among 27 nations, and the East Asia Summit (EAS).

This policy largely reflected the efforts of other countries such as China, which recognized the value of promoting enthusiastic regional dialogues that might strengthen free trade and cooperation. However, there also exists a certain element of fear on the part of the US. Given China's proximity and willingness to take a leadership role, the US feared being excluded, allowing China to run the table, so to speak. National Security Advisor Donilon, a central figure in the composition of the United States "pivot" toward Asia, laid out a comprehensive plan of helping to shape the security and economic development of the region and of retaining a central role in discussions over a broad range of issues, from maritime security and non-proliferation to the liberalization of trade and investment across the region (Donilon, 2011). One of NSA Donilon's main points of emphasis was the importance of engagement in East Asia, specifically via the mechanisms of and commitment to the region's multilateral institutions (Donilon, 2011).

The Obama administration's policy toward China and that of the Democratic party can be summed up with four words: constructive engagement with hedging. As explained by the Congressional Research Service:

The Obama Administration can be said to have adopted a two-pronged approach to China: reaffirming and strengthening cooperative ties while simultaneously establishing a strong and credible American presence across Asia to encourage constructive Chinese behavior and to provide confidence to regional leaders who wish to resist potential Chinese regional hegemony.

President Obama has long recognized the importance of maintaining a balance between the two prongs mentioned in the statement above. Were US policy shifted exclusively toward the second prong, amicable relations with China would become increasingly difficult to manage. Indeed in February 2012, then-Vice President Xi Jinping traveled to the White House to meet with President Obama. President Obama reaffirmed the United States' commitment to promoting trade and commerce and a healthy and fruitful partnership between the two. President Obama is quoted as saying, "a strong and effective partner with the Asia Pacific region ... it is absolutely vital that we have a strong relationship with China." President Obama was also sure to remind China of its promise to the previous administration. Said promise was that of a peaceful rise, one that avoided prolonged entanglements, military or otherwise. Obama stated that he "always emphasized that we welcome China's peaceful rise, that we believe that a strong and prosperous China is one that can help to bring stability and prosperity to the region and to the world."

From the Chinese perspective, there were two different reactions: First, the response of the civilian-led government. During the visit mentioned above to Washington DC, President Xi

welcomed constructive American engagement while asserting that the United States respect the interests and concerns of China:

"China welcomes a constructive role by the United States in promoting peace, stability and prosperity in the Asia-Pacific," while, "At the same time, we hope the United States will respect the interests and concerns of China and other countries in this region" (Relations, 2003).

In March 2012, Premier Wen Jiabao addressed China's parliament, echoing Xi's sentiment, and stating that a peaceful ascent would benefit China in the long run. Premier Wen said at said address, "peace, development, and cooperation remain the underlying trends of the times, and overall the situation is favorable for China's peaceful development."

Second, from the top-ranking Chinese military officials. Whereas the civilian-led government inarguably had a cooperative tone, the Chinese military responded to the "pivot" toward Asia with a more hostile and confrontational tone. The "pivot" toward Asia included an increased military deployment to the Asia-Pacific region (Relations, 2003). Specifically, elements of the US Marines would be deployed to Darwin, Australia. China Defense Ministry Spokesman Senior Colonel Geng Yansheng said that any moves to strengthen military alliances in the region reflect a "Cold War mentality" and are "detrimental to the mutual trust and cooperation between countries in the region" (Relations, 2003) US policymakers and military officials assume that the public response mentioned above is of the mild variety, meaning that in-depth analysis of future official documents will be vital to understanding the intention of Chinese leaders, military and otherwise.

In analyzing the Obama administration's "pivot" toward Asia, one must first understand what such a policy shift is trying to accomplish. At the most basic level, the "pivot" is seeking to

increase the multilateral dimension of US policy in Southeast Asia. Fundamentally, this concept is not new. It began under the previous Bush administration, when the US became the first country to appoint a designated ASEAN ambassador (Relations, 2003). Unfortunately, Southeast Asia officials and news media outlets would later undermine this action due to Secretary Rice's failure to attend fifty percent of the ASEAN Regional Forums during her tenure.

Therefore, it becomes clear that the US is in part trying to rebuild its confidence in the region via participation in or support of regional multilateral forums and institutions. A specific complaint levied against US foreign officials was that Southeast Asian diplomats frequently noted that other nations, including China and Japan, gave ASEAN meetings a considerably higher diplomatic commitment than did the United States. Indeed a lack of consistent and fruitful engagement in said multilateral bodies was the signal greatest irritant or roadblock to any progress in respective bilateral relations with the United States.

Continuing from a diplomatic point of view, the Obama administration is seeking to ensure that the United States' commitment to participating in Asia-Pacific multilateral conferences will continue long after his term as president is over. Many East Asia leaders welcome his advocacy of engagement and upgrading of multilateral diplomacy in the region. Said leaders are eager to welcome, to a degree, American leadership and participation in the region. Three specific examples highlight this newfound commitment clearly. The first is the annual Asia-Pacific Economic Cooperation (APEC) forum, hosted in Vladivostok, Russia, in the summer of 2012. This meeting has long been a staple of the American foreign policy calendar. Indeed every sitting US president has attended since 1993 (Relations, 2003). The second is the East Asia summit in the fall of 2012, which President Obama has also committed to. The third and final example is a summit that he inaugurated. The US-ASEAN summit, first held shortly

after his inauguration as president, is a prime example of President Obama's commitment to greater relationships with the Asia-Pacific region. President Obama's action makes it far more costly for the US to retreat from this practice of engagement should his successors feel differently about the policy of engagement with hedging. In a sense, the United States is not locked into this region over the long term.

While this paper seemingly appears to be off-topic from the intended message, understanding the context around President Obama's "pivot" toward Asia is vital. Consider the framing of the policy. Much discussion includes the policy of the United States to the general East Asian and Southeast Asia nations. The creation of new multilateral forums as well as increase and proactive engagement in existing ones. A notable exclusion so far has been the Peoples' Republic of China. The reason is quite simple. The "pivot" toward Asia is effectively the "hedging" component of the Obama foreign policy agenda. Indeed, to a certain degree, said exclusion of China while engaging with its neighbors' risks angering China or at least complicating future diplomatic engagements with Beijing. In fact, to some observers, the actions undertaken by the Obama administration might be reflective of a fundamental shift; rather than supporting China's peaceful rise, it is seemingly moving toward a policy of containment, much like it did with the Soviet Union in the immediate aftermath of World War II. Moreover, were the US to harbor said fears, there is enough of a basis in reality to justify them. Considering China's prosperity, their growing military might, and the ever-increasing legitimacy and respect China is garnering from other areas of the world, the United States has reason to believe that their American hegemony is now under threat.

The Second Obama Administration: 2013 – 2017

Perhaps the most significant and consequential change in the Sino-American relationship to occur in the 21st century was the election of President Xi Jinping to lead the Peoples's Republic of China. Realistically, the US policy toward China under Presidents Bush and Obama remained fairly consistent. However, the election of President Xi resulted in a more contentious and aggressive China. Moreover, the Sino-American relationship today seems to contain a great deal of mistrust between the two nations flowing both ways.

The Chinese Dream

Let us begin by examining what President Xi's vision is for China and the means by which he hopes to achieve it. The "Chinese Dream" is a concept as well as a promise made by the CCP under President Xi to return China to the great power it once was. Recalling the atrocities and repeated invasions China suffered in the preceding decades and centuries, culminating in what is known as the "Century of Humiliation," the CCP set out to change China's fortunes. Among its citizens, "the Chinese Dream stirs hopes and sets expectations; internationally, it provokes questions and elicits concerns."

President Xi has used promises of riches, prosperity, and great international standing as the basis for his many reforms and major development projects. His goal is the "great rejuvenation of the Chinese nation." Contrasting it with the American dream, which focuses much more on the personal attainment of "life, liberty, and happiness," the Chinese Dream is far more of a collective endeavor. One which all Chinese citizens must actively contribute to for them to enjoy it. The goal would be to help Chinese people "in attaining happy, healthy, abundant and productive lives."

From the Americana and the Western perspective, a productive, scientifically competitive China is certainly a positive. It would raise standards of living, leading to greater consumption,

thereby serving the Chinese economy and the global economy. The creation of new technologies can lead to cheaper products, greater progress toward the ever-present issue of climate change, and positively affect job growth worldwide.

Taking into account the status quo, however, it is unsurprising that many in the West are in part fearful of an economically dominant China. They fear it will allow them to be more assertive, whether economically or militarily. Currently, China poses little threat militarily; however, its economic prowess allows it to pressure many nations to do its bidding. This will be further discussed in the sections regarding the Belt & Road Initiative. Militarily, "western anxiety is rooted in the fear that for China to fulfill the Chinese Dream, China will become more assertive, more aggressive and more expansionist in foreign affairs, especially when dealing with smaller neighbors." China has been consistent in its position that it will "never seek hegemony," no matter how strong it might become. Nonetheless, American policymakers and politicians feel threatened that China will threaten the liberal world order they have built since the end of World War II.

[Belt and Road Initiative \(BRI\)](#)

The People's Republic of China is currently the world's second-largest economy and the United States' main geopolitical rival. However, their rivalry is, among all else, an economic one. China endured much at the hands of Imperial Japan and several European nations between the 1830s and 1840s. Following the so-called "Century of Humiliation," China embraced communism under the leadership of Mao Zedong and several others. China's capitalist experiment proved a great success, thrusting China's economy to heights previously only grazed by the United States.

The previous decade saw China genuinely arrive as a global power. Economically, the East Asian nation sought to strengthen ties with its regional allies while establishing new relationships with countries worldwide. China began to flex its muscles regionally, engaging its neighbors in close encounters primarily over maritime territorial disputes. Furthermore, its engagement in international incidents and emergencies such as the COVID-19 pandemic clearly highlights China's commitment to take a global community leadership position.

The ascension of Xi Jinping to the highest rung of the Chinese political system brought a clear and ambitious vision for the country's future. President Xi promises boundless prosperity for China economically and geopolitically. In addition, President Xi is overseeing a large-scale expansion and modernization of the Chinese military and China's land reclamation project in the South China Sea. In so doing, President Xi is hoping to use his growing military might to sway reluctant regional partners his way.

China's Belt and Road Initiative, announced in 2013, is central to President Xi's agenda. This genuinely ambitious multi-faceted proposal would undoubtedly see China overtake the United States once and for all in terms of economic power. It would also strengthen diplomatic and political ties with countries on all continents. Over half a decade after its unveiling, we can already analyze its implications for economic development and political stability. Moreover, the following sections will aim to break down the economic consequences and geopolitical consequences of the Belt and Road Initiative. My overall contention is that if it successfully achieves all of its goals, the initiative poses a threat to the status quo and to the albeit declining American hegemony.

[BRI: Debt-Trap Diplomacy](#)

The economic implications of the BRI are enormous. The BRI has the potential to revolutionize dozens of economies and China's, though several glaring problems arise. Central to China's maritime trade route is the construction or renovation of several ports across the Indian Ocean. Sri Lanka, Bangladesh, and Djibouti have cooperated with China, receiving financing for these infrastructure projects. Unfortunately, massive infrastructure projects of this nature open the door for predatory lending, as in this case. This practice has been called "debt-trap diplomacy," whereby predatory loans are extended and used to gain leverage in future negotiations, becoming strategic investments (Lai, Lin, and Sidaway, 2020).

Sri Lanka provides the most notable example of debt-trap diplomacy. Magampura Mahinda Rajapaksa Port and Mattala Rajapaksa Airport in southern Sri Lanka were built with a \$361 million loan from Chinese state-owned corporations. After the Sri Lankan government inevitably defaulted on its loan payments, the Chinese government negotiated a 99-year lease on the port (Parker and Chefitz, 2018). This deal caused great concern among the West and its allies. The port occupies a potential strategic location in the Indian Ocean should the Chinese decide to use it as a naval base. Furthermore, trade passing from East Asia to the Mediterranean would be within striking distance should tensions ever escalate to military action (Parker and Chefitz, 2018).

Another prime example of China's brand of diplomacy is Djibouti. Djibouti has received several loans and other financial assistance from China since the beginning of the century. In 2016, China officially broke ground on its first overseas military installation. This occurred thanks to its predatory lending strategy (Lai, Lin, and Sidaway, 2020). Djibouti, which owes over seventy-five percent of its GDP to China, is entirely co-dependent. I want to place particular emphasis on the location of this base. Given Djibouti's location at the gates of the Red Sea, it

occupies one of the most important pieces of real estate in the world. All ships traveling through the Suez Canal pass within view of Djiboutian beachgoers. Fluctuations in global energy and futures markets depend on the smooth passage of trade in the area.

BRI: Geopolitical Implications

Geopolitically speaking, the BRI has been described as "China's grand connectivity project" (Chung, 2017). It aims to foster international cooperation, building upon existing bilateral and multilateral ties, simultaneously weaving new ones in the process. Since the end of the Cold War, the United States has not faced a deserving geopolitical competitor, making China's ambitious agenda a clear statement of its intentions and drive. Through the BRI, China is pushing for greater involvement in regional multilateral forums. Among the BRI components is the multilateral dialogue between Bangladesh, China, India, and Myanmar (BCIM). Part of BCIM calls for strengthening economic relations between the countries and its inherently significant political-military considerations.

As mentioned above, the case of Djibouti is exciting. Not only is Djibouti the site of the first overseas Chinese military installation, but it is also located in a vital area of the world (Page, 2016). Djibouti sits at the mouth of the Red Sea, facing the Gulf of Aden. It is also the location of a US naval base. Camp Lemonnier is vital to the US strategy in the Middle East and Africa. It acts as a hub for drone operations in the region and offers protection for US interests in Yemen and Saudi Arabia and the home base of US Africa Command (USAFRICOM) (Whitlock, 2012).

Furthermore, as mentioned above, Djibouti is vital to geopolitical stability because of its economic importance. In March 2021, a vessel got stuck while crossing the Suez Canal. The blockage halted an estimated twelve percent of the global economy, costing roughly nine billion dollars a day (Das, 2021). The near week-long incident highlighted the vulnerability of the global

economy to sudden external shocks. The US and now Chinese bases in Djibouti offer their respective nations influence and security in the region. The ability to promptly respond to any developing threats in the region is invaluable in terms of economic security and efficiency (Whitlock, 2012).

It would be incorrect of me not to mention several Chinese scholars' counter view vis-à-vis the BRI. While the prevailing view is that the BRI represents a challenge to US interests in Asia, many in China view the plan as a self-serving initiative rather than a seditious strategy against the US (Flint and Zhu, 2016). The BRI will allow China to maintain regional security, vital to its national security. Moreover, it will solidify China's necessary infrastructure to compete in the global economy and respond to threats and unfolding events. Domestically, it is viewed as a plan to benefit China within the processes of globalization and cement regional alliances for a more unified bloc (Flint and Zhu, 2016).

President Xi's ambitions for China are truly impressive. If successful, his agenda would significantly change the status quo. It would spell the end for American hegemony, ushering in a new era of leadership. The plan calls for strengthening old and forming new economic and geopolitical ties around the world. The BRI places emphasis on areas where instability poses the greatest threat. The BRI finances massive infrastructure projects to facilitate the free flow of goods and services across the Asian, African, and European continents. It is also quite apparently a ploy by the Chinese to finally get the proverbial upper hand on the United States.

The BRI is the culmination of a decades-long economic development, now ready to expand beyond its national borders. It would revive trade routes and infrastructures long since abandoned or degraded. The famous "Silk Road," as described by Venetian merchant Marco Polo is the dream that President Xi is trying to sell to would-be partners and the world.

In my eyes, as I have tried to explain in this paper, it is a potential threat to the world order. It can bring the United States into military conflict with one of its World War II allies. Nonetheless, the BRI offers dozens of countries a better future and the opportunity to build sustainable economies. Therefore, China will continue to employ it as a central tool in its foreign policy for the foreseeable future.

[Response to Dwindling US Leadership in Asia](#)

The US presence in East Asia, while it would intensify during the end of Obama's first term, ostensibly dates back to the early days of the Cold War and the Vietnam War and Korea. After World War II, the United States painstakingly sought to avoid a repeat of the events that would cause World War II. Their presence on the Korean Peninsula and the Japanese Islands was pivotal to establishing a foundation influence. Admittedly, their decision to invade Vietnam was calamitous. Nonetheless, it was vital, from the American perspective, to defeat the growing threat of communism emanating from the Soviet Union.

For much of its history, the United States exerted influence in Asia much more through business, religious, educational, and other interchange than through channels dependent on government leadership and support. Active American non-government interaction with Asia continues today, putting the United States in a unique position where the American non-government sector has such a strong and usually positive impact on the United States' influence in the region (Sutter, 2009).

To an extent, this gives them a decided advantage, or at the very least a benchmark from where to begin to regain their hegemony over the region. The United States is integrated at effectively every level in Asia, from national governments to multinational non-governmental

organizations. Their hopes are bolstered by the ever-present distrust of China by other neighboring countries. China has no easy way to overcome the pervasive Asian wariness of Chinese longer-term intentions.

A Growing Military Threat

A clear growing threat in Sino-American relations is the continued Chinese investment in its military.

China's defense spending has increased year on year for some time and continues with no signs of abatement, while US defense spending has continued to decline in recent years, leading to a closing gap in defense spending between the two powers, as the following figures indicate.

Looking at the data, China's total military expenditure as a percentage of US defenses expenditure has increased rapidly. In 2013, China spent 15.8% compared to US spending, rising to 18.7% in 2014, 22.2% in 2015, and 24.4% in 2016 (President Obama's last year in office). Overall, in the same four years, China's military expenditures have increased by roughly 42%, whereas US defense spending has decreased by 7.5%. Some argue that this reality is fundamentally at odds with China's promise of a peaceful rise to great power. Indeed Vice President Cheney commented as much in 2007 when China began to divert much of its government investment into military expenditures.

It is worth noting that nominal values in spending are not necessarily the most accurate measure of military might. The United States still maintains a distinct technological advantage that allows it to spend less money while maintaining a consistent quality of fight force and level

of superiority. Furthermore, while the US has maintained a wide array of overseas military installations since the end of World War II, the Chinese military is, for the most part, contained in mainland China, as well as in the South and East China Seas. The US is famed for the power projection tactics that it has employed in its carrot-stick diplomacy methods. Nonetheless, the reality is that China is seeking to bring its military might near that of the US, as this statement highlights:

These trends and figures in Chinese and American defense spending are facts and are neither in and of themselves threats to Sino-American relations nor reasons for increases in tension. However, it is unknown what Chinese policymakers plan to do with these newfound military capabilities or what they will do if and when they reach parity with the US in defense spending and/or military capabilities (Moore, 2017).

Compounding the US worries is the lack of commensurate military spending from its NATO and other Western allies. Whereas the United States has become the de facto world police force, the continued peace and prosperity on the European continent has resulted in a steady decline of military spending. Furthermore, recalling that China remains a fundamentally authoritarian regime, other countries may be correct in fearing their eventual desire to employ their military for nefarious purposes. History shows that authoritarian regimes do not fear engaging in military conflicts to spread their ideology to neighboring and distant countries. All of the above is emblematic of the growing distrust between the two nations:

China's penchant for purloining intellectual property and engaging in corporate cyber-espionage, with its recent assertive/aggressive policies in the East and South China Seas and its recent cozying up to an increasingly aggressive and authoritarian Russia, US policymakers have concluded they have a reason for concern (Moore, 2017).

A specific element responsible for stoking fears among US policymakers and foreign policy experts is China's aggressive engagement in the South and East China Seas. In the East China Sea, China established an Air Defense Identification Zone that encompasses much of the region, bringing them into conflict with the Republic of Korea and Japan (both key US allies).

Furthermore, they reimplemented a concept known as the "nine-dash line," which was employed by the Republic of China (now Taiwan) to claim territory in the South China Sea. The "nine-dash line" allows them to claim that much of the South China Sea, an area through which a third of global maritime shipping travels, is, in reality, sovereign Chinese territory. This action has placed them into direct diplomatic conflict with Vietnam, the Philippines, Brunei, and Malaysia. Furthermore, this action would imply that US warships are no longer allowed to operate in the South China Sea because it would constitute an act of war since it would be infringing in Chinese waters. Broadly speaking, this indicates a fundamental shift in Chinese foreign policy, coinciding with the accession to Xi Jinping to the presidency.

In the last few years, China appears to have expanded its definition of "core interests" to include the Diaoyu Islands and most of the South China Sea, as indicated by a resurgence of interest in and claims to the Diaoyu Islands (called Senkaku by the Japanese) (Moore, 2017).

China's claim over this territory is not merely symbolic, as they have enforced said claims. Chinese naval vessels have actively patrolled sea lanes inside the nine-dash line, denied foreign fishermen access to the waters where they previously operated, installed an offshore oil well in Vietnam's territorial waters, and interfered with naval, and air reconnaissance missions carried out by the US armed forces.

Much of the information provided in this chapter points to a deep-seated mistrust between these two nations. Unsurprisingly, trust is key to any stable and mutually beneficial relationship, and this is especially true when discussing the two most significant countries geopolitically. Yet, the reality is that there is a major deficit in strategic trust between China and the United States. Unfortunately, there is no ready solution that can help bridge this ever-growing gap. The trust, as mentioned earlier, the deficit has permeated almost every facet of this relationship. Issues ranging from cybersecurity to security relations to trade and space, the reality is that the US and China are at odds on almost all fronts. Historically, believing the other side is untrustworthy, and therefore fearing that it will exploit grinds international relations to a standstill. Indeed, Robert Putnam once wrote, "trust lubricates cooperation." This holds true for many of the United States' relationships in Europe, such as with Germany, Great Britain, France, and Italy. Lieberthal and Wang wrote of the converse,

Distrust is itself corrosive, producing attitudes and actions that themselves contribute to greater distrust. Moreover, distrust itself makes it difficult for leaders on each side to be confident they understand the deep thinking among leaders on the other side regarding the future US-China relationship.

The Trump Administration: 2017-2021

It is fair to say that the Sino-American relationship's future started becoming questionable when then-candidate Trump announced his bid for President of the United States. Much of his campaign rallies and foreign policy agenda revolved around an aggressive, potentially reckless attitude toward China. Moreover, his platform, which would eventually catapult him into the most powerful office in the world, reflected a growing opposition among heartland voters to the

principle of globalization and China's role within it. This position, which he would espouse again in his re-election campaign, has been dubbed "chaotic decoupling" by many scholars and news media commentators. Put simply:

The future of US-China relations appears to be increasingly uncertain under the leadership of US President Donald Trump. If anything, President Trump has been sending mixed signals to China, creating the very uncertainty the Chinese government is known to be averse to. This leaves Europe in a difficult situation: It must cultivate its relations with each while maintaining strategic neutrality with regards to US-China relations.

Given the relatively cordial and mutually beneficial nature of the Sino-American relationship prior to the election of President Trump, it is essential to ask the question: Where did things go wrong? To answer that question, we must remember how the Sino-American relationship changed after the election of President Xi Jinping in 2013. Fundamentally, President Trump's motto for his election campaign and his presidency was "America First." Remembering President Xi's promise to replace the Century of Humiliation with the Chinese Dream, we can begin to understand how those two agenda are inherently at odds with one another. The primary reason why the relationship soured has less to do with historical, cultural, and ideological differences between the two countries. Rather it arises from the base differences between the two leaders in charge. Remembering that President Trump's electoral base lies mainly in the rural and working-class sections of the country, we might begin to understand their opposition to a closer relationship with China. A large portion of the American manufacturing sector has been shipped overseas over the last several decades, in part, because of increased globalization.

Countless American-based multinational corporations have moved their operations to East Asia, many of them to China itself. This led to a large portion of the voting-age population feeling neglected and forgotten by their representatives in Congress how time and time again, rubber-stamped overseas moves.

Meanwhile, on the other side of the coin, President Xi inspired a nation of over 1.3 billion people to work tirelessly, remain entirely loyal to the Chinese Communist Party's agenda, all in an effort to help China regain the mantle of great power. The interaction of these two objectives is a recipe for conflict, not engagement. Without presuming to make judgments or assumptions of Trump's foreign policy know-how, it is fair to characterize his view of foreign policy negotiations as a zero-sum game. In so doing, he has ensured that geopolitics in the form of bilateral and multilateral negotiations yield comparatively lesser results. In the case of China, it has shifted the American foreign policy agenda from containment yet integrationist policy to one of aggressive competition and decoupling.

In examining where the overall tensions between China and America arise, we might look at China's remarkable transformation from an isolated, poverty-stricken nation to an assertive global economic power seeking to shed the last vestiges of a century of foreign humiliation. As mentioned before, this newfound influence and power worry many political leaders and policymakers in the West. It poses a fundamental threat to the liberal international world order, especially when one considers the appalling human rights record coupled with its citizens' limited political rights and civil liberties. Moreover, China's negotiating power is somewhat limited compared to the United States' other main political rival, Russia, because China is heavily dependent on commerce and trade for its continued success and even survival.

The Belt and Road Initiative mentioned in the previous chapter highlights this reliance quite explicitly. China's massive investment signals the necessity for China to build up its regional and international infrastructures so that it may eventually function should it come into direct conflict with the United States. Securing trade routes and close mutually beneficial relationships with its neighbors in the Asia-Pacific regions, on the Indian subcontinent, East Africa, and the Middle East is vital to President Xi's dream for China.

In examining President Trump's decisions and actions, we see how vital commerce is to China. President Trump has repeatedly attempted to undermine the WTO, claiming that it inherently favors China and is therefore biased. The reality is closer to a lack of enforcement power and a weak governing structure. "Contrary to the White House's accusations, China did not formally take advantage of the differential treatment provisions provided to developing members when it joined."

A central problem area often touted by anti-globalists and opponents of further integration with China is that they are still a communist nation. Their economic model is simply not compatible with the American and Western market-driven system. Indeed, we see that this is not necessarily the case either. One assumption the United States made when it welcomed China into the WTO was that enhanced trade relations would bring China's economic system closer to Western norms. It seems as though this prognosis has mainly held true.

China's economy is now largely market-driven. Market forces set nearly all prices and interest rates, and its exchange rate is no longer undervalued. According to the World Bank, the private sector accounts for the bulk of economic activity in China—state-

owned enterprises accounted for only 4.5 percent of total employment and 27.5 percent of GDP in 2017.

While this does not exempt them from inevitable failures in other aspects of their governing principles, we must recognize that for the most part, integration and generational reforms on the part of the CCP have yielded a largely market-driven, capitalist economy in China. Moreover, one needs to look no further for evidence of China's integration and its dependence on the global community than two critical economic statistics. First, China is the world's largest exporter, meaning that it relies on other nations, many of which are in the Western world, for a marketplace for their products. Indeed, its longstanding trade surplus has allowed it to develop so quickly and invest so heavily in its development. The second statistic is that China is the second-largest recipient of foreign direct investment behind the United States. If it were to lose these two key aspects, its economic outlook would almost certainly be in peril. Admittedly, China must still make specific reforms in the realm of intellectual property rights, an area on which President Trump has heavily criticized them.

China and the CCP face another potential impending roadblock. Given the information above, it is understandable that the CCP draws much of its authority from China's economic prowess. It has helped keep unrest and disillusion at bay because prosperity is often an effective distraction from underlying issues. As the Chinese middle class continues to grow, China must do all it can to ensure continued growth. Were China to lose its signature achievement, it is possible that this growing demographic could seek structural change in the form of a more democratic and transparent government.

Breaking with Tradition on Taiwan

Vis-à-vis Taiwan, the Sino-American relationship would hardly have started off worse. Breaking with over three decades of precedence, President Trump accepted a congratulatory phone call from Taiwanese President Tsai Ing-wen in December 2016. However, he was later ambiguous when asked by the news media whether his administration would uphold the "One China" policy as had been held by every administration since Richard Nixon and the Shanghai communique. This incident was dubbed a "diplomatic disaster" by *New York magazine*, though President Trump would go on to de-escalate the situation.

Non-Proliferation on the Korean Peninsula

On the issue of non-proliferation, specifically on the Korean Peninsula, Trump hoped to involve China in the process. Though China also desired a nuclear-free North Korea, it was still effectively North Korea's only ally. President Trump and Secretary of State Tillerson expressed to their respective counterparts that they hoped China might involve itself in said discussions much as China was willing to play its role in the Six-Party Talks (also aimed at a nuclear-free North Korea). Trump stated in a tweet: "If China is not going to solve North Korea, we will."

Conciliation on the Horizon?

Despite his inflammatory and often antagonistic rhetoric on the campaign trail, Trump seemingly softened his attitude toward China as his time in office progressed. President Trump and Xi Jinping met at his Mar-a-Lago residence at the beginning of April, which yielded a fruitful encounter, at least by Trump's own account. Trump himself stated, "We have made tremendous progress in our relationship with China," and "the relationship developed by President Xi and myself, I think, is outstanding." The progress indicated by Trump's statement

was, in fact, a constructive conversation aimed at promoting free and open trade between the two nations and the formation of a "hundred-day plan" to hammer out any differences in trade policy, intellectual property rights, and other areas of concern for both parties. Lastly, it included a plan to address one of President Trump's major concerns: the massive trade deficit that the US has with China.

The supposed progress the two nations made during President Xi's visit appeared in stark contrast to the aggressive rhetoric of Trump both on the campaign trail and in anticipation of the meeting. Trump often labeled China a currency manipulator. He argued that China, via its monetary policy, maintained an artificially low exchange rate with the British pound, Euro, and US dollar to help China continue its export-led economy. He threatened to have the Treasury Department officially label China as such, an action which would have immediately initiated economic sanctions, effectively crippling the relationship.

The inroads made by the two leaders were welcomed with a sigh of relief in many European countries, particularly Germany, though the rest of the European Union was also thoroughly happy. Germany also has significant economic ties with China and would have suffered the most if a protracted trade war had taken place between the United States and China. Moreover, Germany was accused by President Trump of exploiting the valuation of the Euro and its buying power with respect to trade both with the United States and with the rest of the European Union. In synthesis, the most devastating effects of the Trump administration remain a general return to a protectionist and isolationist foreign and trade policy. While this agenda lasted officially only during his presidency, already returning to previous standards, the idea of protectionism has no doubt been reignited by many conservatives and anti-globalists in the

United States. Furthermore, President Trump opened the door for China to claim the mantle of the main defender of global free trade, whereas historically, the US occupied the title.

On issues relating to climate change, Trump had a truly lasting impact. Almost immediately after taking office, Trump suspended the United States' participation in the sweeping Paris Climate Accords. Given the overwhelming majority of federally elected Republicans deny the man-made consequences of climate change, or at the very least do so publicly for political gain, the US lost a step during the Trump administration. As with the issue of free trade, China now has the opportunity to be a global leader in reducing carbon emissions and moving toward a more sustainable and eco-friendly future. Once again, this decision decidedly harmed the United States' leadership has spent seventy years trying to establish. To an extent, the prophecy told by Robert Zoellick, mentioned in the second chapter, has come true. Thanks to a few truly crippling decisions, decisions that harmed American credibility and leadership above all else, China now has the opportunity to show that it can lead the world in two of the most important issues of our time. It can act as a responsible stakeholder within the existing multilateral institutions and the international community.

Bilateral Trade Relations

The US has long maintained a trade deficit with the People's Republic of China. However, the relationship has quickly developed into one of the most important and consequential bilateral relationships in the world. Over the last several decades, China emerged as an economic powerhouse in part thanks to it embracing the capitalist economic philosophy embraced by the United States and its Western allies. China's massive and ever-growing population and, more importantly, labor force have allowed it to maintain astronomic growth

figures over a prolonged period. Whereas the US economy has moved away from a good and manufacturing economy into a services-based one, the Chinese economy has risen to the very top. China's exports range from electronics products to clothes to just about anything one can think of. The "Made in China" label symbolizes its economic prowess.

According to the US Census Bureau, imports from China totaled 435.4 billion dollars in 2020, accounting for 18.6% of total US imports. Conversely, American exports to China totaled 124.6 billion dollars, or 8.7% of total US exports. On issues related to trade, Trump pulled the United States out of the Trans-Pacific Partnership Agreement (TPP) as well as out of the North American Free Trade Agreement (NAFTA), though NAFTA would soon be replaced by the USMCA (United States, Mexico, Canada agreement). The TPP, for which negotiations commenced under the Obama presidency, would have had a significant benefit in strengthening relations with countries around China. In fact, it was an important component of Obama's "pivot" toward Asia as it excluded China. Therefore, the US would have been at its leisure to trade openly and unabated with effectively all of China's regional neighbors. Needless to say, the economic relationship between the US and China is vital to the continued development of both nations.

The Sino-American Trade War

Yet under the Trump administration, the United States took a different stance than it had before. Candidate and later President Trump vowed to hold China accountable for its alleged currency manipulation (a tactic allowing China to flood foreign markets with cheap goods), its intellectual property theft (particularly in the Information Technology (IT) sector), and to address the trade imbalance between the two nations.

To that end, Trump implemented roughly \$300 billion in tariffs on Chinese imports, including residential washing machines, steel, solar panels, flat-panel televisions, medical devices, satellites, and over one thousand other categories of products. Trump then imposed a further \$250 billion in tariffs on similar products and industries. Unsurprisingly this action prompted retaliation from the Chinese, who swiftly imposed similar tariffs on American imports of soybeans, livestock and poultry, aluminum, steel piping, airplanes, and auto vehicles. The retaliatory tariffs amounted to roughly \$190 billion, according to data by China Briefing. In 2020, the US and Chinese trade representatives agreed to a trade deal, specifically a "phase one" whereby the US and China lift the previously imposed tariffs, opting for more balanced terms and stricter adherence to copyright infringement and intellectual property theft laws. In addition, amid the ongoing COVID-19 pandemic, the US Trade Representative Robert Lighthizer shifted the focus of "phase one" toward a free flow of medical products and machines to ensure supply chains flow, thereby boosting efforts to combat the pandemic.

Much outcry is directed at the major trade deficit the United States has with China. According to the United States Trade Representative website, the US goods trade deficit with China was \$345.0 billion in 2019, a 17.6% decrease (\$73.7 billion) from 2018. The United States had a services trade surplus of an estimated \$36 billion with China in 2019, down 4.1% from 2018. It is important that while the US negotiating position may be strong, we cannot afford to alienate the Chinese during future negotiations. China remains the third-largest importer of US agricultural products, totaling \$14 billion in 2019, with soybean exports alone accounting for \$8 billion.

The Future of the Sino-American Relationship

The election of Joseph R. Biden in November 2020 yielded a sign of relief to many Americans and many of the United States' longstanding allies. To many, it meant the end of the protectionism implemented by President Trump; to others, it meant the end of a culture of divisiveness and petty grievances in politics. To arguably the most consequential region in geopolitics, it meant that change was coming. Such like the man who led the nation when he was Vice President, Barack Obama, President Biden believes in a policy of constructive engagement with hedging. His campaign promises included being "tough" with China, not letting China dictate terms to the US, and engaging with China while not being afraid to draw a line in the sand.

The revival of the "Pivot to Asia" strategy by the Biden administration signals the resurgence of the United States' influence on the Asia Pacific region and its readiness to face the Chinese "threat," with plans for an intensified military and economic presence to forward US interests.

For many geopolitical analysts, this is a very hawkish move. Indeed many have also gone on to say that Obama's biggest foreign policy blunder was the "pivot" toward Asia. Heightened military tensions have persisted in the region following the massive troop deployments to Brunei, Australia, Japan, and Korea under the Obama administration. In a sense, the goal of the Obama administration was exactly this; moving to contain future Chinese aggression by preparing the appropriate personnel and equipment in the region. Nonetheless, an equally important goal of the "pivot" was certainly to engage with China more constructively. As of yet, this goal is certainly

not being met. Much of the initial plan centered on increases in both military aid and private investment to build up the poorer nations in the Asia-Pacific region.

Under the Trump Administration, tensions reached an all-time high, and the quality of the relationship suffered immeasurably. Furthermore, the COVID-19 pandemic further destabilized relations as the Trump administration flagrantly blamed China for the pandemic, going so far as to say they intentionally engineered and disseminated the pandemic.

There is much that the Biden administration could do if it wanted to successfully normalize relations with China. Chief among that actions it could take is returning to the spirit of the "pivot" to Asia. Re-engagement and reaffirming their positions and leadership in multilateral bodies focusing on the Asia-Pacific region. One such example would be international finance institutions that exist to promote national and transnational development. Given the US's significant shareholder position in institutions such as the World Bank Group, the International Monetary Fund, and the Asia Development Bank, it would be wise for them to use the tools at their disposal to reinvest in the Asia-Pacific region. Moreover, given the bylaws and conditionalities that are at the heart of international finance institutions, the US could help spur investment in the respective private sectors of East and Southeast Asian countries.

Furthermore, they could ostensibly contribute to the deregulation and liberalization of various sectors, including basic services. This would go a long way in proving that the Chinese model for economic success is not the only option available to them. However, the biggest impact this course of action might have is that it would counter the large-scale investment made by China via the Belt & Road Initiative while promoting a neoliberal agenda.

Central to the Biden effort will be that which the Bush and Obama administrations started long before. While Biden has said that he hopes for a more conducive and constructive relationship with China, those around him have made it clear that they want to continue hedging through a containment policy. Given the continued US presence in the region, the US might offer assistance with infrastructure development and military aid, thereby strengthening alliances and offering a clear signal to China that it does not intend to lose that which it spent over half a century trying to build.

According to Campbell, partnerships will be made in the field of military deterrence, infrastructure investment, trade, and human rights. With the US allies in Europe and Asia, they will be signing new treaties and agreements in order to counter the Chinese “threat.”

Naturally, any future partnerships, military or otherwise, will have to go beyond the Quadrilateral Security Dialogue of Japan, India, Australia, and the United States. The US might look to form new partnerships or coalitions with other regional actors who have come into direct contention with the growing Peoples Republic of China. Countries such as Vietnam, Indonesia, and Malaysia have all come into conflict, albeit not militarily, with China over its territorial claims in the South China Sea. The new administration could potentially unveil its own mass investment program to establish and strengthen these ties. It is worth noting that this seems rather unlikely in the near future, given the massive domestic investment made in response to the COVID-19 pandemic and the related economic downturn. In the meantime, as mentioned above, solidifying its role in the various international financial institutions could serve as a band-aid solution.

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